



CITY COUNCIL AGENDA REPORT

DATE: OCTOBER 5, 2020

TO: HONORABLE MAYOR AND COUNCILMEMBERS

FROM: JOHN BINGHAM, ADMINISTRATIVE SERVICES MANAGER

SUBJECT: ADOPTION OF RESOLUTION NO. 2020-1705, ESTABLISHING

EMPLOYEE FLEX CREDIT AMOUNTS FOR 2021 AND RESCINDING

RESOLUTION NO. 2019-1646

MEETING

DATE:OCTOBER 14, 2020

SUMMARY RECOMMENDATION:

That the City Council approve the adoption of Resolution No. 2020-1705, establishing employee flex credit amounts for calendar 2021 benefits and rescinding Resolution No. 2019-1646.

BACKGROUND:

The City has traditionally chosen to provide the full cost of medical premiums, up to the mid-tier PERS Choice health plan, for full-time City employees and Councilmembers, plus any eligible dependents. The City has also provided for the full cost of dental insurance, vision insurance, life insurance, short term/long term disability insurance, and an employee assistance program (EAP). Insurance premiums fluctuate each year, necessitating approval of premium costs and payment caps by the City Council on an annual basis.

DISCUSSION/ANALYSIS:

The credit amount that employees are allocated for the upcoming year will be increased based on the fact that the cost of health insurance premiums influencing

our flex credit amounts are rising by 7.17% for calendar year 2021. There is no change in the vision premiums and the cost of dental premiums are decreasing by 1.3%.

FISCAL IMPACT/SOURCE OF FUNDING:

The cost for health benefits is already calculated in the 2020-2021 operating budget.

REQUESTED ACTION:

It is requested that the City Council approve adoption of Resolution No. 2020-1705.

ATTACHMENTS:

Resolution No. 2020-1705