Colleagues,

I hope all are well.

This email intends to **inform you about the state run Paid Family and Medical Leave Insurance (FAMLI) program, created by** Proposition 118, approved in November 2020 by Colorado voters.

**FAMLI becomes effective January 1, 2024, and municipalities can opt out with elected officials' approval.** Both the City, as an employer, and employees will each be taxed a new .45% payroll tax beginning in January 2023 if we do not opt out.

We plan to recommend the City opt out at the November 15, 2022, City Council public meeting by presenting a resolution to Council for its approval. The approval of a resolution requires a majority vote of the City Council and is effective immediately. The resolution will be on the Council's consent calendar, meaning Council will not individually discuss the resolution before voting unless it is pulled from consent by a Councilmember or the City Manager.

At the end of this email is a link to a survey you can use to send your anonymous comments about our request to the Council to approve opting out of FAMLI. Although City employees would not normally address issues of this nature with Council, in this instance, employees can participate under general comments. If you wish, you may also attend the City Council meeting. Anyone wanting to speak during the meeting must <u>sign up in advance</u>. More information can be found on <u>Council Comments</u>.

## Let me provide more context about FAMLI.

The <u>Division of Family and Medical Leave Insurance</u> states, "the FAMLI program will ensure all Colorado workers have access to paid leave to take care of themselves or their family during life circumstances that pull them away from their jobs — like growing their family or taking care of a loved one with a serious health condition."

Local government organizations have two participation options:

- 1. **Participate in FAMLI,** which requires both the employer and employee to pay into the program.
- 2. **Opt-Out/Decline ALL participation in FAMLI** and revisit the decision to opt out at least every eight (8) years.

You can visit the <u>FAMLI Program | Proposition 118</u> SharePoint page on <u>HR Connect</u> for more information, including a comparison table of FAMLI and City of Fort Collins leave benefits.

## Why are we recommending we opt out?

The City of Fort Collins currently provides greater benefits to our employees and has **decided to** select the Opt-Out/Decline ALL participation of FAMLI option.

The City provides employees with sick time off, disability benefits (short and long-term), and parental leave, all at **no cost to the employee**.

We believe it is in the City's and our employees' best interest to opt out. We spoke with several Front Range municipalities, and we do not know anyone opting into FAMLI. We provide a list for you to review on the FAMLI Program | Proposition 118 SharePoint page on HR Connect.

Please remember opting out is not permanent and will be revisited biannually.

In 2023, we will continue our review of our leave offerings for all employees and make any changes effective January 2024.

Even if City Council approves our recommendation to opt out of the FAMLI program, City employees may still participate in FAMLI. To participate, you would have to notify the Department of Labor and Employment, Family and Medical Leave Insurance Division, of your decision to participate and remit your portion of the premium directly to the state. More information about how to individually participate in FAMLI can be found at <a href="https://famli.colorado.gov/">https://famli.colorado.gov/</a>. The FAMLI Division can be reached at CDLE\_FAMLI\_info@state.co.us.

## The opt out process includes an opportunity for employees to share their comments with the City Council using this survey link FAMLI Prop 118-Employee Comments to Council.

If you have any questions, please reach out to me.

All my best,

Kelley

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