

MIDWAY SEWER DISTRICT

RESOLUTION NO. 2022-03

RESOLUTION AMENDING DISTRICT EMPLOYEE HANDBOOK

Background: The District provides its employees and commissioners an HRA VEBA plan benefit offered and administered by the Voluntary Employees' Beneficiary Association Trust for Public Employees in the Northwest.

The District wishes to make the benefit equal to all employees

Resolution: NOW THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Midway Sewer District approves the following revisions to Section 312 of the Midway Sewer Employee Handbook:

Sec. 312 HEALTH REIMBURSEMENT ARRANGEMENT (HRA-VEBA)

The Voluntary Employees' Beneficiary Association for Public Employees (VEBA) provides Health Reimbursement Arrangement (HRA) accounts that are a benefit for the employees and commissioners of the District.

1. Standard HRA Plans are provided for employees and commissioners that meet the following two eligibility requirements:
 - a. Eligible to enroll in the District's group medical plan, and
 - b. Enrolled in the District's group medical plan or enrolled in a "Qualified Group Health Plan."
 - i. Qualified Group Health Plans must be a group health plan as defined by the Affordable Care Act and related regulations. Individual plans, including those accessed through the Health Insurance Marketplace (exchange) are not considered group health plans. Medicare is not considered a group health plan. Qualified Group Health Plans must also meet the minimum value requirements of the Affordable Care Act.
2. Individuals claiming enrollment in a Qualified Group Health Plan must submit to the District appropriate documentation of such plan when requested by the District and the District shall determine whether a plan is a Qualified Group Health Plan.
3. The Standard HRA Plan provides reimbursement for qualifying medical expenses while employed with the District and after employee has separated from employment.
4. Post-separation HRA Plans are provided for employees/commissioners who are not enrolled in the District's group medical plan or a Qualified Group Health Plan. Contributions made to Post-separation HRA Plans provide for reimbursement for qualifying medical expenses only after an employee has separated from employment.

5. Contributions to Standard HRA Plans for employees/commissioners enrolled in Qualified Group Health Plans that cover the employee and dependents and contributions to Post-Separation HRA plans are based on an annual calculation. The calculation is based on the unused insurance premium amounts available to employees/commissioners calculated using the average of the PEBB insurance premiums for K-12 & Employer Groups (Political Subdivisions & Tribal Governments) Active Tiered Rates for Full Benefits Package Plans that are offered in King County less the applicable PEBB enrollment fees and surcharges.
6. On retirement, fifty percent (50%) of an employee's unused accumulated sick leave cashout as determined in accordance with Section 604 of the Employee Handbook, if any, will be contributed to the employee's Standard or Post-separation HRA account under the Plan.
7. On termination from employment other than for cause or retirement, twenty-five percent (25%) of an employee's unused accumulated sick leave cash-out as determined in accordance with Section 604 of the Employee Handbook, if any, will be contributed to the employee's Standard or Post-separation HRA account under the Plan.
8. One percent (1%) of each regular fulltime, regular part-time and exempt employee's monthly salary will be contributed to the employee's Standard or Post-separation HRA account under the Plan. The Board reserves the right to modify or repeal the HRA VEBA Plan at its discretion and without prior notice to the employees. More information about HRA VEBA can be found at <http://www.hraveba.org/>.

The changes shall become effective June 1, 2022.

Adoption: ADOPTED at a regular meeting of the Board of Commissioners of Midway Sewer District on May 11, 2022 the following Commissioners being present and voting:

Commissioner
Commissioner
Commissioner
Commissioner
Commissioner

