



Agenda Date: 4/3/2019
Agenda Placement: 7C

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors
FROM: Jeff Tucker - Director of Administrative Services/CFO
NS-Administration
REPORT BY: Jeff Tucker, Director of Administrative Services/CFO - 707-258-6000
SUBJECT: Approve Amendment to Cafeteria Plan Summary Plan Description

RECOMMENDATION

Approve the attached amendment to the NapaSan Cafeteria Plan's Summary Plan Description.

EXECUTIVE SUMMARY

Napa Sanitation District's Cafeteria Plan is the document that establishes certain employee benefits as being tax exempt under Internal Revenue Code Section 125. These include employee copayments toward health benefits (any premium amounts above the maximum paid for by NapaSan), health care flexible spending account, and dependent care flexible spending account.

Recently, the Cafeteria Plan and Summary Plan Description were review by legal counsel to ensure that they conform with current law. Legal counsel has recommended the following changes to the Summary Plan Description document:

1. On the Health Care Spending Account Component Summary, Q-2, to remove the reference to the federal Defense of Marriage Act, as this law has been determined to be unconstitutional by the US Supreme Court (page 9).
2. Update the NapaSan address and the name and address of the third party administrator (page 27).
3. Modify the Cafeteria Plan Eligibility Requirements (page 28), the Health Care Spending Account Eligibility Requirements (page 30) and the Dependent Care Spending Account Eligibility Requirements (page 31) to account and allow for the flexible schedules that some regular, full time NapaSan employees have.
4. Change the Annual Health Care Spending Account amount limits to recognize new limits that have been put in

place by Internal Revenue Code changes since the Summary Plan Description was last amended and restated.

These changes are administrative in nature, and do not change the benefits currently being conferred up NapaSan employees. The changes conform to current practice and current law.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

SUPPORTING DOCUMENTS

A . Cafeteria Plan Summary Plan Description

Napa Sanitation District: Approve

Reviewed By: Jeff Tucker