
Santa Barbara Local Agency Formation Commission

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May 6, 2021 (Agenda)

RECOMMENDATION

Approve LAFCO health care contribution rates for Executive Officer Mike Prater at \$811.78 per month for 2020 and \$854.78 per month for 2021 and authorize reimbursement to Mr. Prater for under reimbursement for past months for a total of \$2,241.76.

DISCUSSION

When the Commission approved the Executive Officer's contract on November 5, 2020, the Commission committed to providing health care and pension benefits on par with an entry level department head with the County of Santa Barbara. Section 8 "Benefits", of the contract states ". . . LAFCO will provide Executive Officer with all benefits from a group plan for hospital, surgical, medical, vision and dental insurance or programs, or for such other comparable job benefits that are afforded to management employees of the County of Santa Barbara." Further, Section 8(B) provides Mr. Prater may directly obtain health care benefits and seek reimbursement for such expenses from LAFCO, "subject to the employer contribution limits applicable to management employees of the County of Santa Barbara."

A misinterpretation occurred, however, when information was obtained from the County regarding the appropriate rate. What was thought to be County's monthly contribution of \$405.89 was actually the bi-monthly contribution rate. The monthly rate for 2020 was \$811.78.

Additionally, in December 2020, the County increased its bi-monthly health care contribution to \$427.39, effective January 1, 2021. The monthly contribution is now \$854.78. This increase was not known to LAFCO until recently.

Mr. Prater's contract became effective November 22, 2020. For 2020, Mr. Prater was under reimbursed \$507.68 for health care expenses. And for 2021, through to and including April, Mr. Prater was under reimbursed \$1,734.08. He is therefore due a total of \$2,241.76 reimbursement for past health care costs. And going forward, his monthly claim should be \$854.78 per month for medical, \$38.88 for dental, and \$20.00 for vision for a total of \$913.66.

Please contact me if you have any questions or comments on this matter.

Sincerely,



William M Dillon

LAFCO Counsel