

Agenda Date: August 20, 2015
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: Kristina Aguilar, Administrative Manager 961-8813

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, 2016 for the 2016 calendar year.

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 (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 budget authorized by the Board.

Following historical trends, many employers are seeing renewal increases ranging from 6.3% to 7.6% this year. The Control Officer will carefully review all available options along with representatives from each employee group in order to ensure staff receives adequate health care at the best possible rates. Based on the Board approved Memoranda of Understandings (MOUs) with our employee groups and the Management Benefits Resolution, the total budgeted cost of

the District's contribution toward employee benefits for the 2016 (12-month) calendar year will not exceed the following amounts:

- \$229,000 for Major Medical and Vision; and
- \$24,200 for Dental.

The MOUs and Management Benefits Resolution also contain provisions for employer paid benefits. The cost of these benefits for the 2016 calendar year will not exceed:

- \$1,400 for the Management Life and Accidental Death & Dismemberment policy;
- \$2,100 for the Management Short Term Disability Policy;
- \$20,500 for Long Term Disability and Dismemberment coverage; and
- \$1,800 for the IRS Section 125 Plan administrative fees.

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; and
- Supplemental Catastrophic Insurance Programs.

The Board will be given a report at its December 17, 2015 meeting, or as soon thereafter as the report can be given, summarizing the final benefits package authorized by the Control Officer. The report will include names of benefit carriers, level of benefits, and any fiscal impact of those benefits.

ATTACHMENT:

- Resolution – Delegating Authority to the Air Pollution Control Officer to Contract for Employee Benefit Plan Renewals

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT**

IN THE MATTER OF DELEGATING
AUTHORITY TO THE AIR POLLUTION
CONTROL OFFICER TO CONTRACT FOR
EMPLOYEE BENEFIT PLAN RENEWALS

APCD RESOLUTION NO. _____

RECITALS

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

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 for the 2016 calendar year 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 for the 2016 calendar year;
2. The fiscal parameters for employee benefit plans to be amended, entered into and renewed by the Control Officer shall be as follows:
 - a. Major Medical and Vision contributions shall not exceed \$229,000;
 - b. Dental contributions shall not exceed \$24,200;
 - c. Management Life and Accidental Death & Dismemberment contributions shall not exceed 1,400;
 - d. Management Short-Term Disability shall not exceed \$2,100;

IN THE MATTER OF DELEGATING AUTHORITY TO THE AIR POLLUTION
CONTROL OFFICER TO CONTRACT FOR EMPLOYEE BENEFIT PLAN
RENEWALS

- e. Long Term Disability and Dismemberment contributions shall not exceed \$20,500; and
 - f. IRS Section 125 Plan administrative fees shall not exceed \$1,800.
3. The total dollar amount of all benefits provided to employees shall be within the budget authorized by the Board; and
 4. The Control Officer shall provide a report to the Board at the December 17, 2015 meeting, or as soon thereafter as the report can be given, 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.

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IN THE MATTER OF DELEGATING AUTHORITY TO THE AIR POLLUTION
CONTROL OFFICER TO CONTRACT FOR EMPLOYEE BENEFIT PLAN
RENEWALS

PASSED, APPROVED AND ADOPTED by the Air Pollution Control District Board of
the Santa Barbara County, State of California, this ___ day of _____, _____, by the following
vote:

Ayes:

Noes:

Abstain:

Absent:

SANTA BARBARA COUNTY
AIR POLLUTION CONTROL DISTRICT

By _____
Chair

ATTEST:

LOUIS D. VAN MULLEM, JR.
Clerk of the Board

By _____
Deputy

APPROVED AS TO FORM:

MICHAEL C. GHIZZONI
Santa Barbara County Counsel

By _____
Deputy

APPROVED AS TO FORM:

ROBERT W. GEIS, CPA, CPFO
Auditor-Controller

By _____
Deputy