



# MEMORANDUM

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## Health Insurance Renewal 2025

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor Lord and City Council  
**Date:** May 12, 2025  
**From:** Aaron Glidden, Chair, Employee Committee  
**Through:** Melissa Jacobsen, City Manager

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### Summary:

The Employee Committee respectfully requests the renewal of the City's existing healthcare plan, and that Employee out-of-pocket premiums stay the same.

### Background:

The Employee Committee met on April 30, 2025 and reviewed the proposed cost increases along with options to the existing plan. Each member took information back to their respective departments to obtain feedback on preferences. The Employee Committee then met on May 7, 2025 to disseminate the department feedback.

The Employee Committee recognizes the budgetary hardship caused by the shortfall of sales tax revenue for the upcoming fiscal year. We understand the need to curb costs and manage the budget as efficiently as possible, but hope that the Council can find a way to do this without placing an undue burden on the employees.

A negative change to the healthcare plan is essentially a reduction in benefits, and an increase in premiums is effectively a pay cut that employees will feel in their day-to-day lives. This, unfortunately, has been the trend in recent years.

### Recommendation:

The Employee Committee recommends that the Council secure the funds to renew our existing healthcare plan, and keep our monthly premiums as they are.