

Agenda Date: October 16, 2008
Agenda Placement: Regular
Estimated Time: 10 min.
Continued Item: No

Board Agenda Item

TO: Air Pollution Control District Board

FROM: Terry Dressler, 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 enter into and to renew contracts for multiple employee benefit insurance plans to become effective January 1, 2009 as follows:

- Major Medical
- Dental
- IRS Section 125 (cafeteria) and 132 (transportation) plans
- Vision
- Long Term Disability
- Short Term Disability
- Voluntary Term Life
- Management Life & Accidental Death & Dismemberment (ADD)
- Voluntary Personal Accident benefit plan
- Supplemental Catastrophic Insurance programs
- Employee Assistance Plan

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 our shortened 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 plans and the total dollar amount of all benefits provided to employees shall be within the budget authorized by the Board. The recently negotiated Memoranda of Understanding (MOU) with our employee groups cap the amount the APCD is obligated to contribute towards the total cost of employee benefits at:

- \$94,551 for Major Medical and Vision
- \$8,000 for Dental
- \$113,468 for Cafeteria Contributions

The MOUs also contain provisions for employer paid benefits. Information provided by the APCD's insurance broker indicates the cost of these benefits will not exceed:

- \$1,100 for the Management Life and Accidental Death and Dismemberment policy (no increase from prior year)
- \$12,000 for Long Term Disability and Dismemberment coverage (no increase from prior year)
- \$2,000 for the Managed Health Network Employee Assistance Program (5% increase over last year)
- \$1,200 for the Benesyst Section 125 and 132 fringe benefit plans

Because the Control Officer and Management employees do not participate in the State Disability Insurance Program we are recommending adding a Short Term Disability policy for those 5 employees. The cost of this benefit will not exceed \$1,200 and is included in the currently adopted BY 2008/2009 APCD Budget.

The remaining employee 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 that the Air Pollution Control Officer authorized. The report will include: names of benefit carriers, level of benefits, and the fiscal impact of those benefits.

**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. 08- _____

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 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 enter into and renew contracts for employee benefit plans to become effective January 1, 2009.
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 \$94,551
 - b) Dental shall not exceed \$8,000
 - c) Cafeteria Contributions shall not exceed \$113,468
 - d) Management Life and Accidental Death and Dismemberment contributions shall not exceed \$1,100
 - e) Long Term Disability and Dismemberment contributions shall not exceed \$12,000
 - f) Managed Health Network Employee Assistance Program contributions shall not exceed \$2,000
 - g) Benesyst Section 125 and 132 fringe benefit plan premiums shall not exceed \$1,200
 - h) Short-term disability \$1,200.
3. The total dollar amount of all benefits provided to employees shall be within the 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 entered into and renewed. The report shall include the names of the benefit carriers, level of benefits, and the fiscal impact to the APCD.

Passed and Adopted by the Air Pollution Control District Board of the County of Santa Barbara, State of California, this 16th day of October, 2008 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 Marshall
Santa Barbara County Counsel

Robert W. Geis
Auditor-Controller

By: _____
Deputy County Counsel

By _____