

| TITLE | DATE | ORIGINATING DEPT./DIV. | SPONSOR OR COUNCIL MEMBER |
|---|-------------|-------------------------------|----------------------------------|
| An Ordinance to amend Section 66-141 of Chapter 66 Personnel, Article III Health Benefits for the City of Shreveport Code of Ordinances relative to contributions by active employees and city and to otherwise provide with respect thereto. | 11/4/21 | Finance/Administration | |

PURPOSE

To amend the Code of Ordinances relative to health benefits rate of contribution for active employees and the City so that it will be consistent with 2022 proposed rates. This Ordinance will change the dollar amount contributed by both the employee and the City relative to the contribution amount for 2021.

This Ordinance or Resolution will have direct impact on Council District: **All**

BACKGROUND INFORMATION

For the year 2021, the City's percentages of contribution to the health care trust fund is 74 percent; and the eligible active employees' contribution is 26 percent for the base plan. The City contributes 85 percent, and the eligible active employee contributes 15 percent for the high deductible plan.

For the year 2022, the City desires to decrease the employer contribution by 5 percent to gradually bring the contribution rates in compliance with the Code of Ordinances. This amendment would make the City's contribution 80 percent and the eligible active employees' contribution 20 percent for the least benefit plan (high deductible); and for the richest benefit plan (base plan) the City will contribute 65 percent and the eligible active employee will contribute 35 percent.

TIMETABLE

Introduction: **November 4, 2021**

Final Passage: **November 19, 2021**

SPECIAL PROCEDURAL REQUIREMENTS

None

FINANCES**SOURCE OF FUNDS****CONCLUSION**

FACT SHEET PREPARED BY: Kasey Brown, Interim CFO

ORDINANCE NO. 183 OF 2021

AN ORDINANCE TO AMEND SECTION 66-141 OF CHAPTER 66 PERSONNEL, ARTICLE III HEALTH BENEFITS FOR THE CITY OF SHREVEPORT CODE OF ORDINANCES RELATIVE TO CONTRIBUTIONS BY PARTICIPATING EMPLOYEES AND CITY AND TO OTHERWISE PROVIDE WITH RESPECT THERETO.

BY:

WHEREAS, Article III of Chapter 66 of the Code of Ordinances establishes a health care trust fund and places it under the management and oversight of the board of trustees of the health benefits plan, and

WHEREAS, the board establishes contribution rates for various classes of participants, and

WHEREAS, the existing ordinance states that if the city offers two or more alternative health care delivery programs, the city shall contribute an amount equal to 70% of the *lowest* rate for that tier or classification, and

WHEREAS, for the year 2021, the City contributes 74% for the base plan and 85% for the high deductible plan, and

WHEREAS, the board of trustees for the health benefits plan has been advised that the City's current rate of contribution is not in compliance with current ordinance, and

WHEREAS, board of trustees desire to amend section 66-141 of the Code of Ordinances.

NOW, THEREFORE BE IT ORDAINED by the City Council of the City of Shreveport, Louisiana in due, legal and regular session convened, that Section 66-141 of Chapter 66 Personnel, Article III Health Benefits for the City of Shreveport Code of Ordinances is hereby enacted to read as follows:

* * *

Sec. 66-141. - Contributions by participating employees and city; changes in benefits; administrative expenses, etc.

* * *

(b) (2) For the year 2011 and thereafter, except the year 2021 and 2022, which contributions shall be as stated below in subsection (3) and (4), respectively, the percentages of contribution to the health care trust fund required for each eligible active employee's coverage and for dependent coverage shall be as follows: The city shall contribute 70 percent; and the eligible active employee shall contribute 30 percent. In the event there are two or more alternative health care delivery programs, the city shall contribute an amount equal to 70 percent of the lowest rate for that tier or classification.

* * *

(b) (4) For the year 2022, the percentages of contribution to the health care trust fund required for each eligible active employee's coverage and for dependent coverage shall be as follows: The city shall contribute 65 percent; and the eligible active employee shall contribute 35 percent for the richest benefit plan (base plan). The city shall contribute 80 percent; and the eligible active employee shall contribute 20 percent for the least benefit plan (high deductible plan).

BE IT FURTHER ORDAINED that if any provision or item of this ordinance or the application thereof is held invalid, such invalidity shall not affect other provisions, items, or applications of this ordinance which can be given effect without the invalid provisions, items, or applications, and to this end; the provisions of this ordinance are hereby declared severable.

BE IT FURTHER ORDAINED that all ordinances or parts thereof in conflict herewith are hereby repealed.

THUS DONE AND ORDAINED by the City Council of the City of Shreveport, Louisiana.

APPROVED AS TO LEGAL FORM:

City Attorney's Office