

City of Brisbane

Agenda Report

To: City Council via City Manager

From: Maria Saguisag-Sid
Principal Analyst

Subject: Adoption of Resolution 2016-42 Delineating and Reaffirming City Council Eligibility and Participation in Health and Welfare Benefits Program

Date: Meeting of October 20, 2016

Purpose:

To provide residents of Brisbane compensation for time served on the City Council as well as ensure all residents know the amount Council Members receive in compensation.

Recommendation:

Adopt Resolutions 2016-42

Background and Discussion:

Citizens elected to City Council are eligible to receive a monthly salary as well as health and welfare benefits and allowances for reasonable expenses. Health and welfare benefits are: health insurance, dental insurance, vision insurance (all of these include Council Members and dependents), access to the City's employee assistance program and as an option Council Members are eligible to participate in the CalPERS retirement program. The City provides an, auto, cellular phone and internet allowance to reimburse members for expenses associated with their time on Council.

According to California Code Section 36516 (a)(4)(d), "Any amounts paid by a city for retirement, health and welfare, and federal social security benefits shall not be included for purposes of determining salary under this section provided that the same benefits are available and paid by the city for its employees." Historically, the benefit contribution rates for health premiums that have been approved for non-safety bargaining units in their Memorandum of Understanding (MOUs) have been offered to the City Council as part of their health and welfare benefit. In July and September 2016, the City Council approved MOUs for all bargaining groups. Therefore, the City Council is allowed to increase its Health and Welfare benefits to match this latest agreement. Resolution 2016-42 provides the same health and welfare benefits to the City Council the City provides to the General Employees bargaining group.

Fiscal Implications

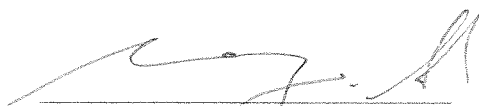
The 4% increase was anticipated at the time of the budget and is included in the currently adopted 2 year budget. Future increases will be included in the next budget which will be reviewed and adopted in June 2018.

Measure of Success

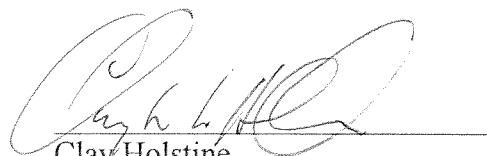
The City continues to have a number of qualified residents run for City Council and all residents know the amount of Council compensation.

Attachments:

Resolution 2016-42



Maria Saguisag-Sid
Principal Analyst



Clay Holstine
City Manager

RESOLUTION 2016-42

**A RESOLUTION OF
THE CITY COUNCIL OF THE CITY OF BRISBANE
DELINEATING AND REAFFIRMING CITY COUNCIL ELIGIBILITY AND
PARTICIPATION IN HEALTH AND WELFARE BENEFITS PROGRAM
OF THE CITY OF BRISBANE**

WHEREAS, according to State Law California Code Section 36516 (a)(4)(d) members of the City Council of the City of Brisbane are eligible to participate, and in certain aspects of the health and welfare benefits program of the City of Brisbane; and

WHEREAS, historically, said program costs have been regularly included within and approved as part of the budget of the City of Brisbane; and

WHEREAS, the health and welfare benefits afforded to members of the City Council are set forth in Exhibit "A," which is attached hereto; and

WHEREAS, the City Council now desires to delineate and reaffirm those health and welfare benefits of which members of the City Council now and in the future shall be eligible.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Brisbane, as follows:

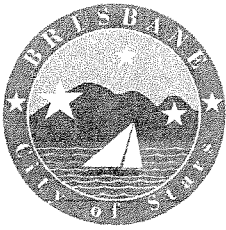
1. That certain document entitled "Council Benefits Summary" marked as Exhibit "A," and attached hereto and by this reference incorporated herein, is hereby approved and adopted.
2. The health and welfare benefits set forth in Exhibit "A," as may be amended from time to time, shall be afforded to members of the City Council.
3. This resolution shall be effective upon the date of its adoption.

CLIFFORD R. LENTZ
Mayor

I hereby certify that the foregoing Resolution 2016-42 was duly and regularly adopted at a regular meeting of the Brisbane City Council on October 20, 2016, by the following vote:

AYES:
NOES:
ABSENT:

INGRID PADILLA
Interim City Clerk



Council Benefit Summary

California Public Employees Retirement System (CalPERS) – Council Members shall be entitled to participate in the CalPERS retirement system. The City will contribute the Employer’s portion and the Council Member will contribute the employee portion. There are three tiers for retirement.

- Tier I – Council Members elected prior to July 1, 2008.
 - 2.7% @ 55 formula, Council Member pays 8% member contribution
- Tier II – Council Members elected either a) after July 1, 2008 or b) after January 1, 2013 and determined by CalPERS to be “Classic” members due to prior CalPERS membership.
 - 2.0% @60 formula, Council Member pays 7% member contribution
- Tier III – Council Members elected after January 1, 2013 determined by CalPERS to be “New” members.
 - 2.0% @62 formula, Council Member pays ½ of normal cost as member contribution, currently at 6.25%.

Health Insurance – Council Members shall be entitled to health insurance for self and eligible dependents provided by the City. The plans offered shall be those of the CalPERS Health Program. The City will contribute the minimum employer health premium contribution for active members as set by CalPERS annually, currently at \$125 for 2016 and \$128 for 2017.

Flexible Compensation Plan – Council Members shall be entitled to participate in the Flexible Compensation Plan for allocation to health insurance. Excess after application to health insurance may be allocated to Medical or Dependent Care Flexible Spending Accounts or received as a cash distribution.

The City’s contribution toward the Flexible Compensation Plan will be set at the following amounts beginning July 1, 2016:

No Plan	\$537.46
Single party	\$660.30
Two party	\$1,448.06
Family	\$1,920.75

Effective December 1, 2016, the City’s contribution toward the Flexible Compensation Plan will be increased by 4% to the following amounts:

No Plan	\$558.96
Single party	\$686.71
Two party	\$1,505.98
Family	\$1,997.58

Effective December 1, 2017, the City's contribution toward the Flexible Compensation Plan will be increased by 4% to the following amounts:

No Plan	\$581.32
Single party	\$714.18
Two party	\$1,566.22
Family	\$2,077.48

Effective December 1, 2018, the City's contribution toward the Flexible Compensation Plan will be increased by 4% to the following amounts:

No Plan	\$604.57
Single party	\$742.75
Two party	\$1,628.87
Family	\$2,160.58

Dental Insurance – Council Members and their eligible dependents shall be entitled to participate in the dental insurance provided by the City.

Vision Care Insurance – Council Members and their eligible dependents shall be entitled to participate in the vision care service plan provided by the City.

Automobile Allowance – Council Members shall be entitled to receive an auto allowance of \$300 monthly.

Cellular Allowance – Council Members shall be entitled to receive a cellular allowance of \$50 monthly.

Internet Allowance – Council Members shall be entitled to receive an internet allowance of \$50 monthly.

Deferred Compensation Plan – Council Members shall be eligible to participate in one of the City's 457 deferred compensation plans on a voluntary basis.

Employee Assistance Program – Council Members and their eligible dependents shall be eligible to use the City's employee assistance program.