



CITY of CALABASAS

CITY COUNCIL AGENDA REPORT

DATE: NOVEMBER 30, 2016

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: DR. GARY J. LYSIK, CHIEF FINANCIAL OFFICER

SUBJECT: ADOPTION OF RESOLUTION NO. 2016-1538, RESCINDING RESOLUTION NO. 2005-966 AND ESTABLISHING THE AMOUNT AND PROCEDURE FOR HEALTH BENEFIT REIMBURSEMENT FOR MANAGEMENT RETIREES.

MEETING DATE: DECEMBER 14, 2016

SUMMARY RECOMMENDATION:

Staff recommends that Council adopts Resolution No. 2016-1538, rescinding Resolution No. 2005-966 and establishing the amount and procedure for health benefit reimbursement for management retirees.

BACKGROUND:

In November 2016, Council liaisons and staff met to discuss revamping the current health benefit reimbursement policy for Management Retirees. To ensure the intent of the original policy, the discussion resulted in five main policy enhancements:

1. Eligibility requirements for both Councilmembers and other Management Retirees were clarified;

2. The benefit would commence when the Management Retiree retires from PERS. Under the revised policy, there would no longer be a requirement for concurrent retirement from both the City and PERS;
3. The previous minimum age requirement of 55 has been removed. Under the revised policy, only retirement from PERS is required, without any other age restrictions being applied;
4. The benefit amount will be adjusted annually to reflect the actual Medicare rate for PERS Choice, for "employee & 1 dependent", as identified in the *Monthly Premiums for Contracting Agencies* report distributed by PERS; and
5. Following the death of a Management Retiree, the benefit amount paid to the surviving dependent, if one exists, will reflect the actual Medicare rate for PERS Choice, for "employee only", as identified in the *Monthly Premiums for Contracting Agencies* report distributed by PERS, until the time of his/her death, or until he/she marries.

FISCAL IMPACT / SOURCE OF FUNDING:

Based on the monthly premiums for 2017, there would be a total cost increase to the City in the amount of \$131.32 per month.

This benefit is currently, and will remain an expense of the General Fund.

REQUESTED ACTION:

Adopt Resolution No. 2016-1538, rescinding Resolution No. 2005-966 and establishing the amount and procedure for health benefit reimbursement for management retirees.

ATTACHMENTS:

Resolution No. 2016-1538