

RESOLUTION NO. 24.067

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH, CALIFORNIA, RELATING TO HEALTHCARE BENEFITS (MEDICAL, DENTAL, VISION, EAP, AND LIFE INSURANCE) FOR CITY COUNCILMEMBERS, TO COMMENCE UPON THE DATE OF INSTALLATION OF CITY COUNCILMEMBERS FOLLOWING THE 2024 GENERAL MUNICIPAL ELECTION

WHEREAS, the Laguna Beach County Water District is a subsidiary district of the City of Laguna Beach and under the law governing subsidiary districts, the City Council therefore serves as the legislative body (*i.e.*, the Board of Directors) of the District, as well as the legislative body of the City; and

WHEREAS, historically, the District has provided healthcare benefits (*i.e.*, medical, dental, vision, Employee Assistance Program (“EAP”)and life insurance benefits) to the Board of Directors and the City has provided compensation to the City Council in the form of a monthly stipend (\$908); and

WHEREAS, at a Board meeting of the District earlier this year, the Board gave direction for the District to cease providing the Board’s healthcare benefits so that the City could instead provide them to ensure ratepayer equity at the District; and

WHEREAS, the City will now offer City Councilmembers healthcare benefits, including medical, dental, vision, EAP, and life insurance while they are in Office; and

WHEREAS, California Government Code section 36516(d) provides that any amounts paid by the City for retirement, health and welfare, and federal social security benefits shall not be included for purposes of determining the maximum City Council salary limitation set forth in California Government Code Section 36516(a), which is based upon the estimated population of the City as determined by the State Department of Finance, provided that the same benefits are

available and paid by the City for its employees; and

WHEREAS, the benefits provided in this Resolution for all members of the City Council are the same healthcare benefits that are available and paid by the City for the City's management employees; and

WHEREAS, the City Council desires to have a separate resolution providing healthcare benefits for members of the City Council so that any future increases in the healthcare benefits available and paid by the City for the City's management employees will not automatically be available or apply to members of the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAGUNA BEACH AS FOLLOWS:

SECTION 1. Incorporation of Recitals. The recitals set forth above are true and correct and are incorporated herein.

SECTION 2. Benefits Consistent with Employee Benefits. In accordance with Government Code Sections 36516(d) and 53200 *et seq.*, this Resolution (1) authorizes the City to provide the identified health and welfare benefits, which are comprised of medical, dental, vision, EAP, and life insurance, to Councilmembers; (2) requires that those benefits be provided pursuant to group policies utilized by the City for its employees; (3) limits the City's contribution toward Councilmember benefits to an amount that is no more generous than the most generous tier of benefits provided to non-safety employees and identifies; and (4) confirms that Councilmembers cannot be offered cash-in-lieu of health benefits, despite that such benefit is available to employees.

SECTION 3. Medical/Health Benefits for Councilmembers. The City shall provide medical, dental, vision, EAP and life insurance plans for the benefit of all members of the City Council and their dependents, as follows:

- A. Medical Insurance. The City shall pay 100% of the premium for the Councilmember's medical insurance and 90% for the Councilmember's eligible dependents enrolled in the medical plan. Currently, the City's medical insurance provider is Cigna.
- B. Dental Insurance. The City shall pay 100% of the premium for the Councilmember's dental insurance and 90% for their eligible dependents. Currently, the City's dental insurance provider is Delta Dental.
- C. Vision Insurance. The Councilmember shall pay 100% of the premium for the Councilmember's vision insurance and their eligible dependents. Currently, the City's vision insurance provider is VSP.
- D. EAP Services. The City shall pay 100% of the cost for the Councilmember's EAP services. Currently, EAP Services are provided through Cigna.
- E. Life Insurance. The City shall pay 100% of the cost for the Councilmember's Life Insurance coverage for a policy in the amount of \$50,000. Currently, life insurance is provided through New York Life Insurance Company.

Notwithstanding the identification of the aforementioned insurance providers for each above-referenced benefit, in the event the City changes insurance providers and obtains group policies with a new provider that is made available to the City's management employees, the members of the City Council will be automatically entitled to the same insurance policy with the new provider without further amendment of this Resolution. Further, in the event the City reduces for its management employees the City's contributions on the premiums for any of the above-referenced medical/health benefits, the premiums for the members of the City Council will be correspondingly automatically reduced to the amount commensurate with the management employees without requiring further amendment of this Resolution.

SECTION 4. 36516(d) Compliance. In compliance with California Government Code Section 36516(d), the amounts paid by the City for healthcare benefits for City Councilmembers shall not exceed the amounts paid by the City for medical/health benefits for City management employees. In the event any such benefit herein provided for members of the City Council exceeds the amount of any commensurate benefit paid by the City for City management employees, such benefit shall be correspondingly reduced commensurate with the amount paid for the same benefit provided to the City's management employees.

SECTION 5. No In-Lieu Benefits. Notwithstanding that the City provides cash in-lieu benefits to its employees, such benefit shall not be provided to any members of the City Council.

SECTION 6. Attestation. The City Clerk shall attest as to the adoption and execution of this Resolution and cause the same to be maintained in the permanent records of the City.

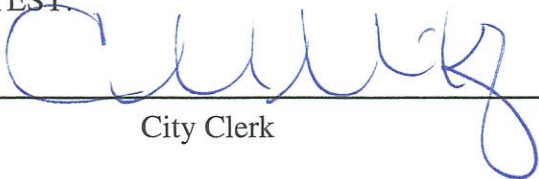
SECTION 7. Effective Date. This Resolution will take effect following the certification of the election results for the upcoming 2024 General Municipal Election.

ADOPTED this 13th day of August, 2024.



Sue Kempf, Mayor

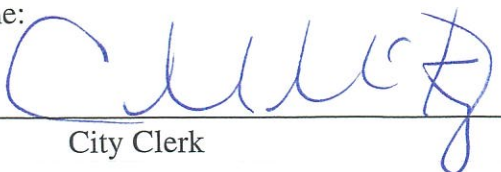
ATTEST:



City Clerk

I, ANN MARIE MCKAY, City Clerk of the City of Laguna Beach, California, do hereby certify that the foregoing Resolution No. 24.067 was duly adopted at a Regular Meeting of the City Council of said City held on August 13, 2024, by the following vote:

AYES: COUNCILMEMBER(S): Orgill, Weiss, Whalen, Rounaghi, Kempf
NOES: COUNCILMEMBER(S): None
ABSENT: COUNCILMEMBER(S) None:



City Clerk