

LAKE CHELAN RECLAMATION DISTRICT

MANSON, WASHINGTON

RESOLUTION 13-03

MSA/VEBA VOLUNTARY MEDICAL SAVINGS PLAN

WHEREAS, Section 501(c)9 of the Internal Revenue Code provides the opportunity for the District to establish a health and welfare trust for employees which would allow certain medical, dental, and vision expenses to be paid with tax exempt funds and increase flexibility in the utilization thereof; and

WHEREAS, the Voluntary Employees' Benefit Association (VEBA) Trust for Public Employees in the State of Washington offers and will administer two health reimbursement arrangement (HRA) plans (collectively the "Plans") as amended and restated; the Standard HRA Plan which is a tax-free savings account for employees to pay for medical, dental and vision expenses that are not paid by other LCRD provided benefit plan; and the Post-separation HRA Plan, which shall provide benefits from the afore-mentioned tax-free savings account for employees only after a participant separates from service or retires; and

WHEREAS, the Lake Chelan Reclamation District (LCRD) has determined that joining VEBA is in the best interest of LCRD and its employees and wants to establish the Plans for its employees; and

WHEREAS, such VEBA Trust plan established by LCRD will be administered in accordance with LCRD policies on employer contributions and upon plan documents provided by VEBA Trust which will be on file in the LCRD office. The Secretary-Manager shall be responsible for implementing the operating procedures for this plan.

NOW, THEREFORE, BE IT RESOLVED; that the Lake Chelan Reclamation District hereby adopts the VEBA Trust for Public Employees in the State of Washington, administered by VEBA Service Group, a Division of Gallagher Benefit Services, Inc. of Spokane, WA, as its tax-exempt health and welfare trust plan.

Adopted this 10th day of December, 2013 at the regular meeting of the Board of Directors.

LAKE CHELAN RECLAMATION DISTRICT

BY: _____
President

ATTEST: _____
Secretary-Manager