

ENTERPRISE FUND & INTERNAL SERVICES FUNDS INDEX

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0711 – VEHICLE REPLACEMENT FUND
Pete Halstad, General Services Director

MISSION STATEMENT & DEPARTMENTAL FUNCTIONS:

The Vehicle Replacement Fund is replenished throughout the fiscal year from per-mile charges for the use of virtually all vehicles maintained by the General Services Department. Mileage costs are based on vehicle category, and are intended to approximate the amount required to purchase new vehicles in each category, less salvage value of the vehicle being replaced. The recommended rates for Fiscal Year 2002/03 are as follows:

Category	Description	Replacement Cost /Mile
1	Compact sedan	\$0.14
2	Compact wagon	\$0.15
3	Full-size sedan/wagon	\$0.18
4	Patrol car (Sheriff)	\$0.26
5	Non-patrol car (Sheriff)	\$0.16
6	2WD compact pickup	\$0.13
7	4WD compact pickup	\$0.15
8	2WD full-size pickup	\$0.15
9	4WD full-size pickup	\$0.20
10	2WD utility	\$0.19
11	4WD utility	\$0.19
12	Minivan	\$0.19
13	Full-size van	\$0.19
14	1-ton truck or larger	\$0.22
15	4WD utility (Sheriff)	\$0.26
16	4WD utility, full-size (Sheriff)	\$0.30
17	2WD full-size pickup, ¾ ton	\$0.17

Decisions regarding prioritization of vehicles for replacement are made by the Garage Manager and the General Services Director, and approved by the County Administrative Officer prior to vehicles being purchased.

COUNTY ADMINISTRATIVE OFFICE COMMENTS:

As a balancing strategy for the Proposed Budget for Fiscal Year 2002-03 to decrease the impact to the General Fund, with the exception of the Sheriff's Department and Public Health, all General Fund departments' contributions to the Vehicle Replacement Fund have been suspended for one year. It was determined that due to high usage and the necessity for annual patrol car replacement, this was not a feasible option for the Sheriff's Department. Public Health budget units required the retention of the vehicle replacement charge to maintain their required General Fund Maintenance of Effort.

The General Services Director has assured the Administrative Office that this action will not result in the degradation of the vehicle fleet, and the aging of vehicles beyond the established limits (100,000 miles).

FINAL BUDGET ACTION:

During Final Budget deliberations, the Board of Supervisors approved the Recommended Budget from the County Administrative Officer for the Vehicle Replacement Fund.

CLASSIFICATION:
FUNCTION: 0
ACTIVITY: 00

BUDGET UNIT: 0711 VEHICLE REPLACEMENT
FUND: 7110 VEHICLE REPLACEMENT

FINANCING USES CLASSIFICATION (1)	2000-01 BUDGET (2)	2000-01 ACTUALS (3)	2001-02 BUDGET (4)	2001-02 ACTUALS (5) 06/30/02	2002-03 REQUEST (6)	2002-03 RECOMMEND (7)	2002-03 ADOPTED (8)
SERVICES & SUPPLIES							
862120 MAINTENANCE-EQUIPMENT	10,000	3,027	10,000	4,888	10,000	10,000	10,000
TOTAL SERVICES & SUPPLIES	10,000	3,027	10,000	4,888	10,000	10,000	10,000
FIXED ASSETS							
864370 EQUIPMENT	544,000	719,943	536,555	728,301	506,555	506,555	506,555
TOTAL FIXED ASSETS	544,000	719,943	536,555	728,301	506,555	506,555	506,555
EXPEND TRANSFER AND REIMB							
865803 LOSS ON DISP OF ASSET	0	4,322	0	0	0	0	0
TOTAL EXPEND TRANSFER AND REIMB	0	4,322	0	0	0	0	0
TOTAL NET APPROPRIATIONS	554,000	727,292	546,555	733,189	516,555	516,555	516,555
LESS: REVENUES							
824100 INTEREST	0	18,201	0	5,950	0	0	0
826401 I. S. F. SERVICES	554,000	241,535	546,555	259,417	516,555	241,555	241,555
826406 SHERIFF VEH REPL	0	266,387	0	280,178	0	0	0
826408 SOC SVCS VEH REPL	0	46,094	0	50,237	0	0	0
826410 DOT VEH REPL	0	12,941	0	10,410	0	0	0
827500 SALE OF FIXED ASSETS	0	29,408	0	17,551	0	0	0
827700 OTHER	0	15,000	0	30,195	0	0	0
TOTAL REVENUES	554,000	629,566	546,555	653,938	516,555	241,555	241,555
TOTAL FUND BALANCE CONTRIBUTION	0	97,726	0	79,251	0	275,000	275,000

0712 – UNEMPLOYMENT INSURANCE PROGRAM
Dennis Huey, Auditor - Controller

MISSION STATEMENT & DEPARTMENTAL FUNCTIONS:

The County is self insured for unemployment insurance.

MAJOR BUDGET FLUCTUATIONS FROM PRIOR YEAR:

For the past several years, the level of existing reserves within this self-insurance fund have been adequate to maintain the actuarial soundness of the program without the necessity of imposing charges to departments to maintain the fund.

At the present time, it is our belief, even with the potential impacts to personnel brought about by the current financial crisis statewide, that the fund should be able to withstand yet another year without departmental charges. This is predicated on the basis that the potential impact of layoffs, if any, to personnel can be significantly mitigated through the employment of furloughs as an alternative mechanism to layoffs.

While it is our recommendation that charges to departments be deferred for yet another year, we would further advise that the situation involving potential layoff and/or furloughs be monitored closely and reviewed by the budget staff prior to final budget adoption for fiscal year 2002-2003.

FINAL BUDGET ACTION:

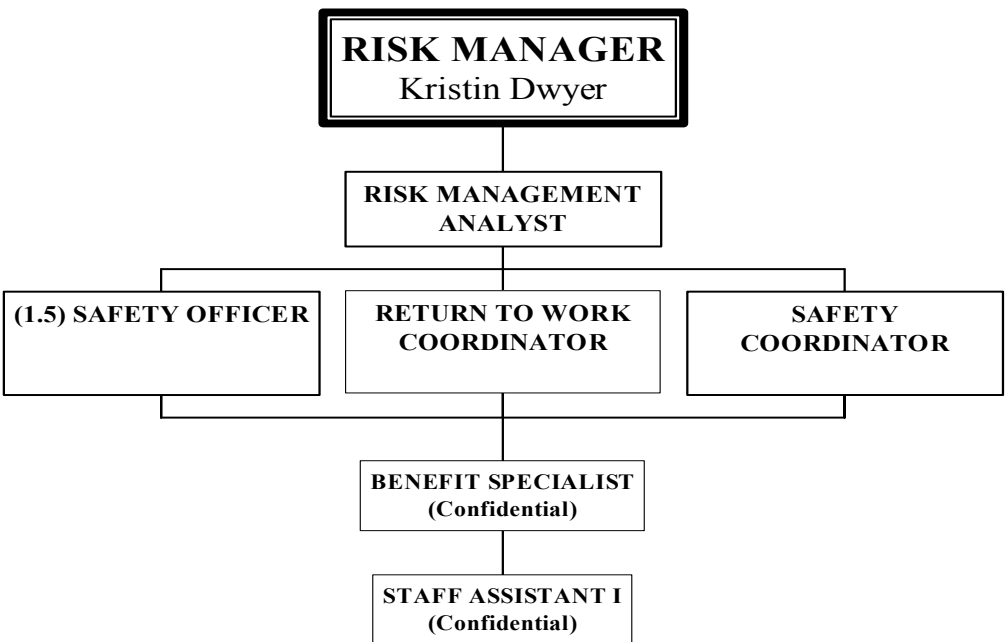
During Final Budget deliberations, the Board of Supervisors approved the Recommended Budget from the County Administrative Officer for the Unemployment Insurance Program.

CLASSIFICATION:
 FUNCTION: 0
 ACTIVITY: 00

BUDGET UNIT: 0712 UNEMPLOYMENT INSURANCE
 FUND: 7120 UNEMPLOYMENT INSURANCE

FINANCING USES CLASSIFICATION (1)	2000-01 BUDGET (2)	2000-01 ACTUALS (3)	2001-02 BUDGET (4)	2001-02 ACTUALS (5) 06/30/02	2002-03 REQUEST (6)	2002-03 RECOMMEND (7)	2002-03 ADOPTED (8)
SERVICES & SUPPLIES							
862103 INSURANCE-UNEMPLOYMENT	110,000	83,697	110,000	101,945	100,000	0	0
862189 PROF & SPEC SVCS-OTHR	1,500	899	1,500	899	1,500	0	0
TOTAL SERVICES & SUPPLIES	111,500	84,596	111,500	102,844	101,500	0	0
TOTAL NET APPROPRIATIONS	111,500	84,596	111,500	102,844	101,500	0	0
LESS: REVENUES							
824100 INTEREST	8,000	14,801	15,000	4,535	6,000	6,000	6,000
826401 I.S.F. SERVICES	73,000	73,000	0	0	0	0	0
TOTAL REVENUES	81,000	87,801	15,000	4,535	6,000	6,000	6,000
TOTAL FUND BALANCE CONTRIBUTION	30,500	-3,205	96,500	98,309	95,500	-6,000	-6,000

0713 – GENERAL LIABILITY INSURANCE
0714 – WORKERS’ COMPENSATION
0715 – HEALTH INSURANCE
Kristin Dwyer, Risk Manager



0713 – GENERAL LIABILITY INSURANCE
0714 – WORKERS’ COMPENSATION
0715 – HEALTH INSURANCE
Kristin Dwyer, Risk Manager

MISSION STATEMENT & DEPARTMENTAL FUNCTIONS:

The Risk Management Division of the County of Mendocino Administrative Office shall identify and measure all risks (uncertainty of loss) of the County of Mendocino by developing and implementing appropriate techniques for assessing and resolving these exposures via risk assumption, risk reduction, risk retention, risk transfer or the purchase of insurance.

GENERAL LIABILITY: The County of Mendocino is self-insured for liability insurance. Included in this Budget Unit are insurance requirements for all liability, property (including fire, flood and selected buildings for earthquake), medical malpractice, and crime and bond. The County has purchased stop-loss coverage for general liability from CSAC- Excess Insurance Authority (EIA) since 1979 at a \$200,000 Self Insured Retention, per claim.

Both Risk Management and County Counsel participate in all aspects of analysis, review, tracking and payments under this program. Current Board policy allows County Counsel and Risk Management to settle claims under \$5,000. Above that amount, staff must seek Board approval. The County must also seek CSAC-EIA’s guidance and approval for any amount that may involve EIA funds.

The County's Safety Officer is responsible for all inspections of County buildings, safety trainings, and recommending changes in the County’s Safety Manual.

Risk Management also staffs the Safety Council as required by the County's Injury and Illness Prevention Program. This Group meets quarterly and reviews accident reports and recommends changes to the County's safety program to the Board of Supervisors.

WORKERS’ COMPENSATION: The County is fully insured for it's Workers’ Compensation Program with CSAC- EIA. Claims Management, Inc. of Sacramento, administers the program under a joint agreement.

The County’s Workers’ Compensation Program pays all claims for current and former employees and volunteers that are injured on the job. The Risk Manager has authority to settle claims with the approval of the EIA staff up to \$25,000. After that amount, EIA’s Primary Workers’ Compensation Board must approve the settlement. Currently, the Risk Manager is a member of this Board.

The County averages from 90-100 open claims at any one time. These claims can result from minor injuries that require a brief visit to the doctor or emergency room, to complicated and serious accidents or injuries with extended time off for recovery and possible modification to the job preformed by the employee.

The County's Return to Work Program was adopted by the Board of Supervisors and implemented in January 2001. The Return to Work Coordinator has trained a total of 68 department heads, managers, and supervisors on the Program. The goal of the program is to decrease the number of days an employee must remain off work as a result of a work related injury by providing temporary modified work duties, or alternative work assignment.

0713 – GENERAL LIABILITY INSURANCE
0714 – WORKERS' COMPENSATION
0715 – HEALTH INSURANCE
Kristin Dwyer, Risk Manager

HEALTH INSURANCE: The County's Health Plan is a self-insured preferred provider plan with a managed care component. Employees may choose from four plans that carry different deductibles and co-pays to meet their individual health needs. When the employee participates in the managed care element of the plan, they enjoy higher insurance payments.

The Health Plan is currently administered by Delta Health Systems of Stockton. They process the County's entire medical, dental and vision claims for the 1450 employees and 1370 dependents enrolled in the program. The Health Plan also provides life, accidental death and dismemberment coverage, and a flexible benefits program.

The Board of Supervisors has established the Health Benefits Committee to monitor, assist and make recommendations on all matters related to the Health Plan. The seven-member committee is comprised of representatives from each of the County's bargaining units and is staffed by Risk Management with help from Human Resources and the Public Health Department.

Though the Health Plan recently received a premium adjustment, the consultant is currently reviewing the status of the Health Plan and may be recommending another adjustment in January 2003 to keep up with the health care industry cost trend. The County and Health Benefits Committee continue to examine alternatives to the current plan to reduce costs and stay competitive with the industry.

MAJOR ACCOMPLISHMENTS:

General Liability

- ❖ Continue to aggressively pursue settlement of all claims against the County in conjunction with County Counsel.
- ❖ Created a new mandatory annual Blood borne Pathogens Training Program for employees who have the potential for exposure.
- ❖ Began training on the County's Safety Manual. 394 County employees have been trained as of April 2002.
- ❖ Inspection of 109 County and leased facilities for hazards and follow up procedures.
- ❖ Began an ergonomic evaluation program within our department.
- ❖ Began a training program for employees regarding Safety and Loss Prevention.
- ❖ Developed a quarterly newsletter, which includes loss prevention, healthcare issues and personal safety.
- ❖ Developed a Car Seat Training Program, wherein 16 staff members that transport children have been trained on how to properly install car seats.

Workers' Compensation

- ❖ Began expansion of the Return to Work Program to include a Modified Duty Program.
- ❖ Began a training program for employees regarding Workers' Compensation, Return to Work Program and Modified Duty Program.
- ❖ Began Ergonomic Evaluations in November of 2001. A total of 37 evaluations have been performed as of April 19, 2002.

Health Insurance

- ❖ Funding was approved for the Health Trust with proper reserves to be attained in five years.
- ❖ Began a training program for employees on the Health Plan.

0713 – GENERAL LIABILITY INSURANCE
0714 – WORKERS’ COMPENSATION
0715 – HEALTH INSURANCE
Kristin Dwyer, Risk Manager

GOALS AND OBJECTIVES:

- ❖ Continue to inspect all County facilities for safety compliance.
- ❖ Create and maintain a website for Risk Management.
- ❖ Continue to train all employees on the County's Safety Manual.
- ❖ Develop a Cal OSHA approved Ergonomics Program to be adopted by the Board.
- ❖ Continue to be an active member of the Board of Directors of the County’s Excess Insurance Authority to protect the interests of the County.
- ❖ Work with all departments on required training programs and provide resources for training sessions.
- ❖ Develop an Annual Risk Management Report for the Board of Supervisors and Departments.
- ❖ Continue to aggressively pursue settlement and/or dismissal of all claims.
- ❖ Continue to work with Buildings and Grounds to make sure all County facilities are insured and properly valued.
- ❖ Examine all County insurance programs cost effectiveness and exposure control.
- ❖ Work with our excess carrier to provide the necessary coverage for all facilities to meet the proposed FEMA insurance requirements.
- ❖ Work with our Third Party Administrator to keep updated on current laws and training for management and employees.
- ❖ Monitor the effectiveness of the health plan providers and continue to make recommendations for streamlining and cost savings.
- ❖ Continue to work with the Health Plan’s consultant to ensure the actuarial soundness of the plan based on utilization and the health care industry cost trend.
- ❖ Recommend the funding of wellness activities and encourage employees and dependants to take charge of their health care.

MAJOR BUDGET FLUCTUATIONS FROM PRIOR YEAR:

General Liability:

SALARIES & BENEFITS:

1011 - Regular Employees. Salaries are increased due to the Slavin appeal for the Safety Coordinator and decreased \$10,000 for the Risk Manager to move part of her salary to Health Insurance BU #0715.

1012 - Extra Help. This account is decreased due to budget constraints.

SERVICES & SUPPLIES:

2101 - Insurance. Increased due to the effects of September 11th for all categories.

2120 - Maintenance Equipment. Decreased due to budget constraints.

2187 - Education and Training. Decreased due to budget constraints.

2253 - Out of County Travel - Decreased due to budget constraints.

REVENUE:

6401 - ISF Services. Increased from all departments due to the cost of insurance.

0713 – GENERAL LIABILITY INSURANCE
0714 – WORKERS’ COMPENSATION
0715 – HEALTH INSURANCE
Kristin Dwyer, Risk Manager

Workers’ Compensation:

SALARIES & BENEFITS:

1011 - Regular Employees. Salaries increased due to merit adjustments.

1012 - Extra Help. Increased due to dual filling position.

SERVICES & SUPPLIES:

2102 - Workmans Compensation. Increased due to estimated premium.

FIXED ASSESTS:

4370 - Equipment. Decreased due to budget constraints.

REVENUES:

6401 - ISF Services. Increased from all departments due to the cost of workers’ compensation premiums.

Health Insurance

SALARIES & BENEFITS:

1011 - Regular Employees. Salaries increased due to merits.

1012 - Extra Help. Decreased due to budget constraints.

SERVICES & SUPPLIES:

2101 - Insurance. Increased due to the cost of excess insurance for the Plan.

2187 - Education and Training. Decreased due to budget constraints.

2189 - Professional and Special Services. Increased due to the cost of administration of the Plan.

2239 - Special Departmental Expense. Increased due to the expected cost of all claims for the Plan.

2250 - Transportation and Travel. Decreased due to budget constraints.

2253 - Travel and Transportation Out of County. Decreased due to budget constraints.

REVENUES:

6401 - ISF Services. Increased from all departments due to the cost of the Health Plan.

COUNTY ADMINSTRATIVE OFFICE COMMENTS:

The cost of insurance for the County increased dramatically due to the events of September 11th. Health insurance continues to escalate at a pace well over 10% per year.

FINAL BUDGET ACTION:

During Final Budget deliberations, the Board of Supervisors approved the Recommended Budget from the County Administrative Officer for Risk Management (General Liability Insurance, Workers’ Compensation and Health Insurance).

AUTHORIZED POSITIONS:

	<u>Allocated</u> <u>2001-2002</u>	<u>Allocated</u> <u>2002-2003</u>
TOTAL:	7.5	7.5

0713 – GENERAL LIABILITY INSURANCE
0714 – WORKERS’ COMPENSATION
0715 – HEALTH INSURANCE
Kristin Dwyer, Risk Manager

COUNTY ADMINISTRATIVE OFFICE NOTES:

SERVICES & SUPPLIES

Acct. 2101 Provides for insurance premiums.

REVENUES

Acct. 6401 Revenue from all departments for insurance services.

CLASSIFICATION:
FUNCTION: 0
ACTIVITY: 00

BUDGET UNIT: 0713 GENERAL LIABILITY INSURANCE
FUND: 7130 GENERAL LIABILITY INSURANCE

FINANCING USES CLASSIFICATION (1)	2000-01 BUDGET (2)	2000-01 ACTUALS (3)	2001-02 BUDGET (4)	2001-02 ACTUALS (5) 06/30/02	2002-03 REQUEST (6)	2002-03 RECOMMEND (7)	2002-03 ADOPTED (8)
SALARIES & EMPLOYEE BENEFITS							
861011 REGULAR EMPLOYEES	63,396	51,208	69,568	64,805	93,332	93,332	93,332
861012 EXTRA HELP	1,000	12,371	1,000	0	0	0	0
861021 CO CONT TO RETIREMENT	4,200	3,198	7,110	5,712	8,661	8,661	8,661
861022 CO CONT TO OASDI	2,380	1,772	3,862	2,993	4,436	4,436	4,436
861023 CO CONT TO OASDI-MEDIC	756	916	1,038	934	1,180	1,180	1,180
861024 CO CONT TO RET INCREMENT	2,237	1,695	3,710	2,956	4,231	4,231	4,231
861030 CO CONT TO EMPLOYEE INSUR	3,523	2,646	3,722	5,470	6,249	6,249	6,249
861031 CO CONT UNEMPLOYMENT INSU	198	57	198	0	198	198	198
861035 CO CONT WORKERS COMPENSAT	222	179	222	67	222	222	222
TOTAL SALARIES & EMPLOYEE BENEFITS	77,912	74,042	90,430	82,937	118,509	118,509	118,509
SERVICES & SUPPLIES							
862060 COMMUNICATIONS	600	919	600	1,124	600	600	600
862101 INSURANCE-GENERAL	149,084	97,635	135,349	171,974	277,500	277,500	277,500
862120 MAINTENANCE-EQUIPMENT	500	20	400	0	0	0	0
862150 MEMBERSHIPS	775	590	850	350	850	850	850
862170 OFFICE EXPENSE	3,800	8,387	4,000	7,376	4,000	4,000	4,000
862183 LEGAL FEES	220,400	219,028	132,000	140,807	142,500	142,500	142,500
862187 EDUCATION & TRAINING	10,000	2,846	10,000	2,867	0	0	0
862189 PROF & SPEC SVCS-OTHR	0	5,841	10,000	5,453	8,000	8,000	8,000
862190 PUBL & LEGAL NOTICES	0	98	0	0	0	0	0
862233 VEHICLE COLLISION REP	40,000	56,431	40,000	54,346	40,000	40,000	40,000
862239 SPEC DEPT EXP	0	8,054	0	2,415	0	0	0
862250 TRNSPRTATION & TRAVEL	1,850	2,173	1,850	2,600	2,000	2,000	2,000
862253 TRAVEL & TRSP OUT OF COUN	2,100	553	2,000	732	0	0	0
TOTAL SERVICES & SUPPLIES	429,109	402,575	337,049	390,044	475,450	475,450	475,450
OTHER CHARGES							
863320 JUDGEMENTS & DAMAGES	300,000	163,156	300,000	407,873	300,000	300,000	300,000
TOTAL OTHER CHARGES	300,000	163,156	300,000	407,873	300,000	300,000	300,000
FIXED ASSETS							
864370 EQUIPMENT	4,100	4,249	3,200	3,200	0	0	0
TOTAL FIXED ASSETS	4,100	4,249	3,200	3,200	0	0	0
TOTAL NET APPROPRIATIONS	811,121	644,022	730,679	884,054	893,959	893,959	893,959
LESS: REVENUES							
824100 INTEREST	40,000	42,636	40,000	10,560	40,000	40,000	40,000
826401 I.S.F. SERVICES	600,000	597,632	500,000	500,000	800,000	800,000	800,000
827700 OTHER	0	9,148	0	507	0	0	0
TOTAL REVENUES	640,000	649,416	540,000	511,067	840,000	840,000	840,000
TOTAL FUND BALANCE CONTRIBUTION	171,121	-5,394	190,679	372,987	53,959	53,959	53,959

CLASSIFICATION:
FUNCTION: 0
ACTIVITY: 00

BUDGET UNIT: 0714 WORKERS COMPENSATION
FUND: 7140 WORKERS COMPENSATION

FINANCING USES CLASSIFICATION (1)	2000-01 BUDGET (2)	2000-01 ACTUALS (3)	2001-02 BUDGET (4)	2001-02 ACTUALS (5) 06/30/02	2002-03 REQUEST (6)	2002-03 RECOMMEND (7)	2002-03 ADOPTED (8)
SALARIES & EMPLOYEE BENEFITS							
861011 REGULAR EMPLOYEES	100,366	45,355	106,784	104,001	110,636	110,636	110,636
861012 EXTRA HELP	1,000	0	1,000	0	15,000	0	0
861021 CO CONT TO RETIREMENT	4,200	4,448	11,399	10,247	13,513	13,513	13,513
861022 CO CONT TO OASDI	2,380	2,489	6,171	5,261	6,969	6,969	6,969
861023 CO CONT TO OASDI-MEDIC	756	634	1,579	1,465	1,776	1,776	1,776
861024 CO CONT TO RET INCREMENT	2,237	2,358	5,982	5,303	6,601	6,601	6,601
861030 CO CONT TO EMPLOYEE INSUR	3,523	4,216	9,223	11,079	12,273	12,273	12,273
861031 CO CONT UNEMPLOYMENT INSU	198	57	198	0	198	198	198
861035 CO CONT WORKERS COMPENSAT	222	0	222	0	222	222	222
TOTAL SALARIES & EMPLOYEE BENEFITS	114,882	59,557	142,558	137,356	167,188	152,188	152,188
SERVICES & SUPPLIES							
862060 COMMUNICATIONS	600	1,028	600	328	750	750	750
862101 INSURANCE-GENERAL	0	149,121	0	0	0	0	0
862102 WORKMANS COMPENSATION	1,700,000	1,674,528	2,102,000	2,143,648	2,500,000	2,527,087	2,527,087
862120 MAINTENANCE-EQUIPMENT	500	75	500	75	500	500	500
862150 MEMBERSHIPS	775	295	775	0	775	775	775
862170 OFFICE EXPENSE	2,700	2,574	2,700	1,340	2,700	2,700	2,700
862187 EDUCATION & TRAINING	7,500	0	10,000	912	10,000	10,000	10,000
862190 PUBL & LEGAL NOTICES	0	797	0	0	0	0	0
862239 SPEC DEPT EXP	30,000	0	0	0	0	0	0
862250 TRNSPRATION & TRAVEL	1,250	1,075	3,000	887	3,000	3,000	3,000
862253 TRAVEL & TRSP OUT OF COUN	1,750	97	3,000	444	3,000	3,000	3,000
TOTAL SERVICES & SUPPLIES	1,745,075	1,829,590	2,122,575	2,147,634	2,520,725	2,547,812	2,547,812
FIXED ASSETS							
864370 EQUIPMENT	3,800	2,258	4,400	4,124	0	0	0
TOTAL FIXED ASSETS	3,800	2,258	4,400	4,124	0	0	0
TOTAL NET APPROPRIATIONS	1,863,757	1,891,405	2,269,533	2,289,114	2,687,913	2,700,000	2,700,000
LESS: REVENUES							
824100 INTEREST	0	-4,456	0	-14,332	0	0	0
826401 I.S.F. SERVICES	1,800,000	1,799,316	2,100,000	2,100,000	2,700,000	2,700,000	2,700,000
827700 OTHER	0	0	0	18	0	0	0
TOTAL REVENUES	1,800,000	1,794,860	2,100,000	2,085,686	2,700,000	2,700,000	2,700,000
TOTAL FUND BALANCE CONTRIBUTION	63,757	96,545	169,533	203,428	-12,087	0	0

CLASSIFICATION:
FUNCTION: 0
ACTIVITY: 00

BUDGET UNIT: 0715 HEALTH INSURANCE
FUND: 7150 HEALTH INSURANCE

FINANCING USES CLASSIFICATION (1)	2000-01 BUDGET (2)	2000-01 ACTUALS (3)	2001-02 BUDGET (4)	2001-02 ACTUALS (5)	2002-03 REQUEST (6)	2002-03 RECOMMEND (7)	2002-03 ADOPTED (8)
				06/30/02			
861011 REGULAR EMPLOYEES	44,660	27,221	30,285	32,323	34,832	34,832	34,832
861012 EXTRA HELP	1,000	0	1,000	0	0	0	0
861021 CO CONT TO RETIREMENT	4,200	3,032	3,671	3,813	4,140	4,140	4,140
861022 CO CONT TO OASDI	2,380	1,658	1,984	2,029	2,072	2,072	2,072
861023 CO CONT TO OASDI-MEDIC	557	388	464	475	484	484	484
861024 CO CONT TO RET INCREMENT	2,237	1,607	1,917	1,973	2,022	2,022	2,022
861030 CO CONT TO EMPLOYEE INSUR	2,715	1,972	2,312	2,140	1,849	1,849	1,849
861031 CO CONT UNEMPLOYMENT INSU	198	36	198	0	198	198	198
861035 CO CONT WORKERS COMPENSAT	222	88	222	0	222	222	222
TOTAL SALARIES & EMPLOYEE BENEFITS	58,169	36,002	42,053	42,753	45,819	45,819	45,819
SERVICES & SUPPLIES							
862060 COMMUNICATIONS	700	775	700	1,287	700	700	700
862101 INSURANCE-GENERAL	280,000	357,152	354,000	351,090	407,560	407,560	407,560
862120 MAINTENANCE-EQUIPMENT	300	0	300	0	0	0	0
862170 OFFICE EXPENSE	10,750	5,926	10,750	9,578	10,750	10,750	10,750
862187 EDUCATION & TRAINING	5,000	0	5,000	415	0	0	0
862189 PROF & SPEC SVCS-OTHR	430,000	1,053,326	483,000	489,173	562,098	562,098	562,098
862190 PUBL & LEGAL NOTICES	0	27	0	0	0	0	0
862239 SPEC DEPT EXP	5,160,000	5,280,409	6,600,000	7,226,748	7,300,000	7,300,000	7,300,000
862250 TRNSPRTATION & TRAVEL	250	308	250	1,607	0	0	0
862253 TRAVEL & TRSP OUT OF COUN	2,000	199	2,000	838	0	0	0
TOTAL SERVICES & SUPPLIES	5,889,000	6,698,122	7,456,000	8,080,736	8,281,108	8,281,108	8,281,108
FIXED ASSETS							
864370 EQUIPMENT	2,500	2,258	0	0	0	0	0
TOTAL FIXED ASSETS	2,500	2,258	0	0	0	0	0
EXPEND TRANSFER AND REIMB							
865802 OPERATING TRANSFER OUT	166,830	156,294	182,304	174,866	184,443	185,065	185,065
TOTAL EXPEND TRANSFER AND REIMB	166,830	156,294	182,304	174,866	184,443	185,065	185,065
TOTAL NET APPROPRIATIONS	6,116,499	6,892,676	7,680,357	8,298,355	8,511,370	8,511,992	8,511,992
LESS: REVENUES							
824100 INTEREST	0	-107,227	0	-37,425	0	0	0
826401 I.S.F. SERVICES	6,110,000	6,838,613	7,664,800	8,165,464	8,884,150	8,884,150	8,884,150
827700 OTHER	0	57,106	0	0	0	0	0
TOTAL REVENUES	6,110,000	6,788,492	7,664,800	8,128,039	8,884,150	8,884,150	8,884,150
TOTAL FUND BALANCE CONTRIBUTION	6,499	104,184	15,557	170,316	-372,780	-372,158	-372,158

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0717 – INFORMATION TECHNOLOGY REPLACEMENT FUND
Dennis Huey, Auditor-Controller/Jay Johnson, Information Services Director

MISSION STATEMENT & DEPARTMENTAL FUNCTIONS:

This Budget Unit, established in Fiscal Year 2000-2001, provides the funding for the replacement of multi-departmental computer systems. The total annual on-going appropriation in this replacement fund is \$240,000. It is capped with a total accrual not to exceed \$850,000 unless further Board action is taken. The account also provides the "seed" money necessary to get a multi-departmental system "off the ground". An example is the Permit Tracking and Enforcement system (CRW). This budget covered the initial costs of implementing the Geographic Information System in the County. This fund allows multi-departmental projects to be undertaken without adversely impacting departmental budgets and provides some stability in meeting any unanticipated costs surrounding the technology deployed in the County.

The initial \$240,000 investment, included \$125,000 which came from "savings" due to the change in the delivery model of on-going Information Technology (IT) services in the County. For a number of years a contractor, Affiliated Computer Services (ACS), provided the majority of on-going services. When the contract expired, the County moved to an in-house Information Services (IS) department. The County was able to save some money under the contract and those funds provided the \$125,000 referenced above.

Projects identified for potential use of these funds are:

- ❖ County-wide phone systems
- ❖ Document Management
- ❖ Compliance with HIPAA (Health Insurance Portability and Accountability Act)
- ❖ E-Government
- ❖ Revision of the Strategic Long-range Plan for Information Technologies
- ❖ Development of the County's web site
- ❖ Improvement in the County's wide-area network
- ❖ Data encryption
- ❖ Upgrading from analog to digital on the microwave system

Another area of concern involves the County's current microwave infrastructure. The microwave system carries County voice and data traffic. The existing microwave system is outdated and obtaining replacement parts is problematic. Should the microwave system fail, the County has virtually no backup connectivity. Preliminary estimates for replacement of the microwave system are \$3,000,000 - \$5,000,000. The County Administrative Officer and Director of Information Services will return to the Board of Supervisors with a plan of action, timeline and associated costs at a later date to address this issue.

Future annual funding to this budget unit is anticipated to remain at \$240,000 per year with the funding source being the County General Fund.

COUNTY ADMINISTRATIVE OFFICE COMMENTS:

It is anticipated that there will be a fund balance of \$120,000 in the Information Technology Replacement Fund on June 30, 2002. The Fiscal Year 2002-03 budget includes the annual \$240,000 General Fund contribution. This entire amount is required for the second of a three-year commitment for the Microsoft Licensing update. The total contract amount is \$722,177 which covers all County desktop computers (1,144).

FINAL BUDGET ACTION:

During Final Budget deliberations, the Board of Supervisors approved the Recommended Budget from the County Administrative Officer for the Information Technology Replacement Fund.

CLASSIFICATION:
FUNCTION: 0
ACTIVITY: 0

BUDGET UNIT: 0717 SOFTWARE ACQUISITION
FUND: 7170 SOFTWARE ACQUISITION

FINANCING USES CLASSIFICATION (1)	2000-01 BUDGET (2)	2000-01 ACTUALS (3)	2001-02 BUDGET (4)	2001-02 ACTUALS (5) 06/30/02	2002-03 REQUEST (6)	2002-03 RECOMMEND (7)	2002-03 ADOPTED (8)
SERVICES & SUPPLIES							
862120 MAINTENANCE-EQUIPMENT	2,500	2,535	10,000	0	0	0	0
862170 OFFICE EXPENSE	1,000	0	2,500	82	0	0	0
862189 PROF & SPEC SVCS-OTHR	0	0	0	3,000	0	0	0
862200 RNTS & LEASES-EQPMNT	4,500	4,066	0	4,920	0	0	0
862239 SPEC DEPT EXP	225,000	57,027	314,060	286,114	120,000	120,000	120,000
TOTAL SERVICES & SUPPLIES	233,000	63,628	326,560	294,116	120,000	120,000	120,000
FIXED ASSETS							
864370 EQUIPMENT	7,000	3,260	146,000	19,312	120,000	120,000	120,000
TOTAL FIXED ASSETS	7,000	3,260	146,000	19,312	120,000	120,000	120,000
TOTAL NET APPROPRIATIONS	240,000	66,888	472,560	313,428	240,000	240,000	240,000
LESS: REVENUES							
824100 INTEREST	0	7,689	0	6,852	0	0	0
826401 I.S.F. SERVICES	125,000	0	0	0	0	0	0
827802 OPERATING TRANSFER IN	115,000	115,000	240,000	240,000	0	0	0
TOTAL REVENUES	240,000	122,689	240,000	246,852	0	0	0
TOTAL FUND BALANCE CONTRIBUTION	0	-55,801	232,560	66,576	240,000	240,000	240,000