

COUNTY OF NEVADA

DEPARTMENT OF HUMAN RESOURCES

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NEVADA COUNTY BOARD OF SUPERVISORS

Board Agenda Memo

MEETING DATE: September 28, 2021

TO: Board of Supervisors

FROM: Steven Rose, Director of Human Resources

SUBJECT: Resolution approving the Administrative Services Agreement between the County of Nevada and Voya Benefits, LLC to administer the County's Flexible Spending Arrangement, Dependent Care Flex Agreement, and Healthcare Reimbursement Accounts, for the period January 1, 2022 through December 31, 2027, and authorizing the Human Resources Director to Execute the Agreement on behalf of the County of Nevada.

RECOMMENDATION: Approve the attached Resolution

FUNDING: The Dependent Care Flex Agreement ("DFA") is fully funded by employee contributions. The Flexible Spending Arrangement ("FSA") is also funded by employees allocating pre-tax dollars for health care expenses each benefit year.

The County will pay the administrative fee of \$3.50 per month per participating employee. The administrative fee will come out of the Human Resources budget. Additionally, the County will pay a \$12,000 deposit to Voya for the FSA & DFA, an amount equal to 2-weeks' worth of the enrolled participants annual election. Voya will invoice the County for said deposit. Upon termination of the Agreement, Voya shall return the entire unused portion of the deposit to the County.

The Healthcare Reimbursement Account ("HRA") is funded by the County through the Human Resources budget and billed back to the appropriate departments. Voya has waived the deposit requirement for the HRA program.

There is no budget amendment needed and there are no additional general funds required.

BACKGROUND: The Auditor Controller administered the Dependent Care program in conjunction with Human Resources until 2020, when Navia took on this administration with the implementation of the new benefit, the Flexible Spending Arrangement.

At the end of the agreement term with Navia, the County entered into an agreement for the 2021 benefit year with Basic Pacific for the administration of these programs and added the administration of our HRA program.

The County now desires to contract with Voya Benefits, LLC for the administration of said programs.

On August 10, 2021, by Resolution 21-359, the County entered into an agreement with Voya Benefits, LLC to act as the County's third-party administrator of mandated COBRA benefits and retiree benefits. Voya Benefits, LLC is well qualified to assume administration of the flexible spending programs as well.

Your consideration of this change is appreciated.

Respectfully submitted,

Item Initiated and Approved by: Steven Rose, Director of Human Resources

Submitted Date: September 13, 2021