

RESOLUTION NO. 11-20-2024

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MALAGA
COUNTY WATER DISTRICT RATIFYING AND RESTATING THE DISTRICTS
MEDICAL EXPENSE INSURANCE POLICY**

WHEREAS, On February 8, 2022, the Board of Directors of the Malaga County Water District considered amendments to Policy 2110.10 titled Medical Expense Insurance; and

WHEREAS, the proposed amendments would have require all new employees and all reclassified employees who were made eligible for medical benefits [as a result of the reclassification] after the date of the amendment to enroll in the medical insurance plan and be ineligible for in-lieu of payments in order to maintain required participation rate thresholds, require medical insurance recipients to contribute to the cost of providing the benefit, and cap the amount of in-lieu of payments; and

WHEREAS, after discussion at the February 8, 2022, board meeting, the Board tabled the item to receive further input from the District's benefit committee; and

WHEREAS, at the February 22, 2022, Board of Directors meeting, District employees presented the Board with a letter stating their opinions/recommendations regarding the proposed policy amendment; and

WHEREAS, at the February 22, 2022, Board of Directors meeting, the Board approved and directed that the policy, Policy 2110.10 be amended to include a provision that all eligible employees hired or reclassified to be eligible for medical benefits on or after February 23, 2022, be required to enroll in the medical benefit plan and would not be eligible to receive in-lieu of payments in order to maintain the District's eligibility in a health care plan; and

WHEREAS, the District did implement and has followed the revised policy since February 23, 2022; and

WHEREAS, it has recently come to the attention of the Board that the revision to Policy 2110.10 was not reflected in the February 22, 2022, meeting minutes; and

WHEREAS, the Board of Directors of the Malaga County Water District desires to ratify the decision to revise Policy 2110.10 and to restate Policy 2110.10 so that the District Policy and Procedure Manual is current.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MALAGA COUNTY WATER DISTRICT AS FOLLOWS:

1. That the foregoing recitals are true and correct and incorporated by this reference herein as though fully set forth at this point.

2. The Board of Directors hereby ratifies the February 22, 2022, revision to District Policy 2110.10 and hereby approves the restatement of Policy 2110.10 effective February 23, 2022, as attached hereto and incorporated herein as Attachment A.

Passed and adopted by the Board of Directors of the Malaga County Water District at their meeting held on this 20th day of November 2024, by the following vote:

AYES:

NOES:

ABSENT:

Charles Garabedian, Jr., President
Malaga County Water District

ATTEST:

Norma Melendez,
Secretary of the Board of Directors
Malaga County Water District

2110.10 Medical Expense Insurance. Accident, health, hospital and dental insurance to cover non-occupational injuries and sickness (the “Health Benefits Plan”) for probationary full-time and full-time employees in all job classifications, and their eligible dependents, shall be provided by the District. The scope of coverage and the payment of premiums is subject to periodic review and revision by the Board of Directors. Members of the Board of Directors of the District and their eligible dependents may participate in the Health Benefits Plan provided by the District to employees. The Health Benefits Plan for Directors will be available only to active members of the Board of Directors and shall be unavailable after a Director is no longer an elected or appointed official of the District. In accordance with Government Code §53208.5, the benefits provided to Directors by the Health Benefits Plan may not be greater than the most generous schedule of benefits being received by any group of employees of the District. Directors and employees hired or eligible for benefits on or before February 8, 2022, in lieu of receiving health care coverage for themselves and their dependents who elect not to participate in the Health Benefits Plan provided by the District, shall receive a payment each month, in the cash equivalent of the amount that the District would have otherwise incurred to enroll and maintain the employee or director in the Health Benefits Plan provided by the District (hereinafter referred to as (“In Lieu of Payments”). A Director may direct and upon such direction the District will pay such In Lieu of Payments into a tax deferred retirement plan or account designated by the Director. Any employee hired or reclassified to a full-time or probationary full-time position on or after February 23, 2022, shall not be eligible for or receive In Lieu of Payments.