



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: 09-940, Version: 1

COMPLETED BOARD ORDER 32

Before the Board of Supervisors in and for the
County of Monterey, State of California
Budget No: 09/10-014

- a. Approve and authorize the establishment of a new special revenue fund Fund 17 Self Insurance);
- b. Approve and authorize an increase of \$4,286,500 in appropriations and revenues for Fund 17 Self Insurance in FY 2009-10 Adopted Budget as detailed in the attached Board Order 4/5ths vote required);
- c. Authorize the Assistant County Administrative Officer for Human Resources/Risk Management to oversee and manage Fund 17; and
- d. Direct the Auditor-Controller to increase appropriations and revenue in the FY 2009-10 Adopted Budget as detailed below.

Upon motion of Supervisor Parker, seconded by Supervisor Salinas, and carried by those members present, the Board hereby:

- a. Approved and authorized the establishment of a new special revenue fund Fund 17 Self Insurance);
- b. Approved and authorized an increase of \$4,286,500 in appropriations and revenues for Fund 17 Self Insurance in FY 2009-10 Adopted Budget as detailed in the attached Board Order 4/5ths vote required);
- c. Authorized the Assistant County Administrative Officer for Human Resources/Risk Management to oversee and manage Fund 17; and
- d. Directed the Auditor-Controller to increase appropriations and revenue in the FY 2009-10 Adopted Budget as detailed below:

Appropriation Unit CAO021

Department 1050 CAO

Fund 17 Self Insurance

Dental Program Appropriations and Revenue of \$3,365,000

Vision Program Appropriations and Revenue of 650,500

Disability Program Appropriations and Revenue of 120,000

EAP Program Appropriations and Revenue of 151,000

For a total increase in Appropriations and Revenue of \$4,286,500.

PASSED AND ADOPTED this 21st day of July, 2009, by the following vote, to wit:

AYES: Supervisors Armenta, Salinas, Calcagno, Parker

NOES: None

ABSENT: Supervisor Potter

BIB]

40017-U01

COMPLETED-U02

BOARD-U02

ORDER-U02

LI21329-U03

FO21330-U03

FO74555-U03

FO75266-U03

MG75341-U03

AS75367-U03

AS75371-U03

AI82045-U03

DO82231-U03
C15-U03
COMPLETED-U03
BOARD-U03
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7/22/2009-U04
MUNOZP-U04
13750-U05
12-U06
A.-U07
APPROVE-U07
AUTHORIZE-U07
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A-U07
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RIVASR-U10
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ORDER.-U012

COMPLETED BOARD ORDER 32

I, Gail T. Borkowski, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 75 for the meeting on July 21, 2009.

Dated: July 22, 2009 Gail T. Borkowski, Clerk of the Board of Supervisors

County of Monterey, State of California

By

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40017-U01
COMPLETED-U02
BOARD-U02
ORDER-U02
LI21329-U03
FO21330-U03
FO74555-U03
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BOARD-U012
ORDER.-U012

SIGNED BOARD REPORTX MONTEREY COUNTY BOARD OF SUPERVISORS

MEETING: July 21, 2009 Consent AGENDA NO.: REVISED 32

SUBJECT: a. Approve and authorize the establishment of a new special revenue fund Fund 17 Self Insurance);

b. Approve and authorize an increase of \$4,286,500 in appropriations and revenues for Fund 17 Self Insurance in FY 2009-10 Adopted Budget as detailed in the attached Board Order 4/5ths vote required);

c. Authorize the Assistant County Administrative Officer for Human Resources/Risk Management to oversee and manage Fund 17; and

d. Direct the Auditor-Controller to increase appropriations and revenue in the FY 2009-10 Adopted Budget as detailed in the attached Board Order.

DEPARTMENT: County Administrative Office Human Resources

RECOMMENDATION:

It is recommended that the Board of Supervisors:

a. Approve and authorize the establishment of a new special revenue fund Fund 17 Self Insurance);

b. Approve and authorize an increase of \$4,286,500 in appropriations and revenues for Fund 17 Self Insurance in FY 2009-10 Adopted Budget as detailed in the attached Board Order 4/5ths vote required);

c. Authorize the Assistant County Administrative Officer for Human Resources/Risk Management to oversee and manage Fund 17; and

d. Direct the Auditor-Controller to increase appropriations and revenue in the FY 2009-10 Adopted Budget as detailed in the attached Board Order.

SUMMARY/DISCUSSION:

This fund will provide transparency and the ability to effectively and efficiently manage revenues and appropriations for the Dental, Vision, Employee Assistance Program EAP) and Disability programs. Fund 17 Self Insurance will allow Risk Management to use dedicated data streams to forecast and project self insurance reserves, conduct actuarial studies, set rates, track revenues, and expenditures. Housing this information in Fund 17 will also assist in completing the Fiscal Year audit by the County's external auditors. The revenue for this fund comes from department allocations included in the FY 09-10 Adopted Budget) and employee payroll contributions for employee plus one and family coverage for dental and vision insurance. The expenditures in Fund 17 are the administrative fees, claims expenses and other overhead expenses required to offer employee benefits programs to County employees.

The Assistant County Administrator Human Resources/Risk Management is authorized to oversee and manage Fund 17 and conduct internal operational or program reviews as needed. As the County transitions to the Enterprise Resource Planning software Advantage Financial), fund balances from the various employee benefits programs may be transferred from various past

BIB]

40019-U01
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LI21329-U03
FO21330-U03

FO74555-U03
FO75266-U03
MG75341-U03
AS75367-U03
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SIGNED BOARD REPORTX employee benefits program accounts to new funds or accounts e.g., from Fund 40" to Fund 17). The Auditor-Controller agrees that conditions warrant his review or audit of employee benefit programs as soon as practicable.

OTHER AGENCY INVOLVEMENT:

The Auditor-Controller concurs with this action.

FINANCING:

There is no cost to the County associated with this action. Fund 17 Self Insurance is self supporting. Any monies remaining at the end of the year stay in the insurance and self insurance reserves for these programs. Any shortfall that may occur during the year will be covered by the current insurance reserves, subject to confirmation by audit, for these programs. The revenue for this fund comes from department allocations included in the FY 09-10 Adopted Budget) and employee payroll contributions for employee plus one and family coverage for dental and vision insurance. The revenue and appropriations to be established for FY 2009-10 are as follows.

Dental Program \$3,365,000 Vision Program 650,500

Disability Program

Prepared by: 120,000 EAP Program

Approved by: 151,000

Terri Cook

Management Analyst

796-3529

Date: July 14, 2009

Keith Honda

Assistant CAO Human Resources

Cc: Mike Miller, Auditor-Controller

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