



# County of Monterey

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

## Board Report

---

**File #:** 12-1134, **Version:** 1

---

Approve updates to the Monterey County Internal Revenue Code Section 125 Plan.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors approve updates to the Monterey County Internal Revenue Code Section 125 Plan (Attachment A).

**SUMMARY/DISCUSSION:**

Periodically, Monterey County's Internal Revenue Code Section 125 Plan (Section 125 Plan) is reviewed for compliance with ever-changing federal and state laws, as well as compliance with industry best practices. When necessary, changes are made and brought forward for approval by the Board of Supervisors. A red-line document (Attachment B) is included to show the changes.

The changes relate to adding the administration of the Alternative Benefit Option to the Section 125 Plan and adding an attachment to the 125 Plan that contains the current Flex Credit/Flex Dollar Rate Sheet for the plan year (Attachment C). The Flex Credit and Flex Dollar Rate Sheet shall be determined and updated based upon memoranda of understanding with collective bargaining units and the County's Personnel Policies and Procedures Resolution No. 98-394, as applicable.

Approval of these changes ensures that the Section 125 Plan is current with respect to healthcare laws and industry best practices.

**OTHER AGENCY INVOLVEMENT:**

The Auditor-Controller concurs with this action.

**FINANCING:**

Approval of this action does not affect the County's General Fund. These actions have no financial impact.

Prepared by: Terri Cook  
Management Analyst III

Approved by: James E. May  
Director of Human Resources

TC/jls

NOTE: ATTACHMENTS ON FILE WITH CLERK OF THE BOARD OF SUPERVISORS

Att: Attachment A - Section 125 Plan document  
Attachment B - Red-line Section 125 Plan document  
Attachment C - Plan document Appendix B Spreadsheets (Tabs1-4)