

**Subject:** RE: Information-Sharing: City-Provided Health Insurance Coverage (no action required)  
**Date:** Tuesday, May 6, 2025 at 3:44:17 PM Pacific Daylight Time  
**From:** Emily Tritsch  
**To:** Heidi Lueb, Faraz Ghoddusi, Heather Robbins, Jake Schlack, Jeanette Shaw, Maureen Wolf, Yi-Kang Hu  
**CC:** Shelby Rihala, Laura Gomez, Eric Kang  
**Attachments:** image003.jpg, image005.png, image006.jpg, image002.jpg

Council:

For the benefit of the full Council, I'm providing additional background on this topic. The plan language of our health insurance provider, CIS, says: "Health insurance may be made available for elected officials who do not qualify as employees as long as coverage is authorized by the governing body..." Tigard Councilors do not qualify as "employees" for purposes of the plan, both pursuant to the definition in the plan and the definition adopted by Resolution 16-19, which assumes only the Mayor will work an average of 20 hours per week.

Because Council members do not qualify as employees, they are eligible for health insurance only if authorized by the governing body; this is in accordance with the rules of our insurance provider. In 2016, Council authorized health insurance coverage in Resolution 16-19, which says, "Mayor and Council are eligible to participate in the City's health insurance benefit plans offered to City employees." For part-time City employees, working 20-31 hours per week, the City-provided coverage is that the City pays 50% of the premium and the employee pays the other 50%.

If the City were to treat Council members as full-time employees, despite Resolution 16-19 saying the Mayor works 20 hours per week, an ethics issue could be created for the affected members of Council because they would be receiving a benefit above what a similarly situated employee would receive and such preferential treatment is not authorized by the resolution. Because it is not authorized by the resolution, it also would not comply with CIS rules.

In order to bring the City into compliance, City staff recommend shifting coverage for City Council members at the start of the new plan year, effective in January 2026. Unfortunately, this was the only option immediately available that complies with both the resolution and CIS policy.

Should Council wish to discuss long-term options, those include:

- Convene a compensation committee for the purpose of reviewing Council compensation and benefits. This was not budgeted for in the current cycle.
- Council could adopt a resolution superseding Resolution 16-19, but in order to comply with ethics laws, it could not be applied to seated Council members. Any change would only go into effect after the Council member's next election.
- Extend the 90% health benefit coverage to all part-time and season staff. This would have an estimated cost impact to the City of over \$1 million and would need to be part of next year's budget.

Thank you



**Emily Tritsch**  
**Deputy City Manager**  
**City of Tigard** | City Management  
Phone: [503.616.1228](tel:503.616.1228)  
13125 SW Hall Boulevard, Tigard OR 97223 | [tigard-or.gov](http://tigard-or.gov)

**From:** Heidi  
Lueb  
<[heidil@tigard-or.gov](mailto:heidil@tigard-or.gov)>

[d-or.gov](mailto:heidil@tigard-or.gov)>

**Sent:** Tuesday, May 6, 2025 9:39 AM

**To:** Emily Tritsch <[emily.tritsch@tigard-or.gov](mailto:emily.tritsch@tigard-or.gov)>; Faraz Ghoddusi <[faraz.ghoddusi@tigard-or.gov](mailto:faraz.ghoddusi@tigard-or.gov)>; Heather Robbins <[heather.robbsins@tigard-or.gov](mailto:heather.robbsins@tigard-or.gov)>; Jake Schlack <[jake.schlack@tigard-or.gov](mailto:jake.schlack@tigard-or.gov)>; Jeanette Shaw <[jeanettes@tigard-or.gov](mailto:jeanettes@tigard-or.gov)>; Maureen Wolf <[maureen.wolf@tigard-or.gov](mailto:maureen.wolf@tigard-or.gov)>; Yi-Kang Hu <[yikang.hu@tigard-or.gov](mailto:yikang.hu@tigard-or.gov)>

**Cc:** Shelby Rihala <[shelbyr@tigard-or.gov](mailto:shelbyr@tigard-or.gov)>; Laura Gomez <[laura.gomez@tigard-or.gov](mailto:laura.gomez@tigard-or.gov)>; Eric Kang <[eric.kang@tigard-or.gov](mailto:eric.kang@tigard-or.gov)>

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Thank you Emily.

This is informational only – I was incredibly disappointed in the way in which the city handled this situation and the way they made some of Council aware of this issue (it was posed as a budgetary concern rather than a policy issue with human implications.)

As the charter states, City Council is solely responsible as the decision-making body through an independent process regarding compensation and I have asked the City Attorney to come back with multiple options for paths forward. It will be presented to Council at a future meeting.

Heidi



**Heidi Lueb | Mayor**  
**City of Tigard** | City Council  
Direct: 971-435-0964 | [heidil@tigard-or.gov](mailto:heidil@tigard-or.gov)  
13125 SW Hall Boulevard, Tigard, OR 97223 | [www.tigard-or.gov](http://www.tigard-or.gov)

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**From:** Emily Tritsch <[emily.tritsch@tigard-or.gov](mailto:emily.tritsch@tigard-or.gov)>

**Date:** Tuesday, May 6, 2025 at 8:46 AM

**To:** Faraz Ghoddusi <[faraz.ghoddusi@tigard-or.gov](mailto:faraz.ghoddusi@tigard-or.gov)>, Heather Robbins <[heather.robbsins@tigard-or.gov](mailto:heather.robbsins@tigard-or.gov)>, Heidi Lueb <[heidil@tigard-or.gov](mailto:heidil@tigard-or.gov)>, Jake Schlack <[jake.schlack@tigard-or.gov](mailto:jake.schlack@tigard-or.gov)>, Jeanette Shaw <[jeanettes@tigard-or.gov](mailto:jeanettes@tigard-or.gov)>, Maureen Wolf

<[maureen.wolf@tigard-or.gov](mailto:maureen.wolf@tigard-or.gov)>, Yi-Kang Hu <[yikang.hu@tigard-or.gov](mailto:yikang.hu@tigard-or.gov)>

**Cc:** Shelby Rihala <[shelbyr@tigard-or.gov](mailto:shelbyr@tigard-or.gov)>, Laura Gomez <[laura.gomez@tigard-or.gov](mailto:laura.gomez@tigard-or.gov)>, Eric Kang <[eric.kang@tigard-or.gov](mailto:eric.kang@tigard-or.gov)>

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Council:

This spring, the professional team was made aware that we have been operating out of compliance with health benefit coverage through the city-provided insurance provider with how health benefits are offered to elected officials who opt in to city-provided coverage.

Previously, elected officials received the same coverage as full-time city employees. However, after conferring with CIS, reviewing the insurance policy, and reviewing past Council actions on compensation, the team determined this was not in compliance with the policy and they should be treated the same as part-time city employees. Failure to follow these rules puts health benefits for employees across the organization at risk. With this in mind, Interim CM Drake and Deputy CM Tritsch spoke with the council members who receive health benefits through the City. We wanted to let all of you know these discussions were taking place, and assure you that our interest is in minimizing risk to the organization and ensure benefits to all eligible members who opt in to this coverage.

Please contact me with questions.

Thank you



**Emily Tritsch**

**Deputy City Manager**

**City of Tigard** | City Management

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