



COUNTY OF HUMBOLDT

For the meeting of: 8/12/2025

File #: 25-889

To: Board of Supervisors

From: Human Resources

Agenda Section: Consent

Vote Requirement: 4/5th

SUBJECT:

Supplemental Budget for the Purchased Insurance Budget Unit (3528-358) in the Amount of \$260,000 (4/5 Vote Required)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the attached supplemental budget in the Purchased Insurance Budget (3528-358) for Fiscal Year (FY) 2025-26 (4/5 Vote Required).

STRATEGIC PLAN:

This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Workforce & Operational Excellence

Strategic Plan Category: 3001 - Support a well-trained workforce

DISCUSSION:

The Risk Management- Purchased Insurance budget (3528-358) has incurred a higher premium than initial estimates provided by PRISM (Public Risk Innovation, Solutions, and Management) in the current year. The Purchased Insurance fund has sufficient fund balance to pay for these increased premiums. Staff request your Board approve the attached supplemental budget to pay for the unanticipated premium costs. The supplemental budget reflects these additional revenues utilized to cover overages in the Purchased Insurance budget for FY 2025-26.

The attached supplemental budget is necessary to appropriate funds to the Purchased Insurance internal service fund (ISF) for the revenues and expenditures that have already occurred in the year.

SOURCE OF FUNDING:

Purchased Insurance ISF Fund Balance 3528-358

FINANCIAL IMPACT:

<i>Expenditures (Purchased Insurance 3528-358)</i>	FY25-26	FY26-27 Projected*	FY27-28 Projected*
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Budgeted Expenses	<u>\$2,084,364</u>	<u>\$2,500,000</u>	<u>\$2,750,000</u>
Additional Appropriation Requested	<u>\$260,000</u>	<u>\$0</u>	<u>\$0</u>
Total Expenditures	<u>\$2,344,364</u>	<u>\$2,500,000</u>	<u>\$2,750,000</u>

**Projected amounts are estimates and are subject to change.*

Funding Sources (Purchased Insurance 3528-358)	FY25-26	FY26-27 Projected*	FY27-28 Projected*
General Fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
State/Federal Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Fees/Other	<u>\$2,113,072</u>	<u>\$2,500,000</u>	<u>\$2,750,000</u>
Use of Fund Balance	<u>\$260,000</u>	<u>\$0</u>	<u>\$0</u>
Contingencies	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Funding Sources	<u>\$2,373,072</u>	<u>\$0</u>	<u>\$0</u>

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:

The funds available in fund balance were not utilized in the FY 2024-25 county budget. However, due to the increased premium cost it is necessary to utilize a portion of fund balance to pay for the county's FY 2025-26 insurance charges without increasing any charges to county departments or the General Fund. The attached supplemental budget will increase appropriations in Fund 3528, Budget Unit 358 - Dental Insurance by \$260,000 to fund the additional claims. The fund balance of Fund 3528 as of June 30, 2025, was \$742,123.

STAFFING IMPACT:

Narrative Explanation of Staffing Impact:

There is no direct staffing impact to approving this supplemental budget.

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could elect not to approve the request. This is not recommended because expenditures cannot exceed appropriations in a budget unit and there are necessary claims payments.

ATTACHMENTS:

1. Supplemental Budget
2. GL Summary

PREVIOUS ACTION/REFERRAL:

Meeting of: N/A

File No.: N/A