

October 10, 2024

CITY OF MONTEBELLO INCREASES EMPLOYEE MEDICAL CONTRIBUTIONS FOR THE FIRST TIME IN 16 YEARS

MONTEBELLO, CA – At the October 9, 2024, City Council Meeting, the Montebello City Council unanimously voted to increase the City's healthcare contributions for full-time employees, marking the first adjustment of its kind in 16 years. This change comes after rising healthcare costs have increasingly impacted employees' net income, highlighting the need for updated contributions to maintain competitiveness with neighboring municipalities.

Since 2008, the City's healthcare contribution amounts have remained unchanged, creating a growing disparity between Montebello's offerings and those of nearby cities. According to the City's 2021 Classification and Total Compensation Study, the average employer contribution toward family medical insurance plans in surveyed agencies was approximately \$1,600 per month, far surpassing Montebello's current rates. To address this, the City approved the following adjustments, effective January 2025, in line with the 2025 CalPERS medical premium updates:

- **2-Party Health Insurance:** A monthly increase of \$360, raising the total City contribution to \$1,200.
- **Family (3 Party+) Health Insurance:** A monthly increase of \$560, bringing the total contribution to \$1,650.

"We are proud to support our dedicated workforce with these much-needed increases in healthcare contributions," said Montebello Mayor, Scarlet Peralta. "This is an important step toward ensuring our employees have access to competitive health benefits that reflect the current cost of living and healthcare."

These changes come after collaborative discussions with representatives from all affected bargaining units. The bargaining groups expressed gratitude for the City's efforts to address rising healthcare costs, and an agreement was reached to implement these adjustments, which are designed to meet the needs of employees and their families while maintaining fiscal responsibility. With these changes, the City aims to enhance its ability to attract and retain top talent while remaining mindful of budgetary constraints.

Montebello City Manager, Raul Alvarez, also emphasized the significance of this move. "Our employees are the backbone of this City, and it is crucial that we support them with benefits that help them and their families thrive," said Alvarez. "By adjusting our healthcare contributions, we are demonstrating our commitment to their well-being and aligning ourselves with neighboring cities to remain a competitive employer."

The City of Montebello was founded in 1920 and is located eight miles southeast of downtown Los Angeles. Its history dates back to the days of the Franciscan missionaries and today boasts a full array of services including police, fire and one of the region's largest public transportation systems, Montebello Bus Lines. The City's multi-cultural resident population is approximately 65,000 covering a footprint of approximately four-square miles. For more information visit www.montebelloca.gov or follow us on Facebook, Instagram and Twitter.

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