



Memo

To: Board of Directors
From: Josselyn Quine
Date: October 21, 2025
Subject: Health Benefits Plan Maximum

The Health Benefits Plan pays 100% of an employee's health insurance premiums up to a maximum amount of \$1,706 per month per employee. The Board last adjusted the maximum amount in October 2024 based on ½ of the average percentage increase in premiums that occurred since the last adjustment in 2020.

The Health Benefits program covers medical, dental and vision insurance for the employees, retirees and surviving family members on a prorated basis, based on the number of years the retiree/employee worked for the District. A retiree hired prior to September 21, 2005, is required to be employed for 20 years to be fully vested in the Health Benefits program. Employees hired after September 21, 2005, are required to be employed for 40 years to be fully vested.

For the calendar years 2024 and 2025, premiums have increased at an average rate of 6.29% over 2024 rates. The premium increases are effective January 1, 2026. We have included the "Change in Insurance Premiums" chart for your reference. This chart shows 2024 premiums, 2025 premiums, dollar amount of monthly change, and percentage of monthly change.

Recommendation: Based on the history of action taken by the Board to share the increase in premiums with the employees and to adjust the maximum monthly benefit by half of the average percent increase in premiums, we recommend that the maximum be increased by 3.15% (\$54), from \$1,706 to \$1,760 per month per employee, effective January 1, 2026.

Fiscal Impact: A 3.15% increase in the maximum benefit would cost the District approximately \$6,706.80 per year. This maximum amount would cover 4 of the employees who have one person covered on their health insurance. The other 11 employees having two or more people covered on their health insurance would have the increased co-payment as indicated above. Currently, one of the ten retirees/survivors

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exceed the maximum benefit amount because of the plan type chosen or percentage of District Maximum covered because of length of employment.

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Crestline Village Water District

Change in Insurance Premiums

ACWA Health Insurance Premiums

Current Premiums	Low	High	Avg.	
Employee	846.30	1,093.97	972.52	
Employee + 1	1,692.60	2,187.94	1,945.03	
Employee + 2 or more	2,589.79	2,899.02	2,613.84	5,531.39
Last Year Premiums	Low	High	Avg.	
Employee	812.70	1,043.50	914.88	
Employee + 1	1,625.40	2,087.00	1,829.76	
Employee + 2 or more	2,259.31	2,765.28	2,459.65	5,204.29
Change in Premiums (\$)	Low	High	Avg.	
Employee	33.60	50.47	57.64	
Employee + 1	67.20	100.94	115.27	
Employee + 2 or more	330.48	133.74	154.19	327.10
Change in Premiums (%)	Low	High	Ave.	
Employee	4.13%	4.84%	6.30%	
Employee + 1	4.13%	4.84%	6.30%	
Employee + 2 or more	14.63%	4.84%	6.27%	6.29%