

RESOLUTION NO. 08-12

RESOLUTION OF THE BOARD OF DIRECTORS OF RUNNING SPRINGS WATER DISTRICT APPROVING THE PARTICIPATION OF BOARD MEMBERS IN THE DISTRICT'S EMPLOYEE BENEFIT PROGRAMS

WHEREAS, the Running Springs Water District ("District") currently makes available to its employees a variety of welfare benefit plans, including a group health plan, dental plan and vision care plan; and

WHEREAS, eligible employees may elect to participate in the welfare benefit plans to obtain coverage for themselves and their dependents and it is the District's policy to contribute an amount toward the costs of an employee's benefits; and

WHEREAS, the members of the District's Board of Directors ("Directors") have expressed an interest in participating in the District's welfare benefit plans so that they can obtain access to health, dental and vision care at group rates for themselves and their families; and

WHEREAS, pursuant to Government Code Section 53201, the District is permitted to provide health and welfare benefits to members of its Board of Directors which are consistent with benefits received by its employees; and

WHEREAS, the Board of Directors believes that, notwithstanding the provisions of Government Code Section 53208 which allows a public agency to contribute toward the cost of its Directors' health and welfare benefits without violating the compensation limits imposed by Water Code Section 30507, financial contribution of District money toward the cost of benefit programs for Directors would not be appropriate or prudent at this time; and

WHEREAS, the District desires to allow Directors the opportunity to elect to participate in the health, dental and vision care plans maintained by the District, provided the Directors personally pay for the entire cost of such benefits;

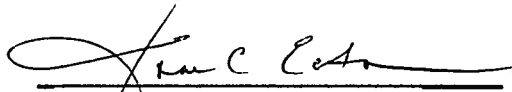
**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF
RUNNING SPRINGS WATER DISTRICT AS FOLLOWS:**

1. The Board hereby approves a change in its employee benefits policy, effective March 21, 2012, to allow the participation of any member of the Board of Directors ("Director") in the group health care plan, dental plan and vision care plan maintained by the District.

2. Each Director shall be eligible to elect coverage for himself or herself and his or her eligible dependents in one or more of the District's group health care, dental and vision care plans, the entire cost of which be borne by the Director and shall be on an after-tax basis.

Adopted this 21st day of March, 2012


President of the Board of Directors


Secretary of the Board of Directors

RUNNING SPRINGS WATER DISTRICT

MEMORANDUM

DATE: March 9, 2012

TO: Board of Directors

FROM: Sam G. Massey, General Manager

SUBJECT: BOARD CONSIDERATION AND ADOPTION OF RESOLUTION NO. 08-12, APPROVING THE PARTICIPATION OF BOARD MEMBERS IN THE DISTRICT'S EMPLOYEE BENEFIT PROGRAMS

BACKGROUND

At the February 22, 2012 Board Meeting, President Ayers discussed the possibility of adopting a policy whereby the Board of Directors could participate in the District's Medical, Dental and Vision Insurance Programs at the Director's expense. After some discussion, President Ayers directed staff and Attorney Riddell to draft a policy allowing Board Directors to participate in the District's insurance programs, but emphasized it would be paid 100% at the Director's expense.

CURRENT STATUS

Attorney Riddell has drafted Resolution No. 08-12 which allows the Running Springs Water District Board of Directors to participate in the District's Medical, Dental and Vision Insurance Programs. This resolution allows Board Members to participate in the insurance programs solely at the expense of the participating Director.

REQUESTED BOARD ACTION

We ask that the Board consider the above information and then adopt Resolution No. 08-12 allowing the Board of Directors to participate in the District's Medical, Dental and Vision Insurance Programs at the Director's expense.