

Agenda Date: October 20, 2011
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: Sharyl K. Preskitt, 961-8828

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, 2012 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 fiscal year at:

- \$95,200 for Major Medical and Vision
- \$7,500 for Dental
- \$108,500 for Cafeteria Contributions

The MOUs also contain provisions for employer paid benefits. As a result of fee and rate guarantees negotiated with our carriers last year, there will be no cost increases for these benefits in 2012. The cost of these benefits for the remainder of the fiscal year will not exceed:

- \$570 for the Management Life and Accidental Death and Dismemberment policy
- \$705 for the Management Short Term Disability Policy
- \$11,000 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.

**Resolution of the Air Pollution Control District Board of the
County of Santa Barbara, State of California**

In the Matter of Delegating Authority to)
The Air Pollution Control Officer to)
Contract for Employee Benefit Plan Renewals)
_____)

Resolution No. 11- _____

RECITALS

Whereas, the Board wishes to secure employee benefit programs in a timely manner that will meet the needs of its employees;

Whereas, the Board wishes to retain authority over employee benefit parameters and fiscal allocations; and

Whereas, the Board wishes to delegate authority to the Control Officer to amend, enter into, and renew contracts for employee benefit plans within specified parameters.

Now, Therefore, It Is Hereby Resolved, as follows:

1. The Board hereby delegates authority to the Control Officer to amend, enter into, and renew contracts for employee benefit plans.
2. The fiscal parameters for employee benefit plans entered into and renewed by the Control Officer shall be as follows:
 - a) Major Medical and Vision contributions shall not exceed \$95,200
 - b) Dental contributions shall not exceed \$7,500
 - c) Cafeteria Contributions shall not exceed \$108,500
 - d) Management Life and Accidental Death and Dismemberment contributions shall not exceed \$570
 - e) Short-Term disability shall not exceed \$705
 - f) Long Term Disability and Dismemberment contributions shall not exceed \$11,000
 - g) Benesyst Section 125 benefit plan premiums and amendment fees shall not exceed \$2,600
3. The total dollar amount of all benefits provided to employees shall be within the current fiscal year's budget authorized by the Board.
4. The Control Officer shall provide a report to the Board at the next regularly scheduled hearing of all benefit plans amended, entered into and renewed. The report shall include the names of benefit carriers, level of benefits, and impacts to the current fiscal year budget.

Passed and Adopted by the Air Pollution Control District Board of the County of Santa Barbara, State of California, this 20th day of October, 2011 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest:

Clerk of the Air Pollution Control District of
The County of Santa Barbara

By _____
Deputy

Chair, Santa Barbara County
Air Pollution Control District

APPROVED AS TO FORM:
DENNIS A. MARSHALL
SANTA BARBARA COUNTY COUNSEL

APPROVED AS TO ACCOUNTING FORM:
ROBERT W. GEIS, CPA
AUDITOR-CONTROLLER

By: _____
Deputy County Counsel

By: _____
Deputy