

## OJAI VALLEY SANITARY DISTRICT

A Public Agency

1072 Tico Road, Ojai, California 93023

(805) 646-5548 • FAX (805) 640-0842

[www.ojaisan.org](http://www.ojaisan.org)

### NOTICE TO THE OJAI VALLEY SANITARY DISTRICT BOARD OF DIRECTORS AND GENERAL PUBLIC

### AUGUST 3, 2021 PERSONNEL COMMITTEE MEETING AGENDA NOTICE ADDENDUM

The Ojai Valley Sanitary District Board of Directors will hold a Meeting of the Personnel Committee **Tuesday, August 3, 2021 at 5:00pm, via Webex.**

**IN RESPONSE TO THE DECLARED STATE AND LOCAL EMERGENCIES DUE TO THE NOVEL CORONAVIRUS, AND IN ACCORDANCE WITH THE CALIFORNIA GOVERNOR'S RECENT ORDER TO LIMIT INDOOR OPERATIONS AS A PRECAUTIONARY MEASURE TO HELP SLOW THE SPREAD OF COVID-19, THE OVSD HEADQUARTERS FACILITY ON TICO ROAD IS CLOSED TO THE PUBLIC. TO FIND OUT HOW YOU MAY ELECTRONICALLY ATTEND THE BOARD MEETING AND PROVIDE PUBLIC COMMENT PLEASE REFER TO PAGE 2 OF THIS AGENDA**

**When it's time, join your Webex meeting here.**

[Join meeting](#)

**More ways to join:**

**Join from the meeting link**

<https://ojaisan.webex.com/ojaisan/j.php?MTID=m560d246388b7b9985d9ac8339b7990e6>

**Join by meeting number**

Meeting number (access code): 1466 53 1521

Meeting password: rmAzTnJv722

**Tap to join from a mobile device (attendees only)**

[1-844-992-4726](tel:1-844-992-4726), [1466531521##](tel:1466531521) United States Toll Free

[+1-408-418-9388](tel:+1-408-418-9388), [1466531521##](tel:1466531521) United States Toll

**Join by phone**

1-844-992-4726 United States Toll Free

+1-408-418-9388 United States Toll

[Global call-in numbers](#) | [Toll-free calling restrictions](#)

**Join from a video system or application**

Dial [1466531521@ojaisan.webex.com](tel:1466531521@ojaisan.webex.com)

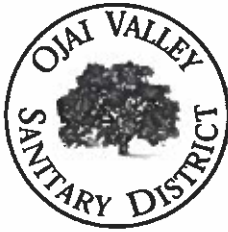
You can also dial 173.243.2.68 and enter your meeting number.

**Join using Microsoft Lync or Microsoft Skype for Business**

Dial [1466531521.ojaisan@lync.webex.com](tel:1466531521.ojaisan@lync.webex.com)

If you are a host, [click here](#) to view host information.

Need help? Go to <https://help.webex.com>



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### **MEETING OF THE BOARD OF DIRECTORS' PERSONNEL COMMITTEE**

Date & Time:  
August 3, 2021  
Tuesday, 5:00 p.m.

Location:  
OVSD Board Room/Webex  
1072 Tico Road, Ojai

Members  
John (Randy) Burg  
William M. Stone  
William Ulrich

### **AGENDA**

1. **Call the Meeting to Order**
2. **Public Comment - (Items not on the agenda - 3-minute limit)**

### **FOR DISCUSSION & RECOMMENDATION**

3. **[Cost-of-Living Salary Adjustment – Resolution No. 2021-09](#)**
4. **[Employee Benefits – Health Insurance- Resolution 2021-08](#)**

### **FOR DISCUSSION & REVIEW**

5. **Reports**
  - a. Committee Members pursuant to Government Code §54954.2
  - b. General Manager on District Activities related to this Board Committee.

A staff report providing more detailed information is available for most agenda items and may be reviewed in the District office during regular business hours. Copies of individual reports may be requested from Alison Young (646-5548).

ATTEST TO POSTING:

Alison Young, Clerk of The Board

**July 30, 2021 12:00 p.m.**  
Date & Time Posted At District Office

Memorandum

**Ojai Valley Sanitary District**

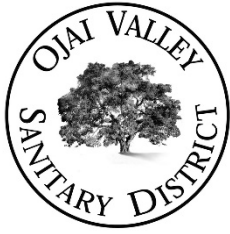
July 30, 2021

To: Personnel Committee – William Stone, William Ulrich and John (Randy) Burg  
From: Jeff Palmer – General Manager  
Subject: COST-OF-LIVING SALARY ADJUSTMENT – RESOLUTION NO. 2021-09

Attached is a **DRAFT letter** to the Board for the August 23<sup>rd</sup> Regular Board Meeting, requesting a 3.8 percent cost-of-living salary adjustment (COLA) effective with the first pay period in July beginning July 1, 2021.

The draft letter explains the computation of the CPI using the 12-month period ending February 2021, but also shows a significant rate of inflation between February 2021- June 2021 and is presented for your review.

If you have any questions or need additional information please call me at 646-5548.



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August 23, 2021

Board of Directors  
Ojai Valley Sanitary District  
Ojai, CA 93023

### COST OF LIVING SALARY ADJUSTMENT - RESOLUTION NO. 2021-09

District Staff annually reviews the Consumer Price Index (CPI) to determine the annual change in the cost of living. To be consistent, year to year the change in the CPI for the 12-month period ending February is used to determine the percentage, if any, of a cost of living salary adjustment that staff will recommend for all District employees, excluding the General Manager.

The CPI used for reference is prepared by the United States Department of Labor Bureau of Labor Statistics nationally and for 28 local areas. The Los Angeles Area CPI, included in this report, covers Los Angeles, Orange, San Bernardino, Riverside and Ventura Counties. A copy of the February 2020 to February 2021 report is enclosed.

After considering the February 2020 to February 2021 CPI, staff has also reviewed the CPI since February 2021. There is a significant and steady rate of inflation that has occurred from February 2021 to June 2021 and experts forecast this economic trend will continue throughout 2022. It is predicted CPI will reach 5% in the coming months. A copy of the March, April, May, and June reports are also enclosed.

This year the Bureau reports a 1.0 percent increase in the Area CPI for all urban consumers for the 12-month period ending February 2021. The Bureau reported a 2.2 increase in March, 3.6 in April, 3.9 in May and 4.0 in June. Calculations for February and June are below.

The percent change in the CPI for February is computed as follows:

CPI February 2021	281.347
CPI February 2020	<u>278.657</u>
	2.69

$$\frac{2.69}{278.657} = 0.00965344 = 1.0\% \text{ (rounded)}$$

Between February 2021 and June 2021, the percent change in the CPI is as follows:

CPI June 2021	289.218
CPI February 2021	<u>281.347</u>
	7.871
$\frac{7.871}{281.347}$	= 0.0279 = 2.8% rounded

The resulting CPI between February 2020 and June 2021 is 3.8%

The approved Budget included an allowance for a 2.5% CPI increase related to direct wages. The cost to the District for a cost-of-living adjustment of 3.8 percent is estimated at \$79,443 for direct wages and related benefits, excluding the General Manager. Direct wages are all employees' regular wages excluding any amounts included in the budget for extra help, standby wages, etc.

**BUDGET IMPACT:**

2021/22 Cost of Living Salary Adjustment		
Approved Budget 2021-2022 <u>(includes 2.5% increase)</u>	With Proposed 3.8% Salary <u>Increase</u>	Surplus/ <b>Deficit</b> <u>in Budget</u>
\$2,400,788	\$2,429,718	<b>\$28,930</b>

Management recommends that a cost-of-living adjustment in an amount equal to the February 2020 to June 2021 CPI (3.8 percent) be granted to District employees, excluding the General Manager, and the cost of this adjustment be included in the final Fiscal Year 2021-22 budget.

A cost-of-living adjustment was discussed with the Board's Personnel Committee at their August 3, 2021 meeting. The Committee >>>>>>>>>?

If the Board chooses not to grant a cost-of-living adjustment no further action is necessary; the current salary schedule, adopted March 22, 2021 will remain in effect.

**RECOMMENDATION:**

It is recommended the Board:

- a. Approve a 3.8 percent cost-of-living adjustment of salary ranges for all District employees, excluding the General Manager, and directing staff to include this adjustment in the final budget for fiscal year 2021-22.
- b. Adopt Resolution No. 2021-09, Adoption of the Ojai Valley Sanitary District Salary reflecting the 3.8 percent cost-of-living adjustment, Effective June 30, 2021.

- c. Adopt Budget Adjustment No. 2022-XX transferring \$28,930 From the Contingency & Stabilization Reserve to provide funding for the cost-of-living adjustment.

Jeff Palmer  
General Manager

**CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE  
FEBRUARY 2021**

(All items indexes. 1982-84=100 unless otherwise noted. Not seasonally adjusted.)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	1 Month ending	Year ending				1 Month ending		
	Feb 2020	Jan 2021	Feb 2021	Jan 2021	Feb 2021	Feb 2021	Feb 2020	Jan 2021	Feb 2021	Jan 2021	Feb 2021	Feb 2021
U. S. City Average.....	258.678	261.582	263.014	1.4	1.7	0.5	251.935	255.296	256.843	1.6	1.9	0.6
West.....	274.412	277.238	278.702	1.4	1.6	0.5	265.531	269.125	270.740	1.7	2.0	0.6
West – Size Class A <sup>1</sup> .....	283.592	285.948	287.470	1.2	1.4	0.5	273.365	276.575	278.288	1.6	1.8	0.6
West – Size Class B/C <sup>2</sup> .....	159.183	161.199	162.042	1.6	1.8	0.5	158.459	160.888	161.823	1.9	2.1	0.6
Mountain <sup>3</sup> .....	106.753	107.854	108.386	1.2	1.5	0.5	106.717	108.310	108.905	1.7	2.1	0.5
Pacific <sup>3</sup> .....	106.583	107.680	108.262	1.5	1.6	0.5	106.545	107.939	108.605	1.7	1.9	0.6
Los Angeles-Long Beach-Anaheim, CA.....	278.657	280.178	281.347	0.9	1.0	0.4	268.938	271.129	272.816	1.1	1.4	0.6

BI-MONTHLY DATA (Published for odd months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending	Year ending				2 Months ending		
	Jan 2020	Nov 2020	Jan 2021	Nov 2020	Jan 2021	Jan 2021	Jan 2020	Nov 2020	Jan 2021	Nov 2020	Jan 2021	Jan 2021
Riverside-San Bernardino-Ontario, CA <sup>3</sup> .....	107.143	108.626	109.550	1.9	2.2	0.9	107.580	109.021	110.204	2.1	2.4	1.1
San Diego-Carlsbad, CA.....	302.564	306.334	307.688	1.6	1.7	0.4	284.272	290.228	291.490	1.9	2.5	0.4
Urban Hawaii.....	283.683	286.872	287.634	1.6	1.4	0.3	280.946	284.293	284.959	1.8	1.4	0.2

BI-MONTHLY DATA (Published for even months)	Indexes			Percent Change			284.293 Indexes			Percent Change		
				Year ending	2 Months ending	Year ending	2 Months ending					
	Feb 2020	Dec 2020	Feb 2021	Dec 2020	Feb 2021	Feb 2021	Feb 2020	Dec 2020	Feb 2021	Dec 2020	Feb 2021	Feb 2021
Phoenix-Mesa-Scottsdale, AZ <sup>4</sup> .....	145.746	145.660	147.186	0.5	1.0	1.0	144.346	144.665	146.173	1.0	1.3	1.0
San Francisco-Oakland-Hayward, CA.....	299.690	302.948	304.387	2.0	1.6	0.5	292.010	295.687	297.170	2.2	1.8	0.5
Seattle-Tacoma-Bellevue, WA.....	282.115	283.409	286.950	1.4	1.7	1.2	278.081	279.308	282.795	1.6	1.7	1.2
Urban Alaska.....	226.510	227.259	229.478	0.3	1.3	1.0	224.731	226.615	229.145	1.1	2.0	1.1

1 Population over 2,500,000    2 Population 2,500,000 and under, Dec 1996 = 100    3 Dec 2017=100    4 Dec 2001=100

NOTE: In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI): [www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf](http://www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf)

1967=100 base year indexes and tables with semiannual and annual average data are available at: [www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm](http://www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm)

Release date March 10, 2021. The next release date is scheduled for April 13, 2021. For questions, please contact us at [BLInfoSF@bls.gov](mailto:BLInfoSF@bls.gov) or (415) 625-2270.



## CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE MARCH 2021

(All items indexes. 1982-84=100 unless otherwise noted. Not seasonally adjusted.)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending		1 Month ending				Year ending		1 Month ending
	Mar 2020	Feb 2021	Mar 2021	Feb 2021	Mar 2021	Mar 2021	Mar 2020	Feb 2021	Mar 2021	Feb 2021	Mar 2021	Mar 2021
U. S. City Average.....	258.115	263.014	264.877	1.7	2.6	0.7	251.375	256.843	258.935	1.9	3.0	0.8
West.....	273.995	278.702	280.625	1.6	2.4	0.7	265.211	270.740	272.841	2.0	2.9	0.8
West – Size Class A <sup>1</sup> .....	282.880	287.470	289.308	1.4	2.3	0.6	272.547	278.288	280.294	1.8	2.8	0.7
West – Size Class B/C <sup>2</sup> .....	159.129	162.042	163.257	1.8	2.6	0.7	158.553	161.823	163.169	2.1	2.9	0.8
Mountain <sup>3</sup> .....	106.621	108.386	109.308	1.5	2.5	0.9	106.715	108.905	110.009	2.1	3.1	1.0
Pacific <sup>3</sup> .....	106.411	108.262	108.947	1.6	2.4	0.6	106.376	108.605	109.363	1.9	2.8	0.7
Los Angeles-Long Beach-Anaheim, CA.....	276.589	281.347	282.648	1.0	2.2	0.5	266.964	272.816	274.097	1.4	2.7	0.5
BI-MONTHLY DATA (Published for odd months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending		2 Months ending				Year ending		2 Months ending
	Mar 2020	Jan 2021	Mar 2021	Jan 2021	Mar 2021	Mar 2021	Mar 2020	Jan 2021	Mar 2021	Jan 2021	Mar 2021	Mar 2021
Riverside-San Bernardino-Ontario, CA <sup>3</sup> .....	107.162	109.550	110.981	2.2	3.6	1.3	107.425	110.204	111.823	2.4	4.1	1.5
San Diego-Carlsbad, CA.....	302.589	307.688	315.035	1.7	4.1	2.4	285.543	291.490	298.292	2.5	4.5	2.3
Urban Hawaii.....	285.321	287.634	290.361	1.4	1.8	0.9	282.885	284.959	288.147	1.4	1.9	1.1
BI-MONTHLY DATA (Published for even months)	Indexes			Percent Change			284.293 Indexes			Percent Change		
				Year ending		2 Months ending	Year ending		2 Months ending			
	Feb 2020	Dec 2020	Feb 2021	Dec 2020	Feb 2021	Feb 2021	Feb 2020	Dec 2020	Feb 2021	Dec 2020	Feb 2021	Feb 2021
Phoenix-Mesa-Scottsdale, AZ <sup>4</sup> .....	145.746	145.660	147.186	0.5	1.0	1.0	144.346	144.665	146.173	1.0	1.3	1.0
San Francisco-Oakland-Hayward, CA.....	299.690	302.948	304.387	2.0	1.6	0.5	292.010	295.687	297.170	2.2	1.8	0.5
Seattle-Tacoma-Bellevue, WA.....	282.115	283.409	286.950	1.4	1.7	1.2	278.081	279.308	282.795	1.6	1.7	1.2
Urban Alaska.....	226.510	227.259	229.478	0.3	1.3	1.0	224.731	226.615	229.145	1.1	2.0	1.1

1 Population over 2,500,000    2 Population 2,500,000 and under, Dec 1996 = 100    3 Dec 2017=100    4 Dec 2001=100

NOTE: In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI): [www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf](http://www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf)

1967=100 base year indexes and tables with semiannual and annual average data are available at: [www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm](http://www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm)

Release date April 13, 2021. The next release date is scheduled for May 12, 2021. For questions, please contact us at [BLInfoSF@bls.gov](mailto:BLInfoSF@bls.gov) or (415) 625-2270.

**CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE**  
**APRIL 2021**

(All items indexes. 1982-84=100 unless otherwise noted. Not seasonally adjusted.)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	1 Month ending					Year ending	1 Month ending	
	Apr 2020	Mar 2021	Apr 2021	Mar 2021	Apr 2021	Apr 2021	Apr 2020	Mar 2021	Apr 2021	Mar 2021	Apr 2021	Apr 2021
U. S. City Average.....	256.389	264.877	267.054	2.6	4.2	0.8	249.515	258.935	261.237	3.0	4.7	0.9
West.....	272.913	280.625	283.507	2.4	3.9	1.0	264.167	272.841	275.807	2.9	4.4	1.1
West – Size Class A <sup>1</sup> .....	281.278	289.308	292.049	2.3	3.8	0.9	271.062	280.294	282.854	2.8	4.4	0.9
West – Size Class B/C <sup>2</sup> .....	158.824	163.257	165.088	2.6	3.9	1.1	158.168	163.169	165.227	2.9	4.5	1.3
Mountain <sup>3</sup> .....	106.275	109.308	110.748	2.5	4.2	1.3	106.345	110.009	111.541	3.1	4.9	1.4
Pacific <sup>3</sup> .....	105.963	108.947	109.951	2.4	3.8	0.9	105.941	109.363	110.444	2.8	4.3	1.0
Los Angeles-Long Beach-Anaheim, CA.....	275.853	282.648	285.808	2.2	3.6	1.1	265.930	274.097	277.126	2.7	4.2	1.1
BI-MONTHLY DATA (Published for odd months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending					Year ending	2 Months ending	
	Mar 2020	Jan 2021	Mar 2021	Jan 2021	Mar 2021	Mar 2021	Mar 2020	Jan 2021	Mar 2021	Jan 2021	Mar 2021	Mar 2021
Riverside-San Bernardino-Ontario, CA <sup>3</sup> .....	107.162	109.550	110.981	2.2	3.6	1.3	107.425	110.204	111.823	2.4	4.1	1.5
San Diego-Carlsbad, CA.....	302.589	307.688	315.035	1.7	4.1	2.4	285.543	291.490	298.292	2.5	4.5	2.3
Urban Hawaii.....	285.321	287.634	290.361	1.4	1.8	0.9	282.885	284.959	288.147	1.4	1.9	1.1
BI-MONTHLY DATA (Published for even months)	Indexes			Percent Change			284.293 Indexes			Percent Change		
				Year ending	2 Months ending		Year ending	2 Months ending				
	Apr 2020	Feb 2021	Apr 2021	Feb 2021	Apr 2021	Apr 2021	Apr 2020	Feb 2021	Apr 2021	Feb 2021	Apr 2021	Apr 2021
Phoenix-Mesa-Scottsdale, AZ <sup>4</sup> .....	143.734	147.186	150.787	1.0	4.9	2.4	142.659	146.173	149.951	1.3	5.1	2.6
San Francisco-Oakland-Hayward, CA.....	298.074	304.387	309.419	1.6	3.8	1.7	290.304	297.170	302.294	1.8	4.1	1.7
Seattle-Tacoma-Bellevue, WA.....	280.484	286.950	290.068	1.7	3.4	1.1	276.427	282.795	286.700	1.7	3.7	1.4
Urban Alaska.....	222.909	229.478	233.519	1.3	4.8	1.8	221.826	229.145	233.438	2.0	5.2	1.9

1 Population over 2,500,000    2 Population 2,500,000 and under, Dec 1996 = 100    3 Dec 2017=100    4 Dec 2001=100

NOTE: In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI): [www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf](http://www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf)

1967=100 base year indexes and tables with semiannual and annual average data are available at: [www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm](http://www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm)

Release date May 12, 2021. The next release date is scheduled for June 10, 2021. For questions, please contact us at [BLInfoSF@bls.gov](mailto:BLInfoSF@bls.gov) or (415) 625-2270.

## CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE MAY 2021

(All items indexes. 1982-84=100 unless otherwise noted. Not seasonally adjusted.)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	1 Month ending	Year ending				1 Month ending		
	May 2020	Apr 2021	May 2021	Apr 2021	May 2021	May 2021	May 2020	Apr 2021	May 2021	Apr 2021	May 2021	May 2021
U. S. City Average.....	256.394	267.054	269.195	4.2	5.0	0.8	249.521	261.237	263.612	4.7	5.6	0.9
West.....	273.062	283.507	285.793	3.9	4.7	0.8	264.227	275.807	278.472	4.4	5.4	1.0
West – Size Class A <sup>1</sup> .....	282.345	292.049	293.814	3.8	4.1	0.6	272.186	282.854	285.014	4.4	4.7	0.8
West – Size Class B/C <sup>2</sup> .....	158.301	165.088	166.813	3.9	5.4	1.0	157.584	165.227	167.158	4.5	6.1	1.2
Mountain <sup>3</sup> .....	106.425	110.748	111.939	4.2	5.2	1.1	106.403	111.541	112.790	4.9	6.0	1.1
Pacific <sup>3</sup> .....	105.988	109.951	110.731	3.8	4.5	0.7	105.954	110.444	111.456	4.3	5.2	0.9
Los Angeles-Long Beach-Anaheim, CA.....	276.842	285.808	287.620	3.6	3.9	0.6	267.007	277.126	279.139	4.2	4.5	0.7

BI-MONTHLY DATA (Published for odd months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending	Year ending				2 Months ending		
	May 2020	Mar 2021	May 2021	Mar 2021	May 2021	May 2021	May 2020	Mar 2021	May 2021	Mar 2021	May 2021	May 2021
Riverside-San Bernardino-Ontario, CA <sup>3</sup> .....	106.899	110.981	113.222	3.6	5.9	2.0	107.490	111.823	113.749	4.1	5.8	1.7
San Diego-Carlsbad, CA.....	301.317	315.035	317.141	4.1	5.3	0.7	284.607	298.292	300.413	4.5	5.6	0.7
Urban Hawaii.....	285.834	290.361	296.559	1.8	3.8	2.1	282.857	288.147	294.433	1.9	4.1	2.2

BI-MONTHLY DATA (Published for even months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending	Year ending				2 Months ending		
	Apr 2020	Feb 2021	Apr 2021	Feb 2021	Apr 2021	Apr 2021	Apr 2020	Feb 2021	Apr 2021	Feb 2021	Apr 2021	Apr 2021
Phoenix-Mesa-Scottsdale, AZ <sup>4</sup> .....	143.734	147.186	150.787	1.0	4.9	2.4	142.659	146.173	149.951	1.3	5.1	2.6
San Francisco-Oakland-Hayward, CA.....	298.074	304.387	309.419	1.6	3.8	1.7	290.304	297.170	302.294	1.8	4.1	1.7
Seattle-Tacoma-Bellevue, WA.....	280.484	286.950	290.068	1.7	3.4	1.1	276.427	282.795	286.700	1.7	3.7	1.4
Urban Alaska.....	222.909	229.478	233.519	1.3	4.8	1.8	221.826	229.145	233.438	2.0	5.2	1.9

1 Population over 2,500,000    2 Population 2,500,000 and under, Dec 1996 = 100    3 Dec 2017=100    4 Dec 2001=100

NOTE: In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI): [www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf](http://www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf)

1967=100 base year indexes and tables with semiannual and annual average data are available at: [www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm](http://www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm)

Release date June 10, 2021. The next release date is scheduled for July 13, 2021. For questions, please contact us at [BLInfoSF@bls.gov](mailto:BLInfoSF@bls.gov) or (415) 625-2270.

## CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE JUNE 2021

(All items indexes. 1982-84=100 unless otherwise noted. Not seasonally adjusted.)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	1 Month ending	Year ending				1 Month ending		
	Jun 2020	May 2021	Jun 2021	May 2021	Jun 2021	Jun 2021	Jun 2020	May 2021	Jun 2021	May 2021	Jun 2021	Jun 2021
U. S. City Average.....	257.797	269.195	271.696	5.0	5.4	0.9	251.054	263.612	266.412	5.6	6.1	1.1
West.....	274.155	285.793	288.263	4.7	5.1	0.9	265.222	278.472	281.156	5.4	6.0	1.0
West – Size Class A <sup>1</sup> .....	283.590	293.814	296.099	4.1	4.4	0.8	273.125	285.014	287.244	4.7	5.2	0.8
West – Size Class B/C <sup>2</sup> .....	158.857	166.813	168.425	5.4	6.0	1.0	158.229	167.158	169.071	6.1	6.9	1.1
Mountain <sup>3</sup> .....	107.226	111.939	112.731	5.2	5.1	0.7	107.213	112.790	113.667	6.0	6.0	0.8
Pacific <sup>3</sup> .....	106.277	110.731	111.751	4.5	5.2	0.9	106.221	111.456	112.598	5.2	6.0	1.0
Los Angeles-Long Beach-Anaheim, CA.....	278.121	287.620	289.218	3.9	4.0	0.6	268.118	279.139	280.687	4.5	4.7	0.6
BI-MONTHLY DATA (Published for odd months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending	Year ending				2 Months ending		
	May 2020	Mar 2021	May 2021	Mar 2021	May 2021	May 2021	May 2020	Mar 2021	May 2021	Mar 2021	May 2021	May 2021
Riverside-San Bernardino-Ontario, CA <sup>3</sup> .....	106.899	110.981	113.222	3.6	5.9	2.0	107.490	111.823	113.749	4.1	5.8	1.7
San Diego-Carlsbad, CA.....	301.317	315.035	317.141	4.1	5.3	0.7	284.607	298.292	300.413	4.5	5.6	0.7
Urban Hawaii.....	285.834	290.361	296.559	1.8	3.8	2.1	282.857	288.147	294.433	1.9	4.1	2.2
BI-MONTHLY DATA (Published for even months)	Indexes			Percent Change			284.293 Indexes			Percent Change		
				Year ending	2 Months ending	Year ending	2 Months ending					
	Jun 2020	Apr 2021	Jun 2021	Apr 2021	Jun 2021	Jun 2021	Jun 2020	Apr 2021	Jun 2021	Apr 2021	Jun 2021	Jun 2021
Phoenix-Mesa-Scottsdale, AZ <sup>4</sup> .....	145.849	150.787	153.672	4.9	5.4	1.9	144.415	149.951	152.744	5.1	5.8	1.9
San Francisco-Oakland-Hayward, CA.....	300.032	309.419	309.497	3.8	3.2	0.0	292.420	302.294	304.971	4.1	4.3	0.9
Seattle-Tacoma-Bellevue, WA.....	281.055	290.068	296.573	3.4	5.5	2.2	276.244	286.700	293.607	3.7	6.3	2.4
Urban Alaska.....	225.245	233.519	239.296	4.8	6.2	2.5	224.914	233.438	237.705	5.2	5.7	1.8

1 Population over 2,500,000    2 Population 2,500,000 and under, Dec 1996 = 100    3 Dec 2017=100    4 Dec 2001=100

NOTE: In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI): [www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf](http://www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf)

1967=100 base year indexes and tables with semiannual and annual average data are available at: [www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm](http://www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm)

Release date July 13, 2021. The next release date is scheduled for August 11, 2021. For questions, please contact us at [BLSinfoSF@bls.gov](mailto:BLSinfoSF@bls.gov) or (415) 625-2270.

Memorandum

**Ojai Valley Sanitary District**

July 29, 2021

To: William Stone, William Ulrich & John (Randy) Burg

From: Jeff Palmer, General Manager

Subject: Employee Benefits – Health Insurance

The District contracts with CalPERS for employee/retiree health care benefits. CalPERS offers a wide range of health care plans for the employee/retiree to choose from; this includes 5 Health Maintenance Organization (HMO) Plans and 3 Preferred Provider Organization (PPO) Plans. The Board provides a monthly amount (Cafeteria Fund) to each employee/retiree to purchase health insurance coverage for themselves and their dependents.

The health care industry has changed over the years, with HMO's and PPO's going through various revisions. Also, a factor in health care has been the available health care services available in the Ojai Valley and which doctors and care facilities accepted the various plan alternatives. Years ago, most employees lived in the Ojai Valley and yet many Ojai Valley doctors did not accept HMO type plans. We continue to see many Ojai Valley doctors changing the plans they will accept. As a result, OVSD set the benchmark for health care benefits to the mid-level PPO plan which was most widely accepted in the Valley.

Currently, HMO's and PPO's have modified their respective deductibles, out of pocket annual maximum and cost share limits. The mid-level PPO is an 80/20 plan where an employee pays the office copay, deductible and 80/20 cost share for each office visit/medical procedure. A non-critical visit to the emergency room may cost an employee \$1,000 out of pocket, even with insurance. An outpatient surgery may cost \$2-\$4000 out of pocket for a minimal event.

HMO's have much lower copays, deductibles and cost shares, but do not have the specialists options that the PPO's provide. HMO's premiums traditionally were much less costly. Today, the HMO premium costs have increased dramatically; they offer less cost to employees but less choice in the selection of specialists and have a limited "on-plan" list of specialists. HMO's also require prior approval for many procedures. Given the diversity of our employees, their families and their individual health choices, we see employees choose a variety of plans with different costs. As a result of the diversity of both employee needs and choices, OVSD offers a cafeteria plan where each employee is allocated a given amount to select the plan that suits them best.

In 2019 the monthly Cafeteria Fund was set at \$1,915; a cap of \$650 per month that each employee can receive in cash-back of any unused portion of these funds remained in effect. In 2020, the Cafeteria Fund was increased to \$2,037 and the cash-back cap remained the same. Retirees are not eligible for any cash-back.

CalPERS recently announced the new rates for all plans beginning January 1, 2022. The new rates reflect an average of overall 4.6 percent increase in monthly premiums; monthly premiums for the Medicare Supplement Plans have increased an average of 5.72 percent. The premium increases result in an increase in the District's monthly overall health insurance costs for Fiscal Year 2021-22. Some plans went up quite drastically, with some more than a 23.24% increase.

Based on the 2021 Cafeteria Fund at \$2,037, the 2022 premium increases will result in several employees having to pay out-of-pocket to cover their monthly premium for family health insurance coverage. Again, given the plan options and married/single/family status, not all employees will have to pay out of pocket.

Historically, the Board's basis for the monthly amount of the Cafeteria Fund has been aimed at providing an adequate amount for the employee to purchase family coverage; the PERS Choice premium (a 80/20 cost share PPO) for family coverage has been used as the benchmark for the Cafeteria Fund because this PPO has been a popular choice for employees, especially those with families. Currently, 9 of the 20 employees have PERS Choice coverage.

In February/March 2021 when staff was preparing the 2021-2022 budget, available forecasts estimated that health insurance premiums would be increasing an average of 5 percent in 2022, not considering any potential COVID impacts on the health insurance industry. Consequently, a 5 percent increase for health insurance cost was included in the budget. The total amount in the Adopted Fiscal Year 2022 Budget for health insurance expense is \$610,655.

Staff proposes that the District maintain the historic practice of providing adequate funds for the employee to purchase family coverage, by increasing the employee/retiree Cafeteria Fund by \$257 per month; this would increase the monthly Cafeteria amount from \$2,037 to \$2,294. This increase insures that employees with families will continue to have no out-of-pocket cost to maintain their current coverage. The cap of \$650 per month that each employee can receive in cash-back of any unused portion of these funds would remain in effect. Retirees are not eligible for any cash-back.

No adjustment to the budget would be required to provide the additional funds for the cafeteria increase.

**BUDGET IMPACT:**

<u>Approved Budget 2021-2022 Health Insurance Costs</u>	<u>2021/22 Health Insurance Costs With Proposed Cafeteria Fund Monthly Increase to \$2,294</u>	<u>Surplus/<b>Deficit</b> Created in Budget</u>
\$610,655	\$609,635	\$1,020

If you have any questions or need additional information please call me at 646-5548.