

PERSONNEL, AUDITS, AND HIRING COMMITTEE REPORT relative to the LAwell Program Employee Benefits Trust Fund review for Fiscal Year (FY) 2022-23.

Recommendation for Council action:

NOTE and FILE the September 22, 2023 Personnel Department report relative to the LAwell Program Employee Benefits Trust Fund review for FY 2022-23, attached to the Council File. Recommendation for Council action:

Fiscal Impact Statement: Not applicable.

Community Impact Statement: None submitted.

Summary:

On October 3, 2023, your Committee considered a September 22, 2023 Personnel Department report relative to the LAwell Program Employee Benefits Trust Fund review for FY 2022-23. According to the Personnel Department, it administers the City's LAwell Civilian Benefits Program (LAwell Program) for Management Benefits Committee (JLMBC). The JLMBC is composed of five management and five labor representatives. The JLMBC was created in 1990 by action of the City Council and Mayor for the purpose of determining what plans were to be included in the Civilian Benefits Program, defining the structure of benefit plans, and recommending service providers to the General Manager Personnel Department.

The mission of the LAwell Program is to promote employee health and wellness with competitive benefits at a reasonable level relative to the City's financial capacity. Currently, the LAwell Program covers approximately 25,000 employees and 33,000 dependents. On January 7, 1997, the City established an Employee Benefits Trust Fund (Trust Fund) under Los Angeles Administrative Code (LAAC) Division 5, Chapter 95 (Chapter 95). The purpose of the Trust Fund is for the receipt and retention of employer and employee contributions for the LAwell Program. The Trust Fund operates as a temporary pass-through account for the funding of premium payments to benefit service providers. Funding sources include General Fund and proprietary transfers for employer-paid costs, employee contributions for supplemental coverage, and interest earnings.

Other one-time potential revenue sources that have occurred in the past or may occur in the future include refunds of premiums from participating insurance contracts or legal settlements. The Trust Fund also issues payments to benefit service providers, salary reimbursements for positions authorized for reimbursement by the JLMBC, contractual service payments, travel, and internal administrative expenses. Chapter-Management Benefits Committee shall report to the City Council and the Mayor regarding and identifying all receipts into, and all expenditures out of, the Fund, as well as the purposes for which the expenditures were made. Each report shall cover a review of Trust Fund

activity and expenditures for FY 2022-23. After consideration and having provided an opportunity for public comment, the Committee moved to note and file the Personnel Department report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

Personnel, Audits, and Hiring Committee

COUNCILMEMBER	VOTE
McOSKER:	YES
PADILLA:	YES
SOTO-MARTINEZ:	YES

ARL

10/3/23

-NOT OFFICIAL UNTIL COUNCIL ACTS-