

**SILVER LAKE WATER & SEWER DISTRICT
SNOHOMISH COUNTY, WASHINGTON
RESOLUTION NO. 627**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE SILVER LAKE WATER & SEWER DISTRICT, SNOHOMISH COUNTY, WASHINGTON, PROVIDING FOR PAYMENT OF HEALTH INSURANCE PREMIUMS FOR EMPLOYEES AND COMMISSIONERS OF THE DISTRICT AND PARTICIPATION IN A HEALTH REIMBURSEMENT ARRANGEMENT PLAN.

WHEREAS, health care plans and coverage provided by the District to District employees is an important employee benefit; and

WHEREAS, health care insurance costs continue to increase by increased premiums, deductibles and co-pay amounts and the Board of Commissioners desires to address those costs in a financially prudent manner; and

WHEREAS, continued District membership in a qualified Health Reimbursement Arrangement in accordance with the Internal Revenue Code will provide adequate health care coverage for District employees, employee families, and Commissioners; and,

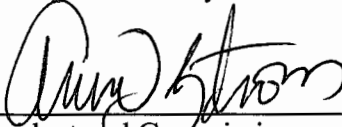
WHEREAS, State law authorizes the District to provide for all or a portion of hospitalization and medical insurance costs for its employees and Commissioners and their dependents.

NOW THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Silver Lake Water & Sewer District, Snohomish County, Washington as follows:


1. Not less than two plans or policies for medical and hospitalization insurance coverage shall be provided by the District to its employees, Commissioners, and elected dependents. Each employee and participating Commissioners shall select their authorized plans and level of coverage to utilize.
2. The District shall pay directly to the health care provider selected by any employee or Commissioner or to the Health Reimbursement Arrangement Plan (HRA) VEBA, for health care expenses of each employee or Commissioner or to both the health care provider and to HRA VEBA a total of \$_____ for the month of March 2008 and every month thereafter for such hospitalization and medical insurance plan and for the HRA VEBA trust. Should the cost of such health care plan or policy exceed the amount paid by the District the employee or Commissioner must cover the excess cost through personal funds to obtain the insurance coverage selected by said employee or Commissioner. No employee or Commissioner may pay personal funds or contribute the value of personal accrued leave to the HRA VEBA trust.
4. All District resolutions, policies and procedures which are inconsistent with this resolution are hereby rescinded, modified and superseded to be in accordance with this resolution.

5. Should any part or provision of this resolution be declared by a court of competent jurisdiction to be invalid, the same shall not affect the validity of the resolution as a whole, or any part thereof other than the part declared to be invalid.

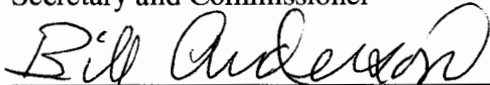
ADOPTED by the Board of Commissioners at a regular meeting of the Silver Lake Water & Sewer District, Snohomish County, Washington this 28th day of February 2008.



President and Commissioner



Secretary and Commissioner



Commissioner

I CERTIFY the above to be a true and correct copy of Resolution No. 627 adopted by the Board of Commissioners of the Silver Lake Water & Sewer District this 28th day of February 2008 as said Resolution appears in the records of the Silver Lake Water & Sewer District.



Secretary of the Silver Lake Water & Sewer District