




**CITY of CALABASAS**

**CITY COUNCIL AGENDA REPORT**

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**DATE:** AUGUST 9, 2022

**TO:** HONORABLE MAYOR AND COUNCILMEMBERS

**FROM:** RON AHLERS, CHIEF FINANCIAL OFFICER 

**SUBJECT:** ADOPTION OF RESOLUTION NO. 2022-1810 OF THE CITY COUNCIL OF THE CITY OF CALABASAS, APPROVING A BENEFITS PROGRAM FOR FULL-TIME PERMANENT EMPLOYEES AND RESCINDING RESOLUTION 2022-1795.

**MEETING DATE:** AUGUST 24, 2022

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**SUMMARY RECOMMENDATION:**

Staff recommends City Council adopt Resolution No. 2022-1810 approving a benefits program for full-time permanent employees and rescinding resolution 2022-1795.

**BACKGROUND:**

The City of Calabasas (City) contracts with the California Public Employees Retirement System (CalPERS) to provide medical insurance benefits for: City Council, full-time city employees and city retirees who elect to remain in the CalPERS medical insurance program.

Each year the CalPERS Board of Administration (Board) reviews the medical insurance program and makes changes to: insurance providers, rates, coverage and regions. The CalPERS Board made changes to the medical insurance premiums for calendar year 2023.

**DISCUSSION/ANALYSIS:**

Staff is recommending a few changes to the Benefits Program resolution.

**Section 8 Medical Insurance:** For employees hired prior to January 1, 2022, current policy allows an employee to choose various medical insurance plans. The City pays 100% of the premium for medical plans up to the premium for CalPERS PPO Platinum plan. If an employee chooses a plan which costs less than the CalPERS PPO Platinum plan then the employee can receive “cash back” for the difference in the dollar amounts. The “cash back” limit is decreasing for calendar year 2023 to a specific dollar amount: \$250.00 for employee only, \$550.00 for employee plus one and \$700.00 for employee plus multiple dependents. Staff recommends the City reduce the “cash back” dollar amounts over the next few years and instead focus on increasing full-time positions salary for compensation purposes.

**Section 14 Floating Holiday:** Clarification language stating floating holiday hours lapse at June 30<sup>th</sup> and they are not eligible to be cashed out upon termination.

**FISCAL IMPACT/SOURCE OF FUNDING:**

The FY 2022-23 budget estimates the amount spent each year for medical insurance coverage, including the cash back component. The increase between 2022 PERS Platinum and 2023 PERS Platinum is 15% or approximately: \$132 for single, \$265 for two-party and \$344 for family (monthly dollar amounts).

**REQUESTED ACTION:**

Staff recommends that the City Council adopt Resolution No. 2022-1810.

**ATTACHMENT:**

Resolution No. 2022-1810