

Agenda Date: August 16, 2012
Agenda Placement: Admin.
Estimated Time: N/A
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Dave Van Mullem, Air Pollution Control Officer

CONTACT: Bob Van Beveren, Business Manager 961-8863

SUBJECT: Resolution for Delegating Authority to the Air Pollution Control Officer for Approving Employee Benefit Plan Renewals

RECOMMENDATION:

Adopt the attached Resolution delegating authority to the Air Pollution Control Officer to amend, enter into, and renew contracts for multiple employee benefit insurance plans to become effective January 1, 2013 as follows:

- Medical
- Dental
- IRS Section 125 (cafeteria) plan
- Vision
- Long Term Disability
- Management Short Term Disability
- Voluntary Term Life
- Management Life & Accidental Death & Dismemberment (ADD)
- Voluntary Personal Accident benefit plan
- Supplemental Catastrophic Insurance programs

DISCUSSION:

One of the goals of our agency is to provide employees with health benefit programs that meet their needs. These needs include quality care, an adequate choice of providers, and the ability to select from a variety of options and costs.

In order to accommodate the Board meeting schedule while ensuring timely insurance renewals, delegation of authority to the Air Pollution Control Officer for employee benefits is necessary. This authority is only delegated within the parameters outlined in the attached Resolution,

namely the Board must have authorized an overall budget for employee benefits and the total dollar amount of all benefits provided to employees shall be within the current fiscal year budget authorized by the Board. The recently negotiated Memoranda of Understandings (MOUs) with our employee groups cap the amount the APCD is obligated to contribute towards the total cost of employee benefits for the remainder of the fiscal year at:

- \$97,000 for Major Medical and Vision
- \$8,000 for Dental
- \$110,000 for Cafeteria Contributions

The MOUs also contain provisions for employer paid benefits. The cost of these benefits for the remainder of the fiscal year will not exceed:

- \$600 for the Management Life and Accidental Death and Dismemberment policy
- \$800 for the Management Short Term Disability Policy
- \$12,000 for Long Term Disability and Dismemberment coverage
- \$2,600 for the Benesyst Section 125 plan

The remaining benefit plans are funded entirely through employee contributions and therefore will not result in any financial impact for the APCD. These policies are:

- Voluntary Term Life Insurance
- Voluntary Personal Accident Benefit Plan
- Supplemental Catastrophic Insurance Programs

The Board will be given a report at the next regularly scheduled hearing summarizing the final benefit package authorized by the Air Pollution Control Officer. The report will include names of benefit carriers, level of benefits, and any impacts on the current fiscal year budget.