



Agenda Report

May 19, 2025

TO: Honorable Mayor and City Council

FROM: Human Resources Department

SUBJECT: ADOPT A RESOLUTION ELECTING TO BE SUBJECT TO THE PUBLIC EMPLOYEES' MEDICAL AND HOSPITAL CARE ACT FOR MEMBERS OF THE NON-PERS ELECTED OFFICIALS GROUP, FOR THE PURPOSE OF RECEIVING MEDICAL BENEFITS THROUGH THE CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action in the agenda report is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) "Common Sense" exemption; and
2. Adopt a Resolution electing to be subject to the Public Employees' Medical and Hospital Act (PEMHCA) for members of the Non-PERS Elected Officials group, for the purpose of receiving medical benefits through the California Public Employees' Retirement System (CalPERS).

BACKGROUND:

Pasadena Municipal Code 2.05.220 states that the Mayor and each member of the City Council shall be eligible to participate in the City's health and welfare benefits, as defined in Government Code Section 53200(d), on the same terms and under the same provisions as apply to executive management employees of the City.

Elected officials are offered optional membership to CalPERS. If a member of the City Council does not elect membership in CalPERS while serving a term, the individual is deemed a "non-PERS" member.

The City of Pasadena contracts with CalPERS for medical benefits for its employees, which does not currently include elected officials who are "non-PERS" members. To offer medical benefits for non-PERS elected officials pursuant to PMC 2.05.220, the City must adopt a resolution for "Non-PERS Elected Officials" regarding medical benefits.

ENVIRONMENTAL ANALYSIS:

The proposed action is exempt from the CEQA pursuant to State CEQA Guidelines Section 15061 (b) (3), the "common sense" provision of CEQA (formerly the general rule), which applies to projects which may have the potential for causing a significant effect on the environment. The proposed action will not result in any new development or physical changes.

COUNCIL POLICY CONSIDERATION:

Approval of staff's recommendation supports the City Council's strategic goal of maintaining fiscal responsibility and stability by ensuring compliance with the Municipal Code with respect to equitable health and welfare benefits for City Councilmembers.

FISCAL IMPACT:

Approval and implementation of the resolution will have a fiscal impact of up to \$12,924.30 in the first half of Fiscal Year 2026, from July through December (depending on single, two-party or family level coverage selected). The cost for the remainder of the fiscal year (January through June) will not be known until the City is notified by CalPERS of rates for calendar year 2026. The cost will be absorbed by the Benefits Fund (504), and staff will monitor expenses and request additional appropriations during the fiscal year if necessary.

Respectfully submitted,



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Director of Human Resources

Prepared by:



Vanna R. Lesh
Benefits Administrator

Approved by:



MIGUEL MÁRQUEZ
City Manager

Attachments:
Attachment A – Resolution