

CHUGACH ELECTRIC ASSOCIATION, INC.
Anchorage, Alaska

REGULAR BOARD OF DIRECTORS' MEETING
AGENDA ITEM SUMMARY

August 26, 2009

ACTION REQUIRED

AGENDA ITEM NO. V.J.

Information Only
 Motion
 Resolution
 Executive Session
 Other

TOPIC

New Board Policy 116 – Provision of Health Insurance to Employees Who Are Family Members of Board Directors

DISCUSSION

The Association's Standard Operating Procedure 063 calls for periodic review of board policies to determine if any revisions are necessary. Board counsel and staff have undertaken the review and at the August 12, 2009 Operations Committee Meeting, the committee recommended that the Board of Directors approve New Board Policy 116 – Provision of Health Insurance to Employees Who Are Family Members of Board Directors, as attached.

Note: After the August 12, 2009 Operations Committee Meeting, Board counsel and staff added a reference to the United States Code in the Policy where the federal ERISA requirements are located.

MOTION

(Consent Agenda)

CHUGACH ELECTRIC ASSOCIATION, INC.

BOARD POLICY: 116

DATE: August 26, 2009

PROVISION OF HEALTH INSURANCE TO EMPLOYEES WHO ARE FAMILY MEMBERS OF BOARD DIRECTORS

I. OBJECTIVE

To comply with federal law and the Association's health insurance plans.

II. CONTENT

The federal Employee Retirement Income Security Act (29 U.S.C. Section 1001, et seq.) ("ERISA") requires the Association to comply with the written terms of its health insurance plan documents and not exclude employees from health care coverage who are not excluded under the written terms of the plans. All employees are eligible to participate in the Association's health insurance plans. Therefore, notwithstanding the provision in Article IV, Section 9 of the Association bylaws prohibiting the Association from providing health insurance to Association employees who are family members of Board Directors, the Association shall comply with ERISA and provide health insurance to such employees in accordance with its plans.

III. RESPONSIBILITY

The Chief Executive Officer shall be responsible for the administration of this policy.

Date Approved: _____

Attested: _____

Alex Gimarc
Secretary of the Board