



COMMUNITY BRIDGES  
PUENTES DE LA COMUNIDAD

BOARD OF DIRECTORS  
Wednesday, August 17, 2016  
5:30 PM to 8:00 PM

Elderday: 100 Pioneer Street, Santa Cruz, CA 95060

REVISED AGENDA

- 5:00 Dinner
- 5:30 1. Call to Order/Establish Quorum
- 5:32 2. Agenda Review
- 5:35 3. Announcements/Program Updates
  - 3.1 CB Employee Appreciation BBQ 8/27/2016
  - 3.2 Mountain Affair 10/21/2016
- 5:40 4. \*CONSENT AGENDA – *Action Items*  
*In approving the consent agenda, the Board is approving recommendations within each committee’s minutes listed below.*
  - 4.1 *Draft Minutes of the August 4, 2016 Finance Committee Meeting\**
  - 4.2 *Draft Minutes of the August 4, 2016 Governance Committee Meeting\**
  - 4.3 *Draft Minutes of the August 3, 2016 Philanthropy Committee Meeting\** 5:45
- 5:45 5. Receive comments from members of the public on “Items not on the Agenda”
- 5:50 6. Agency Business – Ray Cancino
  - 6.1 *Board Retreat – Discussion – Review of Matrix Mapping*
  - 6.2 *2016-2017 Goals Discussion*
  - 6.3 *Facilities Updates: CCAH- Capital Campaign, Elderday and Redwood Mountain*
  - 6.4 *Flex Spending Account resolution – Action Item*
- 6:10 7. Development/Philanthropy Report & Committee Update – Libby Morain
- 6:15 8. Finance Committee Update – Cathy Benson
  - 8.1 Approval of FY 16/17 Agency Budget, as recommended by Finance and Governance. MSP
- 6:25 9. Written Reports
  - 9.1 *Financial Reports from the August 4, 2016 Finance Committee Meeting*
- 6:30 10. Newspaper Articles
- 6:35 11. Items for Next Agenda
- 6:45 12. Adjourn Regular Meeting
- 6:55 13. CLOSED SESSION

Next Meeting:

Wednesday, September 21, 2016  
5:30 PM to 8:00 PM

Elderday: 100 Pioneer Street, Santa Cruz, CA 95060



COMMUNITY BRIDGES  
PUENTES DE LA COMUNIDAD

**Finance Committee**  
**Thursday, August 8, 2016**  
**11:30 AM – 12:00PM**  
**Community Bridges (CB), Aptos**

**Approved Minutes**

**Members Present:** Linda Fawcett, Jack Jacobson

**Members Excused:** Jorge Mendez

**Staff in Attendance:** Ray Cancino, Cathy Benson, Tonje Switzer

**11:30 Linda called meeting to order/Quorum established.**

**11:31 Agenda Review**

**11:32 CFO Report – Cathy Benson**

- a) Program Budget Summary Review: Cathy stated that the 16/17 budgets are preliminary as additional credits and expenses will still be added. For LL there was a reduction in earned 5317 grant. CDD has shifted QRIS spending from new materials to salaries, resulting in FY surplus and cutting their deficit in half. There was a brief discussion about the potential of adding a cleaning crew for CDD-sites, and while current financial constraints won't permit it without freezing salaries, a 50% janitorial position that could serve multiple sites might be possible with additional sustained revenue. Admin had 5 EE separations that were not anticipated. Ray noted that fiscal will be considering a change to the vacation accrual rate to include the value of floaters and birthday holidays. Elderday improved but is still seeing losses, mostly due to the lower average daily attendance (ADA). \$19K is projected in donations, and Ray mentioned that as soon as the patio is completed a press release will be issued to attract donors that may want the patio named after themselves. LMCR's actual spending was less than previous projections. MCR ended in the positive even after paying for the new roof. Overall, most programs have seen positive changes.
- b) Financial Statement & Balance Sheet Review/Cash Assets Report: Final ratios of assets to liabilities will not change much from this preliminary report. All of our asset and liability ratios exceeded not only the desired minimum requirements, but our own more conservative goals, except for those related to cash.
- c) Cash Flow and Line of Credit Update: At the beginning of last month we borrowed \$225K and this year we are looking at \$400k, which is due to a delay in advances of FY 16/17 contract payments.
- d) Investment and Endowment Update: We are still recouping the market fluctuations of 15/16, most notably the Live Oak capital campaign losses of 35,605K.
- e) The September 1<sup>st</sup> Finance Committee Meeting will start at 11am and run till noon.

**11:55 16/17 Program Budgets:** The projected 16/17 budgets for the agency's programs were presented

and reviewed. Jack/Linda moved to recommend approval of the 16/17 budget. MSP with proxy vote from Jorge.

**12:00 Adjourn**

**Next Meeting: Thursday, September 1, 2016**  
**11:00 – 12:00PM**



COMMUNITY BRIDGES  
PUENTES DE LA COMUNIDAD

**Governance Committee**  
**Thursday, August 4, 2016**  
**12:00PM – 1:00PM**  
**Community Bridges (CB), Aptos**

**Approved Minutes**

**Members Present:** Linda Fawcett, Rebecca Fowler, Jordan Ciliberto, Jack Jacobson (non-voting).

**Members Excused:** Shannon Brady

**Staff in Attendance:** Raymon Cancino, Tonje Switzer, Anna Vaage, Seth McGibben

**12:10 Linda called meeting to order/Quorum established.**

**12:11 Agenda Review**

Ray added Board Development Review Update to the agenda.

**12:13 CEO Report –Ray Cancino**

- 1) Agency 2016-17 Budget Review: The budget that was reviewed at the Financial Committee meeting does include the 10% reimbursement rate increase CDD will receive in January, the ELD increase, the expected staff steps, and the union increase of 30¢, but it does not include the LL ballot measure potential revenue.  
Jordan/Rebecca moved to recommend that the Board approve the 2016/17 budget. MSP.
- 2) Board Retreat / Matrix Mapping Review: Ray presented the results from the Board Retreat Matrix Mapping exercise, and shared the MT member's perspective from the 7/27 MT meeting. Board was in agreement with the perspective that increased visits by board members to sites may boost familiarity resulting in elevated scores, as program's actual mission and the board's idea of same mission might not be in alignment. GC members stressed that if MT completes the Matrix Mapping exercise it might elevate shared understanding. The star suggests profitability, and although all the programs are valuable, some of the programs are yet not profitable. Ray stressed that the Matrix Mapping is to be regarded as an information gathering tool, and asked for input on how to best present the Matrix Map at the upcoming Board meeting. Linda asked that it be presented in a more readable format, and supplemented by an explanation to Board Members that did not complete the exercise at the retreat. Ray stated that ideally all Board Members will complete the exercise before the 8/17 Board Meeting. Rebecca noted that the exercise had utilized a scale from 1-4 but that the results were on a 1-5 scale which might have led to the skewing of results. Linda asked whether FRCs should be viewed as combined since this is how they were presented in the exercise, and Ray responded that an alignment of the various FRC programs are in progress to establish a combined core function.
- 3) Facilities Updates Redwood/Elderday: Redwood is waiting for a roofing permit. This is currently in process, and reopening is scheduled for September. Upon completion of the Elderday patio a press release will be issued to potentially attract donors that wish to have the patio named after themselves.

- 4) Board Development Update: Potential new Board members are actively being recruited, and Alicia will attend the September BD meeting. Two marketing representatives from New Leaf will also be invited to a BD meeting

**12:35 Closed Session Union**

**12:50** After the closed session there was a brief discussion about the potential of renting out the plates, glasses, and silverware purchased for the F2F event as a viable social entrepreneurship model.

**12:55 Adjourn**

**Next Meeting: Thursday, September 1, 2016  
12:00 – 1:00PM**



**COMMUNITY BRIDGES**  
**PUENTES DE LA COMUNIDAD**

## **Philanthropy and Marketing Committee**

Wednesday, June 1, 2016 — 12–1 P.M.

At Live Oak Community Resources  
1740 17th Ave, Santa Cruz, CA 95065

Attending: Anna Vaage, Jordan Ciliberto, Libby Morain, Linda Fawcett.

### **1. Department Updates**

Review of a Progress Report showing 151% of our goal met at 90% of the year. Gary Patton mentioned the CB annual report in his blog. Friends of Harvey West Park offered to sponsor swimming lessons for Nueva Vista youth with its fundraising proceeds. Meals on Wheels/Bay Federal Coin Drive results are pending, and this should bring our 15/16 total above \$500,000.

### **2. CB Event Planning**

Several Board members are purchasing tables. Linda is soliciting flower donations and Jordan and his wife will help set up. Discussion of possible auction item donations. Jordan and Linda are following up with Bay Federal for sponsorship. An auctioneer in the Bay Area has offered his services for a discount. He is a UCSC grad and he comes with good references. Lakeside Organic and Marianne's Ice Cream are donating products. Lois Sones is contributing wine from Sones Cellars. Bargetto committee is considering a donation and will advise.

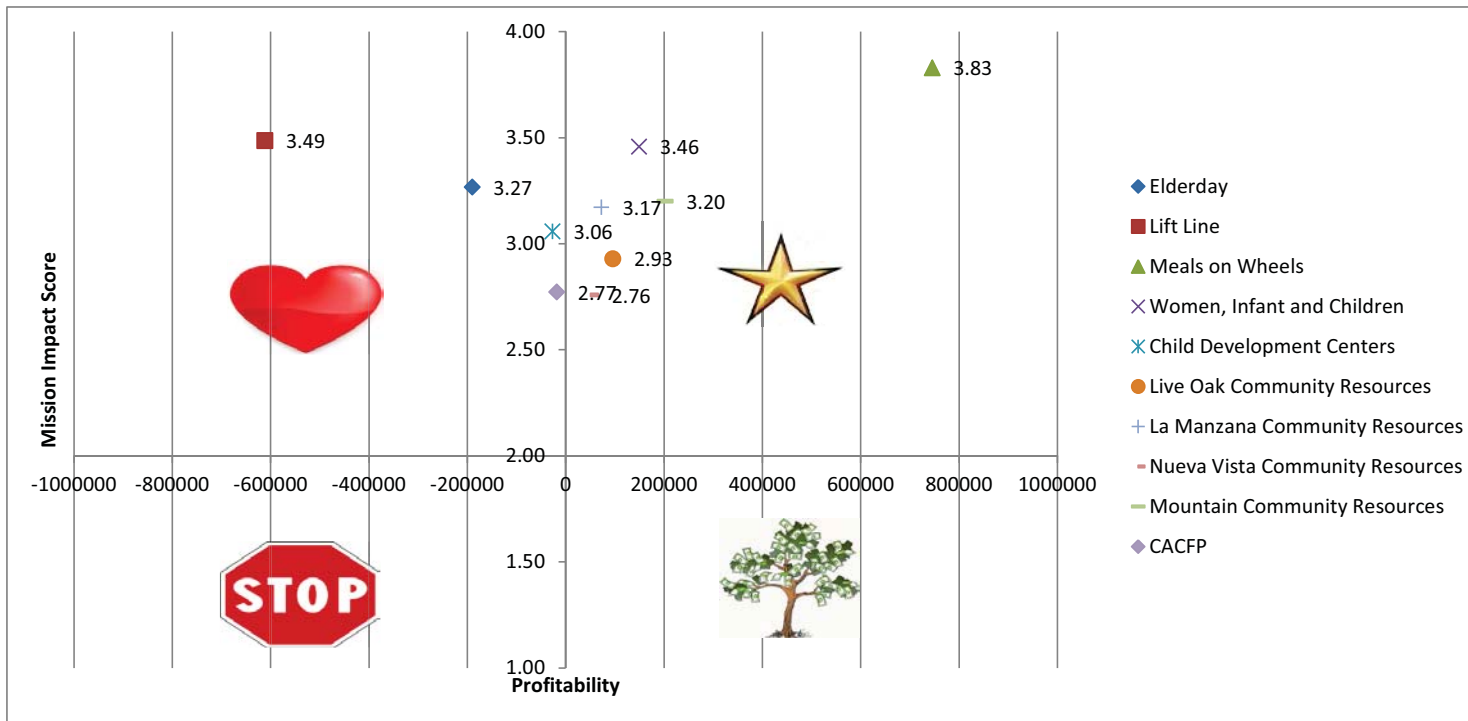
### **3. MCR Mountain Affair**

Roaring Camp contacted us with a cancellation and the venue can be available October 21. Our event planner is moving out of the country, and the program manager has resigned. Maker's Market organizer has agreed to curate baskets of donated goods. The event committee will need to shoulder the process in order to maintain this event for donors.

### **Next Philanthropy Committee Meeting:**

~~July 6, 2016 at 12:00pm~~ (meeting cancelled)  
at Live Oak Community Resources

Program	Alignment	Execution	Scale	Depth	FIG	Outcome Score	Agency Totals
Elderday	3.33	2.86	2.57	3.57	4.00	3.27	-189938
Lift Line	3.57	3.29	2.86	3.71	4.00	3.49	-611360
Meals on Wheels	3.86	4.00	3.71	3.71	3.86	3.83	745570
Women, Infant and Children	3.43	3.86	3.57	3.57	2.86	3.46	149312
CACFP	3.14	3.00	2.43	2.71	2.57	2.77	-18132
Child Development Centers	3.43	2.86	2.43	3.43	3.14	3.06	-26493
Live Oak Community Resources	3.14	2.79	2.36	3.29	3.07	2.93	96192
La Manzana Community Resources	3.29	3.07	3.07	3.29	3.14	3.17	73074
Nueva Vista Community Resources	3.14	2.64	2.21	3.00	2.79	2.76	50744
Mountain Community Resources	3.14	3.07	2.93	3.43	3.43	3.20	202590



**DRAFT: Community Bridges Short and Long-Term Goals**  
**July 2016-June 2019**  
**7/12/16**

**GOAL 1: Community Bridges renews its mission and defines its vision and values by June 2017.**

**Related Strategic Priorities: Organizational Unity & Financial Sustainability**

**INTERNAL OUTCOMES:**

- Increased staff engagement and morale as measured in the annual staff survey.
- Increased use of vision, mission and values in decision making as measured through XXXXXXX.

**EXTERNAL OUTCOMES:**

- Increased connection to Community Bridges by donors, participants and stakeholders as measured through XXXXXXXXXX.

Goal's Work Plan & Interdependencies				
Objectives	Outcomes	Lead	Due Dates/Milestones	Interdependencies (Requirements from departments i.e., fiscal, fundraising, HR, evaluation, etc. to achieve each objective.)

**GOAL 2: Community Bridges will explore a shared data system for the entire organization by June 2018. A decision on implementing or not a shared data system will be completed by June 2019.**

**Related Strategic Priorities: Organizational Unity, Financial Sustainability & Organizational Internal Health**

**INTERNAL OUTCOMES:**

- Increased understanding and use of current data systems as measured through XXXXXXXXXX.
- Increased efficiencies in delivering programs with cross referrals, contract management and program analysis as measured through XXXXXXX.
- Increased ability to establish organizational (across programs) goals.

**EXTERNAL OUTCOMES:**

- Increased ability to tell Community Bridges’ stories with data, resulting in increased donors, community engagement and effective advocacy.

Goal’s Work Plan & Interdependencies				
Objectives	Outcomes	Lead	Due Dates/Mile stones	Interdependencies (Requirements from departments i.e., fiscal, fundraising, HR, evaluation, etc. to achieve each objective.)

**Goal 3: Community Bridges increases the entire staffs’ knowledge and capacity to engage the community in its mission and all of its 10 programs’ services and activities.**

**Related Strategic Priorities: Organizational Unity & Financial Sustainability**

**INTERNAL OUTCOMES:**

- Increased staff morale measured by the agency survey.
- Increased revenue & enrollment in programs that depend on reimbursement for client participation measured by XXXXX.
- Programs meet revenue goals and client participation goals.

Goal’s Work Plan & Interdependencies				
Objectives	Outcomes	Lead	Due Dates/Mile stones	Interdependencies (Requirements from departments i.e., fiscal, fundraising, HR, evaluation, etc. to achieve each objective.)



**4. Goal 4: Build the Family Resource Collective’s engagement and impact in our county.**

**Related Strategic Priorities: Financial Sustainability**

**INTERNAL OUTCOMES:**

- Increased marketing as measured by....
- Increased revenues.

**EXTERNAL OUTCOMES:**

- Increased participant engagement at each of the centers as measured by ....
- Increased ability to advocate for each of the communities served as measured by .....

<b>3. Goal’s Work Plan &amp; Interdependencies</b>				
<b>Objectives</b>	<b>Outcomes</b>	<b>Lead</b>	<b>Due Dates/Mile stones</b>	<b>Interdependencies</b> (Requirements from departments i.e., fiscal, fundraising, HR, evaluation, etc. to achieve each objective.)

**COMMUNITY BRIDGES  
FLEXIBLE BENEFITS PLAN**

**AND ALL SUPPORTING FORMS HAVE BEEN PRODUCED FOR  
WAGeworks, INC.**

**COMMUNITY BRIDGES  
FLEXIBLE BENEFITS PLAN**

**NOTE: THIS DOCUMENT SHOULD BE REVIEWED AND APPROVED BY THE EMPLOYER'S LEGAL COUNSEL PRIOR TO BEING ADOPTED (SIGNED AND IMPLEMENTED). ANY CHANGES SUGGESTED DURING THAT REVIEW ARE THE RESPONSIBILITY OF THE EMPLOYER.**

**TABLE OF CONTENTS**

**ARTICLE I  
DEFINITIONS**

**ARTICLE II  
PARTICIPATION**

2.1 ELIGIBILITY.....2

2.2 EFFECTIVE DATE OF PARTICIPATION.....2

2.3 APPLICATION TO PARTICIPATE.....3

2.4 TERMINATION OF PARTICIPATION.....3

2.5 TERMINATION OF EMPLOYMENT .....3

2.6 DEATH.....3

**ARTICLE III  
CONTRIBUTIONS TO THE PLAN**

3.1 SALARY REDIRECTION.....3

3.2 APPLICATION OF CONTRIBUTIONS .....4

3.3 PERIODIC CONTRIBUTIONS.....4

**ARTICLE IV  
BENEFITS**

4.1 BENEFIT OPTIONS .....4

4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT.....4

4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT.....4

4.4 NONDISCRIMINATION REQUIREMENTS.....4

**ARTICLE V  
PARTICIPANT ELECTIONS**

5.1 INITIAL ELECTIONS.....5

5.2 SUBSEQUENT ANNUAL ELECTIONS .....5

5.3 FAILURE TO ELECT.....5

5.4 CHANGE IN STATUS .....5

**ARTICLE VI  
HEALTH FLEXIBLE SPENDING ACCOUNT**

6.1 ESTABLISHMENT OF PLAN .....8

6.2 DEFINITIONS .....8

6.3 FORFEITURES.....8

6.4 LIMITATION ON ALLOCATIONS .....8

6.5 NONDISCRIMINATION REQUIREMENTS.....9

6.6 COORDINATION WITH CAFETERIA PLAN .....9

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS .....9

6.8 DEBIT AND CREDIT CARDS .....10

**ARTICLE VII  
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT**

7.1 ESTABLISHMENT OF ACCOUNT .....11

7.2	DEFINITIONS .....	11
7.3	DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS.....	12
7.4	INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS .....	12
7.5	DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS .....	12
7.6	ALLOWABLE DEPENDENT CARE REIMBURSEMENT.....	12
7.7	ANNUAL STATEMENT OF BENEFITS .....	12
7.8	FORFEITURES.....	12
7.9	LIMITATION ON PAYMENTS.....	12
7.10	NONDISCRIMINATION REQUIREMENTS .....	12
7.11	COORDINATION WITH CAFETERIA PLAN .....	13
7.12	DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS .....	13
7.13	DEBIT AND CREDIT CARDS .....	14

**ARTICLE VIII  
BENEFITS AND RIGHTS**

8.1	CLAIM FOR BENEFITS .....	14
8.2	APPLICATION OF BENEFIT PLAN SURPLUS .....	16
8.3	NAMED FIDUCIARY .....	16
8.4	GENERAL FIDUCIARY RESPONSIBILITIES .....	16
8.5	NONASSIGNABILITY OF RIGHTS.....	17

**ARTICLE IX  
ADMINISTRATION**

9.1	PLAN ADMINISTRATION .....	17
9.2	EXAMINATION OF RECORDS.....	18
9.3	PAYMENT OF EXPENSES .....	18
9.4	INDEMNIFICATION OF ADMINISTRATOR.....	18

**ARTICLE X  
AMENDMENT OR TERMINATION OF PLAN**

10.1	AMENDMENT .....	18
10.2	TERMINATION.....	18

**ARTICLE XI  
MISCELLANEOUS**

11.1	PLAN INTERPRETATION .....	19
11.2	GENDER AND NUMBER.....	19
11.3	WRITTEN DOCUMENT .....	19
11.4	EXCLUSIVE BENEFIT.....	19
11.5	PARTICIPANT'S RIGHTS .....	19
11.6	ACTION BY THE EMPLOYER.....	19
11.7	NO GUARANTEE OF TAX CONSEQUENCES.....	19
11.8	INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS.....	19
11.9	FUNDING .....	19
11.10	GOVERNING LAW.....	20
11.11	SEVERABILITY.....	20

11.12	CAPTIONS.....	20
11.13	CONTINUATION OF COVERAGE (COBRA).....	20
11.14	FAMILY AND MEDICAL LEAVE ACT (FMLA).....	20
11.15	HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA).....	20
11.16	UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA).....	20
11.17	COMPLIANCE WITH HIPAA PRIVACY STANDARDS.....	20
11.18	COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS.....	22
11.19	MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT.....	22
11.20	GENETIC INFORMATION NONDISCRIMINATION ACT (GINA).....	22
11.21	WOMEN'S HEALTH AND CANCER RIGHTS ACT.....	22
11.22	NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT.....	22

**COMMUNITY BRIDGES  
FLEXIBLE BENEFITS PLAN**

**INTRODUCTION**

The Employer has adopted this Plan effective January 1, 2016, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. The Plan shall be known as Community Bridges Flexible Benefits Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

**ARTICLE I  
DEFINITIONS**

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under Code Section 152 (as modified by Code Section 105(b)). Any child of a Plan Participant who is determined to be an alternate recipient under a qualified medical child support order under ERISA Sec. 609 shall be considered a Dependent under this Plan.

**"Dependent"** shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his/her natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means January 1, 2016.

1.9 "Election Period" means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 "Eligible Employee" means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

1.11 "Employee" means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 "Employer" means Community Bridges and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 "ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.14 "Grace Period" means, with respect to any Plan Year, the time period ending on the fifteenth day of the third calendar month after the end of such Plan Year, during which Medical Expenses and Employment-Related Dependent Care Expenses incurred by a Participant will be deemed to have been incurred during such Plan Year.

1.15 "Key Employee" means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.16 "Participant" means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.17 "Plan" means this instrument, including all amendments thereto.

1.18 "Plan Year" means the 12-month period beginning January 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.19 "Salary Redirection" means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.20 "Salary Redirection Agreement" means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.21 "Spouse" means spouse as determined under Federal law.

## ARTICLE II PARTICIPATION

### 2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of the date he satisfies the eligibility conditions for the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference.

### 2.2 EFFECTIVE DATE OF PARTICIPATION



An Eligible Employee shall become a Participant effective as of the entry date under the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference.

### 2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

### 2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;
- (b) **Death.** The Participant's death, subject to the provisions of Section 2.6; or
- (c) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

### 2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

(a) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred through the remainder of the Plan Year in which such termination occurs and submitted within 90 days after the end of the Plan Year, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.

(b) **COBRA applicability.** With regard to the Health Flexible Spending Account, the Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made. Thereafter, the health benefits under this Plan including the Health Flexible Spending Account shall be applied and administered consistent with such further rights a Participant and his Dependents may be entitled to pursuant to Code Section 4980B and Section 11.13 of the Plan.

### 2.6 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent. If the Plan is subject to the provisions of Code Section 4980B, then those provisions and related regulations shall apply for purposes of the Health Flexible Spending Account.

## ARTICLE III CONTRIBUTIONS TO THE PLAN

### 3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support Benefits that a Participant has elected hereunder. The salary administration program of the Employer shall be revised to allow each Participant to agree to reduce his pay during a Plan Year by an amount determined necessary to purchase the elected Benefit Options. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of

the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article IV.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

### **3.2 APPLICATION OF CONTRIBUTIONS**

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account.

### **3.3 PERIODIC CONTRIBUTIONS**

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year.

## **ARTICLE IV BENEFITS**

### **4.1 BENEFIT OPTIONS**

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Flexible Spending Account
- (2) Dependent Care Flexible Spending Account

### **4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT**

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

### **4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT**

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

### **4.4 NONDISCRIMINATION REQUIREMENTS**

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may not occur in

violation of Code Section 125, it may, but shall not be required to, reject any election or reduce contributions or non-taxable Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

## ARTICLE V PARTICIPANT ELECTIONS

### 5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

### 5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

(a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;

(b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year, or by not electing any Benefit options;

(c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

### 5.3 FAILURE TO ELECT

Any Participant failing to complete an election of benefits form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized for such subsequent Plan Year.

### 5.4 CHANGE IN STATUS

(a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

(1) **Legal Marital Status:** events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;

- (2) **Number of Dependents:** Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) **Employment Status:** Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) **Dependent satisfies or ceases to satisfy the eligibility requirements:** An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and guidance thereunder, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for accident or health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a qualified medical child support order defined in ERISA Section 609) which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

- (1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
- (2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(f) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(g) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(h) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

(i) **Changes due to reduction in hours or enrollment in an Exchange Plan.** A Participant may prospectively revoke coverage under the group health plan (that is not a health Flexible Spending Account) which provides minimum essential coverage (as defined in Code §5000A(f)(1)) provided the following conditions are met:

Conditions for revocation due to reduction in hours of service:

- (1) The Participant has been reasonably expected to average at least 30 hours of service per week and there is a change in that Participant's status so that the Participant will reasonably be expected to average less than 30 hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under the group health plan; and
- (2) The revocation of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

The Administrator may rely on the reasonable representation of the Participant who is reasonably expected to have an average of less than 30 hours of service per week for future periods that the Participant and related individuals have enrolled or intend to enroll in another plan that provides minimum essential coverage for new coverage that is effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

Conditions for revocation due to enrollment in a Qualified Health Plan:

- (1) The Participant is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace (federal or state exchange) pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period; and
- (2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant and any related individuals who cease coverage due to the revocation in a Qualified Health Plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

The Administrator may rely on the reasonable representation of a Participant who has an enrollment opportunity for a Qualified Health Plan through a Marketplace that the Participant and related individuals have enrolled or intend to enroll in a Qualified Health Plan for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

**ARTICLE VI  
HEALTH FLEXIBLE SPENDING ACCOUNT**

**6.1 ESTABLISHMENT OF PLAN**

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

**6.2 DEFINITIONS**

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

- (1) one of the 5 highest paid officers;
- (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
- (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

**6.3 FORFEITURES**

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

**6.4 LIMITATION ON ALLOCATIONS**

(a) Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is \$1,800.

(b) **Participation in Other Plans.** All employers that are treated as a single employer under Code Sections 414(b), (c), or (m), relating to controlled groups and affiliated service groups, are treated as a single employer for purposes of the statutory limit. If a Participant participates in multiple cafeteria plans offering health flexible spending accounts maintained by members of a controlled group or affiliated service group, the Participant's total Health Flexible Spending Account contributions under all of the cafeteria plans are limited to the statutory limit (as adjusted). However, a Participant employed by two or more employers that are not members of the same controlled group may elect up to the statutory limit (as adjusted) under each Employer's Health Flexible Spending Account.

(c) **Grace Period.** Payment of expenses from a previous year in the first months of the next Plan Year, the limit above applies to the Plan Year including the Grace Period. Amounts carried into the next Plan Year as part of the Grace Period shall not affect the limit for that next Plan Year.

## 6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

## 6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

## 6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year including the Grace Period shall be reimbursed during the Plan Year subject to Section 2.5, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Grace Period.** Notwithstanding anything in this Section to the contrary, Medical Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(e) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those Medical Expense claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 30 days after termination of employment.

## 6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.

(c) **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator following IRS guidelines.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

- (1) Co-payments for doctor and other medical care;
- (2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
- (3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.

(f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.



**ARTICLE VII  
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT**

**7.1 ESTABLISHMENT OF ACCOUNT**

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

**7.2 DEFINITIONS**

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant. Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

(1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;

(2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and

(3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.

(d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,

(1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;

(2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or

(3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).

(e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

### 7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

### 7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

### 7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

### 7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

### 7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

### 7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

### 7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

### 7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

## 7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

## 7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year including the Grace Period and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;
- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
  - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
  - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
  - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
  - (1) the Spouse's salary or wages if he or she is employed, or
  - (2) if the Participant's Spouse is not employed, that
    - (i) he or she is incapacitated, or
    - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.
- (i) **Grace Period.** Notwithstanding anything in this Section to the contrary, Employment-Related Dependent Care Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.
- (j) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator.

## 7.13 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Employment-Related Dependent Care Expenses; subject to the following terms:

(a) **Card only for dependent care expenses.** Each Participant issued a card shall certify that such card shall only be used for Employment-Related Dependent Care Expenses. The Participant shall also certify that any Employment-Related Dependent Care Expense paid with the card has not already been reimbursed by any other plan covering dependent care benefits and that the Participant will not seek reimbursement from any other plan covering dependent care benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Dependent Care Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Dependent Care Flexible Spending Account.

(c) **Only available for use with certain service providers.** The cards shall only be accepted by such service providers as have been approved by the Administrator. The cards shall only be used for Employment-Related Dependent Care Expenses from these providers.

(d) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(e) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as an Employment-Related Dependent Care Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

## ARTICLE VIII BENEFITS AND RIGHTS

### 8.1 CLAIM FOR BENEFITS

(a) **Dependent Care Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account Benefits shall be made to the Administrator. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:

- (1) specific references to the pertinent Plan provisions on which the denial is based;
- (2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and
- (3) an explanation of the Plan's claim procedure.

(b) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:

- (1) request a review upon written notice to the Administrator;
- (2) review pertinent documents; and
- (3) submit issues and comments in writing.

(c) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of the Administrator shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

(d) **Health FSA claims.** If a Participant fails to submit a claim under the Health Flexible Spending Account within 90 days after the end of the Plan Year, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement must be submitted within 30 days after termination of employment. Once a claim is submitted, the following timetable for claims and rules below apply:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information on the Claim:	
Notification of	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Plan Administrator will provide written or electronic notification of any claim denial. The notice will state:

- (1) The specific reason or reasons for the denial.
- (2) Reference to the specific Plan provisions on which the denial was based.
- (3) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary.
- (4) A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of the right to bring a civil action under Section 502 of ERISA following a denial on review.
- (5) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.
- (6) If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the claimant upon request.

When the Participant receives a denial, the Participant shall have 180 days following receipt of the notification in which to appeal the decision. The Participant may submit written comments, documents, records, and

other information relating to the Claim. If the Participant requests, the Participant shall be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a Claim if it:

- (1) was relied upon in making the claim determination;
- (2) was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;
- (3) demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or
- (4) constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the Claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

(e) **Forfeitures.** Any balance remaining in the Participant's Health Flexible Spending Account or Dependent Care Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year and Grace Period (if applicable) shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus. If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited and returned to the Employer following a reasonable time after the date any such payment first became due.

## **8.2 APPLICATION OF BENEFIT PLAN SURPLUS**

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan.

## **8.3 NAMED FIDUCIARY**

The Administrator shall be the named fiduciary pursuant to ERISA Section 402 and shall be responsible for the management and control of the operation and administration of the Plan.

## **8.4 GENERAL FIDUCIARY RESPONSIBILITIES**

The Administrator and any other fiduciary under ERISA shall discharge their duties with respect to this Plan solely in the interest of the Participants and their beneficiaries and

- (a) for the exclusive purpose of providing Benefits to Participants and their beneficiaries and defraying reasonable expenses of administering the Plan;

(b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims; and

(c) in accordance with the documents and instruments governing the Plan insofar as such documents and instruments are consistent with ERISA.

## 8.5 NONASSIGNABILITY OF RIGHTS

The right of any Participant to receive any reimbursement under the Plan shall not be alienable by the Participant by assignment or any other method, and shall not be subject to the rights of creditors, and any attempt to cause such right to be so subjected shall not be recognized, except to such extent as may be required by law.

## ARTICLE IX ADMINISTRATION

### 9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. An Administrator may resign by delivering a resignation in writing (or such other form as acceptable to both parties) to the Employer or be removed by the Employer by delivery of notice of removal (in writing or such other form as acceptable to both parties), to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Act, the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan. The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;

(f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;

(g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;

(h) To establish and communicate procedures to determine whether a medical child support order is qualified under ERISA Section 609; and

(i) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

## **9.2 EXAMINATION OF RECORDS**

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

## **9.3 PAYMENT OF EXPENSES**

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

## **9.4 INDEMNIFICATION OF ADMINISTRATOR**

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

# **ARTICLE X AMENDMENT OR TERMINATION OF PLAN**

## **10.1 AMENDMENT**

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

## **10.2 TERMINATION**

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.



**ARTICLE XI  
MISCELLANEOUS**

**11.1 PLAN INTERPRETATION**

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.11.

**11.2 GENDER AND NUMBER**

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

**11.3 WRITTEN DOCUMENT**

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

**11.4 EXCLUSIVE BENEFIT**

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

**11.5 PARTICIPANT'S RIGHTS**

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

**11.6 ACTION BY THE EMPLOYER**

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

**11.7 NO GUARANTEE OF TAX CONSEQUENCES**

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

**11.8 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS**

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

**11.9 FUNDING**

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for

the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

#### **11.10 GOVERNING LAW**

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of California.

#### **11.11 SEVERABILITY**

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

#### **11.12 CAPTIONS**

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

#### **11.13 CONTINUATION OF COVERAGE (COBRA)**

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan subject to the continuation coverage requirement of Code Section 4980B becomes unavailable, each Participant will be entitled to continuation coverage as prescribed in Code Section 4980B, and related regulations. This Section shall only apply if the Employer employs at least twenty (20) employees on more than 50% of its typical business days in the previous calendar year.

#### **11.14 FAMILY AND MEDICAL LEAVE ACT (FMLA)**

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

#### **11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)**

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

#### **11.16 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)**

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

#### **11.17 COMPLIANCE WITH HIPAA PRIVACY STANDARDS**

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including genetic information and information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility,

coverage, provision of benefits, or reimbursement for health care. Protected Health Information that consists of genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are designated and authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy official. The privacy official shall take appropriate action, including:

(i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;

(ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;

(iii) mitigation of any harm caused by the breach, to the extent practicable; and

(iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

(e) **Certification.** The Employer must provide certification to the Plan that it agrees to:

(1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;

(2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;

(3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;

(4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;

(5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;

(6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;

(7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;

(8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;

(9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the

purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and

(10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

#### **11.18 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS**

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

(a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.

(b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.

(c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.17.

#### **11.19 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act and ERISA Section 712.

#### **11.20 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

#### **11.21 WOMEN'S HEALTH AND CANCER RIGHTS ACT**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

#### **11.22 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT**

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this \_\_\_\_\_ day of \_\_\_\_\_.

Community Bridges

By \_\_\_\_\_  
EMPLOYER

**COMMUNITY BRIDGES  
FLEXIBLE BENEFITS PLAN  
SUMMARY PLAN DESCRIPTION**

TABLE OF CONTENTS

I  
ELIGIBILITY

1. When can I become a participant in the Plan? .....1  
2. What are the eligibility requirements for our Plan? .....1  
3. When is my entry date? .....1  
4. What must I do to enroll in the Plan?.....1

II  
OPERATION

1. How does this Plan operate? .....1

III  
CONTRIBUTIONS

1. How much of my pay may the Employer redirect?.....2  
2. What happens to contributions made to the Plan? .....2  
3. When must I decide which accounts I want to use?.....2  
4. When is the election period for our Plan? .....2  
5. May I change my elections during the Plan Year?.....2  
6. May I make new elections in future Plan Years? .....3

IV  
BENEFITS

1. Health Flexible Spending Account .....3  
2. Dependent Care Flexible Spending Account .....3

V  
BENEFIT PAYMENTS

1. When will I receive payments from my accounts? .....4  
2. What happens if I don't spend all Plan contributions during the Plan Year?.....4  
3. Family and Medical Leave Act (FMLA) .....4  
4. Uniformed Services Employment and Reemployment Rights Act (USERRA).....4  
5. What happens if I terminate employment? .....5  
6. Will my Social Security benefits be affected? .....5

VI  
HIGHLY COMPENSATED AND KEY EMPLOYEES

1. Do limitations apply to highly compensated employees? .....5

VII  
PLAN ACCOUNTING

1. Periodic Statements .....5

VIII  
GENERAL INFORMATION ABOUT OUR PLAN

1. General Plan Information .....5

2.	Employer Information.....	6
3.	Plan Administrator Information.....	6
4.	Service of Legal Process.....	6
5.	Type of Administration.....	6
6.	Claims Submission.....	6

**IX  
ADDITIONAL PLAN INFORMATION**

1.	Your Rights Under ERISA.....	6
2.	Claims Process.....	7
3.	Qualified Medical Child Support Order.....	8

**X  
CONTINUATION COVERAGE RIGHTS UNDER COBRA**

1.	What is COBRA continuation coverage? .....	8
2.	Who can become a Qualified Beneficiary?.....	9
3.	What is a Qualifying Event?.....	9
4.	What factors should be considered when determining to elect COBRA continuation coverage?.....	10
5.	What is the procedure for obtaining COBRA continuation coverage? .....	10
6.	What is the election period and how long must it last?.....	10
7.	Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?.....	11
8.	Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights? .....	11
9.	Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?.....	12
10.	When may a Qualified Beneficiary's COBRA continuation coverage be terminated?.....	12
11.	What are the maximum coverage periods for COBRA continuation coverage? .....	12
12.	Under what circumstances can the maximum coverage period be expanded?.....	13
13.	How does a Qualified Beneficiary become entitled to a disability extension?.....	13
14.	Does the Plan require payment for COBRA continuation coverage? .....	13
15.	Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?.....	13
16.	What is Timely Payment for COBRA continuation coverage?.....	13
17.	How is my participation in the Health Flexible Spending Account affected?.....	13

**XI  
SUMMARY**



**COMMUNITY BRIDGES  
FLEXIBLE BENEFITS PLAN**

**INTRODUCTION**

We are pleased to announce that we have established a "Flexible Benefit Plan" for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

**I  
ELIGIBILITY**

**1. When can I become a participant in the Plan?**

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Plan.

**2. What are the eligibility requirements for our Plan?**

You will be eligible to join the Plan once you have satisfied the conditions for coverage under our group medical plan.

**3. When is my entry date?**

You can join the Plan on the same day you can enter our group medical plan.

**4. What must I do to enroll in the Plan?**

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for the benefits you have elected.

**II  
OPERATION**

**1. How does this Plan operate?**

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

### III CONTRIBUTIONS

#### 1. How much of my pay may the Employer redirect?

Each year, you may elect to have us contribute on your behalf enough of your compensation to pay for the benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year.

#### 2. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year. In addition, you should also note that any previous benefit payments made from any Account under the Plan that are unclaimed (e.g.; uncashed benefit checks) by the end of the Plan Year following the period of coverage in which the qualifying expense was incurred will be forfeited to the Employer.

#### 3. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

#### 4. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

#### 5. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

- Marriage, divorce, death of a spouse, legal separation or annulment;
- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;
- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and
- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

You may revoke your coverage under the employer's group health plan outside of our open enrollment period, if your employment status changes from working at least 30 hours per week to less than 30 hours. This is regardless of whether the reduction in hours has resulted in loss of eligibility. You must show intent to enroll in another health plan.

You may also revoke your coverage under our Employer sponsored group health plan if you are eligible to obtain coverage through the health exchanges.

## 6. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will consider that to mean you have elected not to participate for the upcoming Plan Year.

## IV BENEFITS

### 1. Health Flexible Spending Account

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our medical plan and save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for expenses incurred by you and your dependents.

Drug costs, including insulin, may be reimbursed.

You may be reimbursed for "over the counter" drugs only if those drugs are prescribed for you. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is \$1,800.

In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. We will also provide you with a debit or credit card to use to pay for medical expenses. The Administrator will provide you with further details. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status to change coverage.

**Newborns' and Mothers' Health Protection Act:** Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

**Women's Health and Cancer Rights Act:** This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

### 2. Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

- (a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;
- (b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and
- (c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan. We will also provide you with a debit or credit card to use to pay for dependent care expenses. The Administrator will provide you with further details.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of \$250 for one dependent or \$500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Ask your tax adviser which is better for you.

## V BENEFIT PAYMENTS

### 1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

### 2. What happens if I don't spend all Plan contributions during the Plan Year?

If you have not spent all the amounts in your Health Flexible Spending Account or Dependent Care Flexible Spending Account by the end of the Plan Year, you may continue to incur claims for expenses during the "Grace Period." The "Grace Period" extends 2 1/2 months after the end of the Plan Year, during which time you can continue to incur claims and use up all amounts remaining in your Health Flexible Spending Account or Dependent Care Flexible Spending Account.

Any monies left at the end of the Plan Year and the Grace Period will be forfeited. Obviously, qualifying expenses that you incur late in the Plan Year or during the Grace Period for which you seek reimbursement after the end of such Plan Year and Grace Period will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

### 3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect \$1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from \$100 per month to \$150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect \$1,200 for the year and are out on leave for 3 months, your amount will be reduced to \$900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

### 4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

**5. What happens if I terminate employment?**

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

(a) You will still be able to request reimbursement for qualifying dependent care expenses incurred during the remainder of the Plan Year from the balance remaining in your dependent care account at the time of termination of employment. However, no further salary redirection contributions will be made on your behalf after you terminate. You must submit claims within 90 days after the end of the Plan Year in which termination occurs.

(b) For health benefit coverage and Health Flexible Spending Account coverage on termination of employment, please see the Article entitled "Continuation Coverage Rights Under COBRA." Upon your termination of employment, your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. Your further participation will be governed by "Continuation Coverage Rights Under COBRA."

**6. Will my Social Security benefits be affected?**

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

**VI  
HIGHLY COMPENSATED AND KEY EMPLOYEES**

**1. Do limitations apply to highly compensated employees?**

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

**VII  
PLAN ACCOUNTING**

**1. Periodic Statements**

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

**VIII  
GENERAL INFORMATION ABOUT OUR PLAN**

This Section contains certain general information which you may need to know about the Plan.

**1. General Plan Information**

Community Bridges Flexible Benefits Plan is the name of the Plan.

Your Employer has assigned Plan Number 530 to your Plan.

The provisions of the Plan become effective on January 1, 2016, which is called the Effective Date of the Plan.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1 and ends on December 31.

## 2. Employer Information

Your Employer's name, address, and identification number are:

Community Bridges  
236 Santa Cruz Ave.  
Aptos, California 95003-4438  
94-2460211

## 3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

Community Bridges  
236 Santa Cruz Ave.  
Aptos, California 95003-4438  
831-688-8840

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

## 4. Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

Community Bridges  
236 Santa Cruz Ave.  
Aptos, California 95003-4438

## 5. Type of Administration

The type of Administration is Employer Administration.

## 6. Claims Submission

Claims for expenses should be submitted to:

WageWorks, Inc.  
P.O. Box 14054  
Lexington, KY 40512

## IX ADDITIONAL PLAN INFORMATION

### 1. Your Rights Under ERISA

Plan Participants, eligible employees and all other employees of the Employer may be entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA) and the Internal Revenue Code. For those benefits subject to ERISA, these laws provide that Participants, eligible employees and all other employees are entitled to:

- (a) examine, without charge, at the Administrator's office, all Plan documents, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor, and available at the Public Disclosure Room of the Employee Benefits Security Administration;
- (b) obtain copies of all Plan documents and other Plan information upon written request to the Administrator. The Administrator may charge a reasonable fee for the copies;
- (c) continue health coverage for a Participant, Spouse, or other dependents if there is a loss of coverage under the Plan as a result of a qualifying event. Employees or dependents may have to pay for such coverage; and
- (d) review this summary plan description and the documents governing the plan on the rules governing COBRA continuation rights.

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of an employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the best interest of you and other Plan Participants.

No one, including your employer or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court.

Under ERISA there are steps you can take to enforce the above rights. For instance, if you request materials from the Plan and do not receive them within thirty (30) days, you may file suit in a Federal court. In such a case, the court may request the Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees; for example, if it finds your claim is frivolous.

If you have any questions about the Plan, you should contact the Administrator. If you have any questions about this statement, or about your rights under ERISA or the Health Insurance Portability and Accountability Act (HIPAA) or if you need assistance in obtaining documents from the Administrator, you should contact either the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) or visit the EBSA website at [www.dol.gov/ebsa/](http://www.dol.gov/ebsa/). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

## 2. Claims Process

You should submit all reimbursement claims during the Plan Year. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. However, if you terminate employment during the Plan Year, you must submit your Health Flexible Spending Account claims within 30 days after your termination of employment. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Plan Year. Any claims submitted after that time will not be considered.

If a dependent care claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

In the case of a claim for medical expenses under the Health Flexible Spending Account, the following timetable for claims applies:

Notification of whether claim is accepted or denied	30 days
Extension due to matters beyond the control of the Plan	15 days
Insufficient information to process the claim:	
Notification to Participant	15 days
Response by Participant	45 days
Review of claim denial	60 days

The Plan Administrator will provide written or electronic notification of any claim denial. The notice will state:

- (a) The specific reason or reasons for the denial;
- (b) Reference to the specific Plan provisions on which the denial was based;

- (c) A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary;
- (d) A description of the Plan's review procedures and the time limits applicable to such procedures. This will include a statement of your right to bring a civil action under section 502 of ERISA following a denial on review;
- (e) A statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim; and
- (f) If the denial was based on an internal rule, guideline, protocol, or other similar criterion, the specific rule, guideline, protocol, or criterion will be provided free of charge. If this is not practical, a statement will be included that such a rule, guideline, protocol, or criterion was relied upon in making the denial and a copy will be provided free of charge to the claimant upon request.

When you receive a denial, you will have 180 days following receipt of the notification in which to appeal the decision. You may submit written comments, documents, records, and other information relating to the claim. If you request, you will be provided, free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim.

The period of time within which a denial on review is required to be made will begin at the time an appeal is filed in accordance with the procedures of the Plan. This timing is without regard to whether all the necessary information accompanies the filing.

A document, record, or other information shall be considered relevant to a claim if it:

- (a) was relied upon in making the claim determination;
- (b) was submitted, considered, or generated in the course of making the claim determination, without regard to whether it was relied upon in making the claim determination;
- (c) demonstrated compliance with the administrative processes and safeguards designed to ensure and to verify that claim determinations are made in accordance with Plan documents and Plan provisions have been applied consistently with respect to all claimants; or
- (d) constituted a statement of policy or guidance with respect to the Plan concerning the denied claim.

The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial claim determination. The review will not afford deference to the initial denial and will be conducted by a fiduciary of the Plan who is neither the individual who made the adverse determination nor a subordinate of that individual.

### 3. Qualified Medical Child Support Order

A medical child support order is a judgment, decree or order (including approval of a property settlement) made under state law that provides for child support or health coverage for the child of a participant. The child becomes an "alternate recipient" and can receive benefits under the health plans of the Employer, if the order is determined to be "qualified." You may obtain, without charge, a copy of the procedures governing the determination of qualified medical child support orders from the Plan Administrator.

## X

### CONTINUATION COVERAGE RIGHTS UNDER COBRA

Under federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), certain employees and their families covered under health benefits under this Plan will be entitled to the opportunity to elect a temporary extension of health coverage (called "COBRA continuation coverage") where coverage under the Plan would otherwise end. This notice is intended to inform Plan Participants and beneficiaries, in summary fashion, of their rights and obligations under the continuation coverage provisions of COBRA, as amended and reflected in final and proposed regulations published by the Department of the Treasury. This notice is intended to reflect the law and does not grant or take away any rights under the law.

The Plan Administrator or its designee is responsible for administering COBRA continuation coverage. Complete instructions on COBRA, as well as election forms and other information, will be provided by the Plan Administrator or its designee to Plan Participants who become Qualified Beneficiaries under COBRA. While the Plan itself is not a group health plan, it does provide health benefits. Whenever "Plan" is used in this section, it means any of the health benefits under this Plan including the Health Flexible Spending Account.

#### 1. What is COBRA continuation coverage?

COBRA continuation coverage is the temporary extension of group health plan coverage that must be offered to certain Plan Participants and their eligible family members (called "Qualified Beneficiaries") at group rates. The right to COBRA continuation coverage is triggered by the occurrence of a life event that results in the loss of coverage under the terms of the Plan (the "Qualifying Event"). The coverage must be identical to the coverage that the Qualified Beneficiary had immediately before the Qualifying Event, or if the coverage



has been changed, the coverage must be identical to the coverage provided to similarly situated active employees who have not experienced a Qualifying Event (in other words, similarly situated non-COBRA beneficiaries).

There may be other options available when you lose group health coverage. For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

## 2. Who can become a Qualified Beneficiary?

In general, a Qualified Beneficiary can be:

(a) Any individual who, on the day before a Qualifying Event, is covered under a Plan by virtue of being on that day either a covered Employee, the Spouse of a covered Employee, or a Dependent child of a covered Employee. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

(b) Any child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, and any individual who is covered by the Plan as an alternate recipient under a qualified medical support order. If, however, an individual who otherwise qualifies as a Qualified Beneficiary is denied or not offered coverage under the Plan under circumstances in which the denial or failure to offer constitutes a violation of applicable law, then the individual will be considered to have had the coverage and will be considered a Qualified Beneficiary if that individual experiences a Qualifying Event.

The term "covered Employee" includes any individual who is provided coverage under the Plan due to his or her performance of services for the employer sponsoring the Plan. However, this provision does not establish eligibility of these individuals. Eligibility for Plan coverage shall be determined in accordance with Plan Eligibility provisions.

An individual is not a Qualified Beneficiary if the individual's status as a covered Employee is attributable to a period in which the individual was a nonresident alien who received from the individual's Employer no earned income that constituted income from sources within the United States. If, on account of the preceding reason, an individual is not a Qualified Beneficiary, then a Spouse or Dependent child of the individual will also not be considered a Qualified Beneficiary by virtue of the relationship to the individual. A domestic partner is not a Qualified Beneficiary.

Each Qualified Beneficiary (including a child who is born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage) must be offered the opportunity to make an independent election to receive COBRA continuation coverage.

## 3. What is a Qualifying Event?

A Qualifying Event is any of the following if the Plan provided that the Plan participant would lose coverage (i.e., cease to be covered under the same terms and conditions as in effect immediately before the Qualifying Event) in the absence of COBRA continuation coverage:

(a) The death of a covered Employee.

(b) The termination (other than by reason of the Employee's gross misconduct), or reduction of hours, of a covered Employee's employment.

(c) The divorce or legal separation of a covered Employee from the Employee's Spouse. If the Employee reduces or eliminates the Employee's Spouse's Plan coverage in anticipation of a divorce or legal separation, and a divorce or legal separation later occurs, then the divorce or legal separation may be considered a Qualifying Event even though the Spouse's coverage was reduced or eliminated before the divorce or legal separation.

(d) A covered Employee's enrollment in any part of the Medicare program.

(e) A Dependent child's ceasing to satisfy the Plan's requirements for a Dependent child (for example, attainment of the maximum age for dependency under the Plan).

If the Qualifying Event causes the covered Employee, or the covered Spouse or a Dependent child of the covered Employee, to cease to be covered under the Plan under the same terms and conditions as in effect immediately before the Qualifying Event, the persons losing such coverage become Qualified Beneficiaries under COBRA if all the other conditions of COBRA are also met. For example, any increase in contribution that must be paid by a covered Employee, or the Spouse, or a Dependent child of the covered Employee, for coverage under the Plan that results from the occurrence of one of the events listed above is a loss of coverage.

The taking of leave under the Family and Medical Leave Act of 1993, as amended ("FMLA") does not constitute a Qualifying Event. A Qualifying Event will occur, however, if an Employee does not return to employment at the end of the FMLA leave and all other

COBRA continuation coverage conditions are present. If a Qualifying Event occurs, it occurs on the last day of FMLA leave and the applicable maximum coverage period is measured from this date (unless coverage is lost at a later date and the Plan provides for the extension of the required periods, in which case the maximum coverage date is measured from the date when the coverage is lost.) Note that the covered Employee and family members will be entitled to COBRA continuation coverage even if they failed to pay the employee portion of premiums for coverage under the Plan during the FMLA leave.

4. **What factors should be considered when determining to elect COBRA continuation coverage?**

When considering options for health coverage, Qualified Beneficiaries should consider:

- **Premiums:** This plan can charge up to 102% of total plan premiums for COBRA coverage. Other options, like coverage on a spouse's plan or through the Marketplace, may be less expensive. Qualified Beneficiaries have special enrollment rights under federal law (HIPAA). They have the right to request special enrollment in another group health plan for which they are otherwise eligible (such as a plan sponsored by a spouse's employer) within 30 days after Plan coverage ends due to one of the Qualifying Events listed above.
- **Provider Networks:** If a Qualified Beneficiary is currently getting care or treatment for a condition, a change in health coverage may affect access to a particular health care provider. You may want to check to see if your current health care providers participate in a network in considering options for health coverage.
- **Drug Formularies:** For Qualified Beneficiaries taking medication, a change in health coverage may affect costs for medication – and in some cases, the medication may not be covered by another plan. Qualified beneficiaries should check to see if current medications are listed in drug formularies for other health coverage.
- **Severance payments:** If COBRA rights arise because the Employee has lost his job and there is a severance package available from the employer, the former employer may have offered to pay some or all of the Employee's COBRA payments for a period of time. This can affect the timing of coverage available in the Marketplace. In this scenario, the Employee may want to contact the Department of Labor at 1-866-444-3272 to discuss options.
- **Medicare Eligibility:** You should be aware of how COBRA coverage coordinates with Medicare eligibility. If you are eligible for Medicare at the time of the Qualifying Event, or if you will become eligible soon after the Qualifying Event, you should know that you have 8 months to enroll in Medicare after your employment –related health coverage ends. Electing COBRA coverage does not extend this 8-month period. For more information, see [medicare.gov/sign-up-change-plan](http://medicare.gov/sign-up-change-plan).
- **Service Areas:** If benefits under the Plan are limited to specific service or coverage areas, benefits may not be available to a Qualified Beneficiary who moves out of the area.
- **Other Cost-Sharing:** In addition to premiums or contributions for health coverage, the Plan requires participants to pay copayments, deductibles, coinsurance, or other amounts as benefits are used. Qualified beneficiaries should check to see what the cost-sharing requirements are for other health coverage options. For example, one option may have much lower monthly premiums, but a much higher deductible and higher copayments.

**Are there other coverage options besides COBRA Continuation Coverage?** Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for Qualified Beneficiaries through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at [www.healthcare.gov](http://www.healthcare.gov).

5. **What is the procedure for obtaining COBRA continuation coverage?**

The Plan has conditioned the availability of COBRA continuation coverage upon the timely election of such coverage. An election is timely if it is made during the election period.

6. **What is the election period and how long must it last?**

The election period is the time period within which the Qualified Beneficiary must elect COBRA continuation coverage under the Plan. The election period must begin no later than the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event and ends 60 days after the later of the date the Qualified Beneficiary would lose coverage on account of the Qualifying Event or the date notice is provided to the Qualified Beneficiary of her or his right to elect COBRA continuation coverage. If coverage is not elected within the 60 day period, all rights to elect COBRA continuation coverage are forfeited.

Note: If a covered Employee who has been terminated or experienced a reduction of hours qualifies for a trade readjustment allowance or alternative trade adjustment assistance under a federal law called the Trade Act of 2002, as extended by the Trade Preferences Extension Act of 2015, and the employee and his or her covered dependents have not elected COBRA coverage within the normal election period, a second opportunity to elect COBRA coverage will be made available for themselves and certain family members, but only within a limited period of 60 days or less and only during the six months immediately after their group health plan coverage ended. Any person who qualifies or thinks that he or she and/or his or her family members may qualify for assistance under this special provision should contact the

Plan Administrator or its designee for further information about the special second election period. If continuation coverage is elected under this extension, it will not become effective prior to the beginning of this special second election period.

**7. Is a covered Employee or Qualified Beneficiary responsible for informing the Plan Administrator of the occurrence of a Qualifying Event?**

The Plan will offer COBRA continuation coverage to Qualified Beneficiaries only after the Plan Administrator or its designee has been timely notified that a Qualifying Event has occurred. The Employer (if the Employer is not the Plan Administrator) will notify the Plan Administrator or its designee of the Qualifying Event within 30 days following the date coverage ends when the Qualifying Event is:

- (a) the end of employment or reduction of hours of employment,
- (b) death of the employee,
- (c) commencement of a proceeding in bankruptcy with respect to the Employer, or
- (d) entitlement of the employee to any part of Medicare.

**IMPORTANT:**

For the other Qualifying Events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you or someone on your behalf must notify the Plan Administrator or its designee in writing within 60 days after the Qualifying Event occurs, using the procedures specified below. If these procedures are not followed or if the notice is not provided in writing to the Plan Administrator or its designee during the 60-day notice period, any spouse or dependent child who loses coverage will not be offered the option to elect continuation coverage. You must send this notice to the Plan Administrator or its designee.

**NOTICE PROCEDURES:**

Any notice that you provide must be *in writing*. Oral notice, including notice by telephone, is not acceptable. You must mail, fax or hand-deliver your notice to the person, department or firm listed below, at the following address:

Community Bridges  
236 Santa Cruz Ave.  
Aptos, California 95003-4438

If mailed, your notice must be postmarked no later than the last day of the required notice period. Any notice you provide must state:

- the name of the plan or plans under which you lost or are losing coverage,
- the name and address of the employee covered under the plan,
- the name(s) and address(es) of the Qualified Beneficiary(ies), and
- the Qualifying Event and the date it happened.

If the Qualifying Event is a divorce or legal separation, your notice must include a copy of the divorce decree or the legal separation agreement.

Be aware that there are other notice requirements in other contexts, for example, in order to qualify for a disability extension.

Once the Plan Administrator or its designee receives *timely notice* that a Qualifying Event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each Qualified Beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage for their spouses, and parents may elect COBRA continuation coverage on behalf of their children. For each Qualified Beneficiary who elects COBRA continuation coverage, COBRA continuation coverage will begin on the date that plan coverage would otherwise have been lost. If you or your spouse or dependent children do not elect continuation coverage within the 60-day election period described above, the right to elect continuation coverage will be lost.

**8. Is a waiver before the end of the election period effective to end a Qualified Beneficiary's election rights?**

If, during the election period, a Qualified Beneficiary waives COBRA continuation coverage, the waiver can be revoked at any time before the end of the election period. Revocation of the waiver is an election of COBRA continuation coverage. However, if a waiver is later revoked, coverage need not be provided retroactively (that is, from the date of the loss of coverage until the waiver is revoked). Waivers and revocations of waivers are considered made on the date they are sent to the Plan Administrator or its designee, as applicable.

**9. Is COBRA coverage available if a Qualified Beneficiary has other group health plan coverage or Medicare?**

Qualified Beneficiaries who are entitled to elect COBRA continuation coverage may do so even if they are covered under another group health plan or are entitled to Medicare benefits on or before the date on which COBRA is elected. However, a Qualified Beneficiary's COBRA coverage will terminate automatically if, after electing COBRA, he or she becomes entitled to Medicare or becomes covered under other group health plan coverage (but only after any applicable preexisting condition exclusions of that other plan have been exhausted or satisfied).

**10. When may a Qualified Beneficiary's COBRA continuation coverage be terminated?**

During the election period, a Qualified Beneficiary may waive COBRA continuation coverage. Except for an interruption of coverage in connection with a waiver, COBRA continuation coverage that has been elected for a Qualified Beneficiary must extend for at least the period beginning on the date of the Qualifying Event and ending not before the earliest of the following dates:

- (a) The last day of the applicable maximum coverage period.
- (b) The first day for which Timely Payment is not made to the Plan with respect to the Qualified Beneficiary.
- (c) The date upon which the Employer ceases to provide any group health plan (including a successor plan) to any employee.
- (d) The date, after the date of the election, that the Qualified Beneficiary first becomes entitled to Medicare (either part A or part B, whichever occurs earlier).
- (e) In the case of a Qualified Beneficiary entitled to a disability extension, the later of:
  - (1) (i) 29 months after the date of the Qualifying Event, or (ii) the first day of the month that is more than 30 days after the date of a final determination under Title II or XVI of the Social Security Act that the disabled Qualified Beneficiary whose disability resulted in the Qualified Beneficiary's entitlement to the disability extension is no longer disabled, whichever is earlier; or
  - (2) the end of the maximum coverage period that applies to the Qualified Beneficiary without regard to the disability extension.

The Plan can terminate for cause the coverage of a Qualified Beneficiary on the same basis that the Plan terminates for cause the coverage of similarly situated non-COBRA beneficiaries, for example, for the submission of a fraudulent claim.

In the case of an individual who is not a Qualified Beneficiary and who is receiving coverage under the Plan solely because of the individual's relationship to a Qualified Beneficiary, if the Plan's obligation to make COBRA continuation coverage available to the Qualified Beneficiary ceases, the Plan is not obligated to make coverage available to the individual who is not a Qualified Beneficiary.

**11. What are the maximum coverage periods for COBRA continuation coverage?**

The maximum coverage periods are based on the type of the Qualifying Event and the status of the Qualified Beneficiary, as shown below.

- (a) In the case of a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period ends 18 months after the Qualifying Event if there is not a disability extension and 29 months after the Qualifying Event if there is a disability extension.
- (b) In the case of a covered Employee's enrollment in the Medicare program before experiencing a Qualifying Event that is a termination of employment or reduction of hours of employment, the maximum coverage period for Qualified Beneficiaries ends on the later of:
  - (1) 36 months after the date the covered Employee becomes enrolled in the Medicare program. This extension does not apply to the covered Employee; or
  - (2) 18 months (or 29 months, if there is a disability extension) after the date of the covered Employee's termination of employment or reduction of hours of employment.
- (c) In the case of a Qualified Beneficiary who is a child born to or placed for adoption with a covered Employee during a period of COBRA continuation coverage, the maximum coverage period is the maximum coverage period applicable to the Qualifying Event giving rise to the period of COBRA continuation coverage during which the child was born or placed for adoption.
- (d) In the case of any other Qualifying Event than that described above, the maximum coverage period ends 36 months after the Qualifying Event.

**12. Under what circumstances can the maximum coverage period be expanded?**

If a Qualifying Event that gives rise to an 18-month or 29-month maximum coverage period is followed, within that 18- or 29-month period, by a second Qualifying Event that gives rise to a 36-month maximum coverage period, the original period is expanded to 36 months, but only for individuals who are Qualified Beneficiaries at the time of and with respect to both Qualifying Events. In no circumstance can the COBRA maximum coverage period be expanded to more than 36 months after the date of the first Qualifying Event. The Plan Administrator must be notified of the second qualifying event within 60 days of the second qualifying event. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

**13. How does a Qualified Beneficiary become entitled to a disability extension?**

A disability extension will be granted if an individual (whether or not the covered Employee) who is a Qualified Beneficiary in connection with the Qualifying Event that is a termination or reduction of hours of a covered Employee's employment, is determined under Title II or XVI of the Social Security Act to have been disabled at any time during the first 60 days of COBRA continuation coverage. To qualify for the disability extension, the Qualified Beneficiary must also provide the Plan Administrator with notice of the disability determination on a date that is both within 60 days after the date of the determination and before the end of the original 18-month maximum coverage. This notice must be sent to the Plan Administrator or its designee in accordance with the procedures above.

**14. Does the Plan require payment for COBRA continuation coverage?**

For any period of COBRA continuation coverage under the Plan, Qualified Beneficiaries who elect COBRA continuation coverage may be required to pay up to 102% of the applicable premium and up to 150% of the applicable premium for any expanded period of COBRA continuation coverage covering a disabled Qualified Beneficiary due to a disability extension. Your Plan Administrator will inform you of the cost. The Plan will terminate a Qualified Beneficiary's COBRA continuation coverage as of the first day of any period for which timely payment is not made.

**15. Must the Plan allow payment for COBRA continuation coverage to be made in monthly installments?**

Yes. The Plan is also permitted to allow for payment at other intervals.

**16. What is Timely Payment for COBRA continuation coverage?**

Timely Payment means a payment made no later than 30 days after the first day of the coverage period. Payment that is made to the Plan by a later date is also considered Timely Payment if either under the terms of the Plan, covered Employees or Qualified Beneficiaries are allowed until that later date to pay for their coverage for the period or under the terms of an arrangement between the Employer and the entity that provides Plan benefits on the Employer's behalf, the Employer is allowed until that later date to pay for coverage of similarly situated non-COBRA beneficiaries for the period.

Notwithstanding the above paragraph, the Plan does not require payment for any period of COBRA continuation coverage for a Qualified Beneficiary earlier than 45 days after the date on which the election of COBRA continuation coverage is made for that Qualified Beneficiary. Payment is considered made on the date on which it is postmarked to the Plan.

If Timely Payment is made to the Plan in an amount that is not significantly less than the amount the Plan requires to be paid for a period of coverage, then the amount paid will be deemed to satisfy the Plan's requirement for the amount to be paid, unless the Plan notifies the Qualified Beneficiary of the amount of the deficiency and grants a reasonable period of time for payment of the deficiency to be made. A "reasonable period of time" is 30 days after the notice is provided. A shortfall in a Timely Payment is not significant if it is no greater than the lesser of \$50 or 10% of the required amount.

**17. How is my participation in the Health Flexible Spending Account affected?**

You can elect to continue your participation in the Health Flexible Spending Account for the remainder of the Plan Year, subject to the following conditions. You may only continue to participate in the Health Flexible Spending Account if you have elected to contribute more money than you have taken out in claims. For example, if you elected to contribute an annual amount of \$500 and, at the time you terminate employment, you have contributed \$300 but only claimed \$150, you may elect to continue coverage under the Health Flexible Spending Account. If you elect to continue coverage, then you would be able to continue to receive your health reimbursements up to the \$500. However, you must continue to pay for the coverage, just as the money has been taken out of your paycheck, but on an after-tax basis. The Plan can also charge you an extra amount (as explained above for other health benefits) to provide this benefit.

**IF YOU HAVE QUESTIONS**

If you have questions about your COBRA continuation coverage, you should contact the Plan Administrator or its designee. For more information about your rights under ERISA, including COBRA, the Health Insurance Portability and Accountability Act (HIPAA), and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA). Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

## KEEP YOUR PLAN ADMINISTRATOR INFORMED OF ADDRESS CHANGES

In order to protect your family's rights, you should keep the Plan Administrator informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator or its designee.

## XI SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

### **\*\*HIPAA NOTICE OF PRIVACY PRACTICES\*\*** **THIS NOTICE DESCRIBES HOW MEDICAL INFORMATION ABOUT YOU MAY BE USED AND DISCLOSED AND** **HOW YOU CAN GET ACCESS TO THIS INFORMATION.** **PLEASE REVIEW IT CAREFULLY.**

#### **Purpose**

This notice is intended to inform you of the privacy practices followed by your employer's Healthcare Flexible Spending Account Plan. It also explains the Federal privacy rights afforded to you and the members of your family as Plan Participants covered under a group health plan.

As a Plan sponsor your employer often needs access to health information in order to perform Plan Administrator functions. We want to assure the Plan Participants covered under our group health plan that we comply with Federal privacy laws and respect your right to privacy. We require all members of our workforce and third parties that are provided access to health information to comply with the privacy practices outlined below.

#### **Uses and Disclosures of Health Information**

**Healthcare Operations.** We use and disclose health information about you in order to perform Plan administration functions such as quality assurance activities, resolution of internal grievances, and evaluating plan performance. For example, we review claims experience in order to understand utilization and to make plan design changes that are intended to control health care costs.

**Payment.** We may also use or disclose identifiable health information about you without your written authorization in order to determine eligibility for benefits, seek reimbursement from a third party, or coordinate benefits with another health plan under which you are covered. For example, a healthcare provider that provided treatment to you will provide us with your health information. We use that information to determine whether those services are eligible for payment under our group health plan.

**Treatment.** Although the law allows use and disclosure of your health information for purposes of treatment, as a Plan sponsor we generally do not need to disclose your information for treatment purposes. Your physician or healthcare provider is required to provide you with an explanation of how they use and share your health information for purposes of treatment, payment, and healthcare operations.

**As permitted or required by law.** We may also use or disclose your health information without your written authorization for other reasons as permitted by law. We are permitted by law to share information, subject to certain requirements, in order to communicate information on health-related benefits or services that may be of interest to you, respond to a court order, or provide information to further public health activities (e.g., preventing the spread of disease) without your written authorization. We are also permitted to share health information during a corporate restructuring such as an merger, sale, or acquisition. We will also disclose health information about you when required by law, for example, in order to prevent serious harm to you or others.

**Pursuant to your Authorization.** When required by law, we will ask for your written authorization before using or disclosing your identifiable health information. If you choose to sign an authorization to disclose information, you can later revoke that authorization to cease any future uses or disclosures.

**Right to Inspect and Copy.** In most cases, you have a right to inspect and copy the health information we maintain about you. If you request copies, we will charge you \$0.05 (5 cents) for each page. Your request to inspect or review your health information must be submitted in writing to the person listed below.

**Right to an Accounting of Disclosures.** You have a right to receive a list of instances where we have disclosed health information about you for reasons other than treatment, payment, healthcare operations, or pursuant to your written authorization.

**Right to Amend.** If you believe that information within your records is incorrect or if important information is missing, you have a right to request that we correct the existing information or add the missing information.

**Right to Request Restrictions.** You may request in writing that we not use or disclose information for treatment, payment, or other administrative purposes except when specifically authorized by you, when required by law, or in emergency circumstances. We will consider your request, but are not legally obligated to agree to those restrictions.

**Right to Request Confidential Communications.** You have a right to receive confidential communications containing your health information. We are required to accommodate reasonable requests. For example, you may ask that we contact you at your place of employment or send communications regarding treatment to an alternate address.

**Right to Receive a Paper Copy of this Notice.** If you have agreed to accept this notice electronically, you also have a right to obtain a paper copy of this notice from us upon request. To obtain a paper copy of this notice, please contact the person listed below.

#### **Legal Requirements**

We are required by law to protect the privacy of your information, provide this notice about information practices, and follow the information practices that are described in this notice.

We may change our policies at any time. Before we make a significant change in our policies, we will provide you with a revised copy of this notice. You can also request a copy of our notice at any time. For more information about our privacy practices, contact the person listed below.

If you have any questions or complaints, please contact the Plan Administrator listed under Section VIII, "General Information About Our Plan."

#### **Filing a Complaint**

If you are concerned that we have violated your privacy rights, or you disagree with a decision we made about access to your records, you may contact the person listed above. You also may send a written complaint to the U.S. Department of Health and Human Services; Office of Civil Rights. The person listed above can provide you with the appropriate address upon request or you may visit [www.hhs.gov/ocr](http://www.hhs.gov/ocr) for further information.

**COMMUNITY BRIDGES**

**Program Budget Summary**

June 30, 2016 Preliminary

**Projections for Year Ended 6-30-16**

A	B	C	D	E	F	G	H	I	J	K
PROGRAM NAME:	6/30/15 Audited Balance	Annual 15/16 Budget	Annual Projected Expenses	Annual Projected Revenues	As Yet Unsecured Revenues	(E-D) Net 2015-2016 Gain/Loss	(B+G) Cumulative Gain/Loss	Goal 25% Reserve %	Change from Prior Mo	14.5% Gen'l & Adm Exp
Meals on Wheels	475,348	1,620,928	1,653,135	1,659,937	0	6,802	482,150	30.2%	(356)	241,451
Lift Line	(134,427)	1,521,453	1,477,879	1,512,660	1,443	34,781	(99,646)	-9.0%	(8,873)	126,529
WIC (Oct-Sept FFY)	134,402	2,365,546	2,366,789	2,376,305	150	9,516	143,918	6.1%	(6,812)	280,382
Child Development Div	(32,205)	2,027,915	1,931,357	1,947,146	698	15,789	(16,416)	-0.8%	10,468	281,063
La Manzana Commtty Res	25,315	661,612	662,894	721,761	0	58,867	84,182	12.7%	9,665	89,197
Live Oak Commtty Res	91,571.55	305,297	297,670	304,477	2,129	6,807	98,379	33.0%	2,884	42,505
CACFP (Oct-Sept FFY)	(6,315)	4,519,558	3,840,208	3,831,978	0	(8,230)	(14,545)	7.1%	5,626	16,381
Mountain Commtty Res	195,640	384,428	400,968	410,619	5,442	9,651	205,291	51.2%	4,464	52,697
Nueva Vista Commtty Res	33,866	326,070	326,995	348,067	287	21,072	54,938	16.8%	1,090	45,439
Elderday	(67,268)	1,742,050	1,724,478	1,596,158	31,460	(128,320)	(195,588)	-11.3%	1,386	249,840
Administration	109,912	1,471,500	1,499,903	1,459,716	6,817	(40,187)	69,725	4.7%	(6,166)	2,526
Philanthropy	47,983	90,876	90,320	95,371	0	5,051	53,034	58.7%	1,227	13,096
<b>TOTAL PROG OPERATIONS</b>	<b>873,824</b>	<b>17,037,233</b>	<b>16,272,596</b>	<b>16,264,195</b>	<b>48,426</b>	<b>(8,401)</b>	<b>865,423</b>	<b>7.31%</b>	<b>14,603</b>	<b>1,441,106</b>
LOCR-Capital Campaign	415,901	22,285	22,158	(13,447)	0	(35,605)	380,296	NA	(7,483)	588
Nueva Vista Prop. Equity	200,694	-	0	0	0	-	200,694	NA	-	0
Fixed Assets & Gen'l Agy	495,844	-	5,152	10,714	0	5,561	501,405	NA	(600)	0
<b>TOTAL AGENCY</b>	<b>1,986,263</b>	<b>17,059,518</b>	<b>16,299,906</b>	<b>16,261,461</b>	<b>48,426</b>	<b>(38,445)</b>	<b>1,947,818</b>	<b>7.31%</b>	<b>6,520</b>	<b>1,441,694</b>

Note: MOW : \$266,375 of MOW Endowment revenue shown on Fixed Assets & General Agency 6/30/15 Fund Balance.

Note: LL : \$500,000 of prior year LL losses included in Fixed Assets & General Agency Fund Balance.

Note: Familia Property Value of \$200,694 moved to Equity from Income.

\*\* Fixed Asset purchases and Pass-Thru expenses exempt; Admin Program restricted to 5% gain due to Federal restrictions on indirect expenses



**COMMUNITY BRIDGES**  
**Program Budget Summary**  
**June 30, 2016 Preliminary**

**PROGRAM NAME:**

---

<b>Meals on Wheels</b>	Minimal net change
<b>Lift Line</b>	Addl driver personnel \$6K, reduced earned 5317
<b>WIC</b>	Personnel \$6K higher
<b>Child Development Div</b>	Shift QRIS spending from new materials to personnel
<b>La Manzana CR</b>	Actual operating expenses \$6.5K less than projections
<b>Live Oak CR</b>	Reduced personnel costs <\$2.3K>
<b>CACFP</b>	Homes up May (and June) +\$3K, reduced operating costs
<b>Mountain Comnty Res</b>	Actual operating expenses \$3.5K less than projections
<b>Nueva Vista CR</b>	Donations up \$3K, new computers \$1.5K
<b>Elderday</b>	Minimal change, revenues up \$4K, personnel up \$3K
<b>Administration</b>	Final pays-Floats and B-Days +\$4.2K
<b>Philanthropy</b>	Actual operating expenses \$2.5K less than projections
<b>LOCR-Cap Campaign</b>	15/16 Equity loss of <\$13.5K>, annual maintenance fee/costs \$22K
<b>Nueva Vista Property</b>	Gain in equity since original acquisition and mergere w/CB
<b>FAs &amp; Agy Unrestr.</b>	Fiscal Sponsorships, Unallowable exps, Fixed Asset values

**Community Bridges  
Agency-Wide Revenue and Expenses  
June 30, 2016 Preliminary**

DESCRIPTION	YTD 6/30/16	EARNED			A/R		UNEARNED		DESCRIPTION	ACTUAL YTD 6/30/16	% OF TOTAL
		YTD 6/30/16	% OF TOTAL	YTD 6/30/16	YTD 6/30/16	YTD 6/30/16					
REVENUE						EXPENSE					
County of Santa Cruz	1,375,930	1,421,023	9.4%	45,093				Salaries & Wages	6,080,697	40.4%	
City of Santa Cruz	201,794	238,500	1.6%	36,706				Payroll Taxes	814,987	5.4%	
City of Capitola	111,102	111,102	0.7%	-				Health Insurance/Retirement	973,329	6.5%	
City of Scotts Valley	6,680	8,903	0.1%	2,223				Contracted Services	308,964	2.1%	
City of Watsonville	18,088	18,088	0.1%	-				Transportation Services	415,392	2.8%	
AAA-Title IIIB/C	626,467	660,015	4.4%	33,548				Staff Travel	65,386	0.4%	
USDA-AAA / CAFB / SL	160,874	203,849	1.3%	42,975				Occupancy Expense	957,693	6.4%	
Dept of Health Svcs-WIC / Snap Ed	1,881,022	2,459,523	16.3%	578,502				Office/Program Expense	474,720	3.2%	
Dept of Educ-CACFP Admin	337,462	403,001	2.7%	65,539				Staff Training	28,497	0.2%	
Dept of Educ-CACFP Homes Passthru	3,682,599	3,678,645	24.3%			3,955		Insurance	97,852	0.6%	
Dept of Educ-CACFP Ctrs CCC / CBAS	114,436	147,391	1.0%	32,955				Taxes, Licenses, Interest & Fees	51,233	0.3%	
Dept of Education-CDD	1,131,505	1,166,302	7.7%	34,797				Equipment Expense	181,958	1.2%	
Transportation Development Act	626,561	626,561	4.1%	-				Raw Food and Related	554,371	3.7%	
EFSP (FEMA)	129	9,049	0.1%	8,920				Vehicle Operations/Maintenance	125,884	0.8%	
Covered CA-Navigator	27,682	30,654	0.2%	2,972				Payments to CACFP Homes/Ctrs	3,793,081	25.2%	
FTA Section 5310 - Cal Trans	0	0	0.0%	-				Payments to Other Agencies	48,192	0.3%	
FTA Section 5317 - Cal Trans	0	75,199	0.5%	75,199				Fixed Asset Purchases	84,749	0.6%	
First Five	285,463	285,936	1.9%	473				Vehicle Related Purchases	-	0.0%	
Foundations & Other Grants	386,046	393,074	2.6%	7,028				Depreciation/Amortization	-	0.0%	
Donations/Fundraising	540,587	541,703	3.6%	1,116							
Participant Contributions	94,893	94,893	0.6%	-							
Client Fees	389,385	410,265	2.7%	20,880							
Medi-Cal Fees	1,063,500	1,276,954	8.4%	213,454							
Program Income-Other	77,031	191,662	1.3%	114,631							
Transportation Fees/Scrip	23,262	23,262	0.2%	-							
Outside Contracts	103,757	116,862	0.8%	13,105							
Uncollectible Revenue	-612	-612	0.0%	-							
Interprogram Revenue	533,634	533,634	3.5%	-							
TOTAL REVENUE	13,799,275	15,125,437	100.0%	1,330,116		3,955		TOTAL EXPENDITURES	15,056,983	100.0%	
								<b>Net Gain (Loss)</b>	<b>68,454</b>		
								Prior Yr Reserves	1,986,263		
Change from last month	<b>1,895</b>			(36,870)		(235,714)		<b>Net Assets:</b>	<b>2,054,717</b>		

**Community Bridges**  
**Statement of Financial Position**  
**June 30, 2016 Preliminary**

ASSETS	Unrestricted	Temporarily	Temporarily	Endow	TOTAL
		Restricted Capital Campaign	Restricted Escrow	Restricted Net Assets	
Cash and cash equivalents	224,370	-	183,000	27,500	434,870
Cash reserved for LOFRC Facility Maint	-	383,072	-	-	383,072
Accounts/Grants receivable	1,332,220	-	-	-	1,332,220
Prepaid expenses	268,237	-	-	-	268,237
Inventory - Raw Food & Supplies	30,925	-	-	-	30,925
Refundable Deposits	55,505	-	-	-	55,505
Property and equipment	697,093	-	-	-	697,093
Leasehold improvements	9,590	-	-	-	9,590
<b>TOTAL ASSETS</b>	<b>2,617,939</b>	<b>383,072</b>	<b>183,000</b>	<b>27,500</b>	<b>3,211,510</b>
<b>LIABILITIES</b>					
Accounts payable	303,826	-	-	-	303,826
Salaries and wages payable	249,652	-	-	-	249,652
Payroll taxes payable	78,867	-	-	-	78,867
Retirement (401k) benefits payable	13,843	-	-	-	13,843
Accrued vacation salaries and wages	286,529	-	-	-	286,529
Health insurance payable/withheld	3,259	-	-	-	3,259
Short term debt (includes LOC)	-	-	-	-	-
Long term debt	-	-	-	-	-
Volunteer Center liability	-	3,406	-	-	3,406
Capitalized leases payable	74,717	-	-	-	74,717
Due to fixed asset fund	-	-	-	-	-
Unearned revenue/advances	38,784	-	-	-	38,784
Other debts	75	-	-	-	75
Other liabilities	105,715	-	-	-	105,715
<b>TOTAL LIABILITIES</b>	<b>1,155,265</b>	<b>3,406</b>	<b>-</b>	<b>-</b>	<b>1,158,672</b>
Fund Balance June 30, 2015	1,403,862	415,901	166,500	-	<b>1,986,263</b>
Current Year Income (Loss)	58,811	(36,235)	16,500	27,500	<b>66,576</b>
<b>TOTAL NET ASSETS</b>	<b>1,462,673</b>	<b>379,665</b>	<b>183,000</b>	<b>27,500</b>	<b>2,052,839</b>

	G	M	Current Month	Last Month	Goals
Cumulative Net Gain (Loss):	↓	↑	66,576	66,559	\$200,000
Liquidity Ratio (Unrestr Cash/Total Liabilities):	↓	↓	0.19	0.30	3.0
Current Ratio (Current Assets/Current Liabilities):	↑	↓	2.4	2.8	2.2
Modified Current Ratio (Liabilites include advances):	↑	↑	2.3	2.2	1.7
Net Asset Ratio (Total Assets/Total Liabilities):	↑	↑	2.8	2.7	1.9
Debt to Equity (Total Liabilities/Total Fund Bal):	↑	↑	56%	60%	109%
Debt to Assets (Total Liabilities/Total Assets):	↑	↑	36%	38%	52%
Return on Reserves:	↓	-	3.2%	3.2%	9.7%
Current Assets (excludes property/fixed assets):			2,504,828	2,580,846	3,300,000
Current Liabilities (excludes long term/unearned):			1,041,765	924,995	1,510,000
Modified Current Liabilities (adds in unearned):			1,080,549	1,156,065	1,960,000

**COMMUNITY BRIDGES 16/17**  
**FY 16/17**

	ADMIN	DEV.	CACFP	LOCR	WIC	LMCR	LL	MOW	MCR	NV	CDD	ELD	Total
<b>REVENUE:</b>													
4001 Contributions from Individuals		51,491	3,150	12,500	1,500	1,100	5,600	238,709	22,600	13,100	6,150	9,050	364,950
4002 Contributions from Business		12,000		1,500			12,000	40,000	2,000	3,000	250	10,000	80,750
4003 Contributions from Other Fdns						10,000	40,000			54,068		35,406	139,474
4200 Special Events		50,000		2,000				35,000	32,100				119,100
4300 Legacies & Bequests								10,000	1,213				11,213
4700 United Way Allocations				10,000									10,000
5000 Gov Agencies-Other (LOSD,COE)				32,840						1,000			33,840
5501 County of SC-HRA	10,605		949	54,484	3,661	166,787	9,020	405,875	180,531	61,161	142,605	155,634	1,191,312
5501 County of SC-Summer Lunch						28,711							28,711
5501 County of Santa Cruz-Other				96,500		65,000			39,500	38,900			239,900
5502 City of Capitola				5,036			46,994	58,165			906		111,101
5503 City of Santa Cruz SSP				5,000			14,500	25,500			68,500		113,500
5503 City of Santa Cruz CDBG										100,000			100,000
5503 City of Santa Cruz - TDA							658,360						658,360
5503 City of Santa Cruz - Red Cross										25,000			25,000
5504 City of Scotts Valley							3,041	5,857	273				9,171
5505 City of Watsonville						8,955	1,890	3,734			3,509		18,088
5600 State Government								302,301			1,371,416		1,673,717
5700 Federal Government			3,723,591	18,221	7,369,788	90,037	123,283	451,838	21,600	65,708	100,662	46,486	12,011,214
6200 Program Service Fees	1,562,044	0	5,000	18,267	16,667	47,100	475,577	92,494	35,064	3,442	359,531	1,729,839	4,345,025
6500 Investment Income								2,500	36	2,760			5,296
6900 Miscellaneous Revenue	6,988			18,718	1,800	22,640	15,937		2,880	14,422	3,000		86,385
Transfer from Reserves				4,850					0				4,850
Community Foundation of SC		25,000										25,000	50,000
First 5 Santa Cruz County						217,769			50,956				268,725
<b>TOTAL REVENUE:</b>	<b>1,579,637</b>	<b>138,491</b>	<b>3,732,690</b>	<b>279,916</b>	<b>7,393,416</b>	<b>658,099</b>	<b>1,406,202</b>	<b>1,671,973</b>	<b>388,753</b>	<b>382,561</b>	<b>2,056,529</b>	<b>2,011,415</b>	<b>21,699,682</b>
								<i>1,682,578 &lt;MOW w/Adm SCCO</i>					
<b>SALARIES/BENEFITS</b>													
7000 Salaries Total	1,002,179	38,065	241,556	133,093	1,404,111	324,758	626,534	530,292	178,681	179,278	1,122,226	649,818	6,430,591
7100 Employee Health	150,948	3,860	33,582	28,424	181,463	41,505	146,540	75,390	39,074	37,582	152,251	137,302	1,027,921
7100 Employee Retirement	7,252	332	1,571	903	11,586	2,077	3,886	4,155	1,025	951	6,394	4,164	44,296
7200 Payroll Taxes	100,038	3,801	23,968	13,587	142,461	33,530	94,376	76,550	18,054	18,370	177,167	72,123	774,025
<b>TOTAL SALARIES/BENEFITS:</b>	<b>1,260,417</b>	<b>46,058</b>	<b>300,677</b>	<b>176,007</b>	<b>1,739,621</b>	<b>401,870</b>	<b>871,336</b>	<b>686,387</b>	<b>236,834</b>	<b>236,181</b>	<b>1,458,038</b>	<b>863,407</b>	<b>8,276,833</b>
<b>SERVICES/SUPPLIES</b>													
8000 Professional Fees: Audit	36,075		2,097		5,000								43,172
8010 Indep. Prof. Consultants	69,215	30,036	5,377	13,428	22,395	14,150	5,523	76,048	3,792	17,271	657	77,947	335,839
8100 Supplies	28,406	21,296	7,781	5,353	50,424	9,567	10,402	441,112	23,356	11,672	59,562	146,735	815,666
8200 Telephone/Communications	11,255	720	5,256	6,640	27,368	5,970	15,740	16,357	13,282	8,054	85,739	4,364	200,745
8300 Postage & Shipping	3,365	3,550	6,736	454	2,132	274	1,052	881	751	484	608	530	20,817
8400 Occupancy Total	113,315	340	32,595	18,723	224,246	53,909	59,574	120,714	33,415	21,744	109,164	247,347	1,035,086
8500 Rent/Maintenance of Equip	3,375		2,540	5,064	2,231	6,125	30,689	5,046	4,345	863	4,337	393	65,008
8600 Printing & Publications	8,897	8,367	6,725	1,248	3,366	2,210	1,781	1,357	521	1,253	716	1,556	37,997
8700 Travel & Transportation			5,832	0	13,495	6,856	158,446	67,394		5,122	4,294	312,572	574,011
8800 Conferences and Meetings	7,443	2,568	4,003	2,284	14,192	2,824	605	3,000	2,011	1,968	2,185	1,653	44,736
8900 Assistance to Individ.					4,964,500								4,964,500
9000 Membership Dues	5,242	61	127	225	4,181	56	581	194	342	260	164	4,294	15,727
9200 Interest Expense	3,000									3,952			6,952
9300 Insurance/Bond	5,575		1,375	4,790	8,980	4,774	80,784	16,531	4,321	10,938	15,598	16,635	170,301
9400 Miscellaneous	16,506	5,414	1,115	1,540	8,495	5,380	6,094	6,275	4,078	1,827	10,047	7,099	73,870
9400 Fixed Assets	5,506									4,332	3,133	1,440	14,411
9600 Dist. of Program Costs	2,045	20,081	33,619	39,560	297,286	87,206	148,595	230,677	57,745	52,895	297,517	294,818	1,562,044
Deficit Repayment							15,000				4,770	30,625	50,395
Required Reserve					5,504	6,516			3,850	3,745			19,615
9691 Payment/Affiliated Orgs.			3,316,835	4,600		50,412			110				3,371,957
<b>TOTAL SERVICES/SUPPLIES:</b>	<b>319,220</b>	<b>92,433</b>	<b>3,432,013</b>	<b>103,909</b>	<b>5,653,795</b>	<b>256,229</b>	<b>534,866</b>	<b>985,586</b>	<b>151,919</b>	<b>146,380</b>	<b>598,491</b>	<b>1,148,008</b>	<b>13,422,849</b>
<b>GRAND TOTAL EXPENSES 16/17:</b>	<b>1,579,637</b>	<b>138,491</b>	<b>3,732,690</b>	<b>279,916</b>	<b>7,393,416</b>	<b>658,099</b>	<b>1,406,202</b>	<b>1,671,973</b>	<b>388,753</b>	<b>382,561</b>	<b>2,056,529</b>	<b>2,011,415</b>	<b>21,699,682</b>
<b>GAIN/LOSS 16/17:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## BEGONIA FESTIVAL



Team Tola was the 2015 Second Place entry during the Nautical Parade. Contributed photo

## Begonia Festival announces parade incentives

### Staff report

**CAPITOLA** — The 64th annual Capitola Begonia Festival announced new incentives for groups to join the 2016 Nautical Parade.

The Begonia Festival returns Sept. 2-5 with “Begonias Around the World” as the theme. The Nautical Parade — begonia-covered floating barges on Soquel Creek — takes place Sunday, Sept. 4. Float building begins Sept. 2.

New float builders are encouraged to participate. The festival committee provides the barges, access to the begonia blossoms, floral wire and a limited number of float building sites. Each float building team receives a \$250 grant for participating in the parade.

The Nautical Parade prizes include a donation to the float team’s favorite local charity:

- Grand prize, \$1,000
- Second place, \$750
- Third place, \$500
- All other entrees, \$250

Nautical Parade entry forms are available at [begoniafestival.com](http://begoniafestival.com). The festival website also includes a “Floatbuilder’s Guide” for added information about participating in the parade and a schedule of festival events for the weekend.

## COMMUNITY BRIDGES

## Community Bridges receives state recognition for workplace conditions

### Staff report

**SANTA CRUZ COUNTY** — Community Bridges has been selected to receive the California Breastfeeding Coalition’s Mother-Baby Friendly Workplace Award.

As a nonprofit agency with more than 200 employees in 20 locations throughout Santa Cruz County, Community Bridges aims to provide a family-friendly and supportive working environment for its employees, including working mothers returning from maternity leave.

Community Bridges’ 10 programs include the federally-funded Women, Infants, Children (WIC) program. WIC provides low-income families with special checks to buy healthy foods, personalized nutrition education, and breastfeeding support. In recognition of the health advantages of breastfeeding for infants and mothers, Community Bridges aligns with WIC’s mission and supports and encourages breastfeeding by accommodating lactating employees in the workplace with adequate time and facilities for breastfeeding and/or expressing milk for their infants.

“Not only does Community Bridges have a written Lactation Accommodation Policy, but we actively promote the policy and make new employees aware that it exists,” said Dana Wagner, assistant program director for WIC.

Representatives from Community Bridges traveled to the State Capitol in Sacramento on May 10 to accept the award; past recipients include California Highway Patrol, Kaiser Permanente, Wells Fargo and UC Davis, among others.

## RED CROSS

## Red Cross recognizes volunteers

### Staff report

**SANTA CRUZ COUNTY** — The American Red Cross of the Central Coast presented the Clara Barton Award for Volunteer Leadership to Jill Hoffman of Santa Cruz.

This award recognizes a volunteer for service in a series of leadership positions held over a period of years.

Hoffman began volunteering with the American Red Cross 35 years ago. She was spurred to action when a devastating storm hit Santa Cruz County and left 22 dead, many more homeless. Since then she has served around the world as a delegate in the International Federation of the Red Cross and has served as Assistant to the Social Welfare Advisor at their Secretariat base in Geneva.

She supervises CSU Monterey Bay and Middlebury Institute of International Studies at Monterey interns since 2008 helping to support the work of Red Cross International Services programs.

Other volunteers honored at the American Red Cross of the Central Coast Volunteer Awards and Recognition Event on April 28 at the Quail Lodge and Golf Club in Carmel also include:

- Disaster Cycle Services Outstanding Support Award: Ann Sydes of Aptos and Jill Petker of Carmel
- Disaster Cycle Services Exceptional Response Award: Tiki Dellamore of Santa Cruz
- Disaster Cycle Services Exceptional Leadership Award: Dan Kemper of Prunedale
- Disaster Cycle Services Extraordinary Commitment and Dedication Award: Rosielee Crosley of Santa Cruz
- International Services Award: Steve Perle of Monterey
- Service to the Armed Forces Award: Stanley Jacques of Salinas
- Biomedical Service Award: Lucy Santana of Santa Cruz
- Biomedical Services Volunteer Award: Jo Ann Whittle of Scotts Valley and Karen Williams of Aptos

# Coast Lines, May 22, 2016: Softball set for girls with special challenges

POSTED: 05/21/16, 12:22 PM PDT | UPDATED: 2 WEEKS, 2 DAYS AGO

## SANTA CRUZ

### SOFTBALL SET FOR GIRLS WITH SPECIAL CHALLENGES

A girl with disabilities may never get the chance to play sports. That's why Girl Scout Troop 10423 is hosting a softball game event for elementary school girls with special challenges from 12:30 to 3 p.m. Sunday at Harvey West Park. The girls who signed up at this event will be assigned a unique girl scout buddy to encourage them while they bat and take the field. Girls must be in grades K-5. This event requires registration, please contact Nancy Gere at 831-234-75669 or visit [getyourbatinthegame.weebly.com](http://getyourbatinthegame.weebly.com).

## SANTA CRUZ

### YOUNG WRITERS OFFER READINGS TUESDAY

The Young Writers Program will host a yearend reading from 6:30-8:30 p.m. on Tuesday at Bookshop Santa Cruz, 1520 Pacific Ave. Students participating in this year's program will read short excerpts from their work. The public invited to join in celebrating and supporting young writers in fourth-grade to 12th-grade who have self-selected to read their work.

Information: [santacruzwrites.org/youngwritersprogram](http://santacruzwrites.org/youngwritersprogram) or 831-466-5810.

## SCOTTS VALLEY

### ALZHEIMER'S CONVERSATIONS SLATED TUESDAY

The Alzheimer's Association presents Conversations about Dementia at 1 p.m. Tuesday at Scotts Valley Library at 251 Kings Village Road, and a three-part series, Living With Alzheimer's for Caregivers: Middle Stage, June 30, July 7 & 14, at Baskin Live Oak Senior Center, 1777 Capitola Road, Santa Cruz. To register: 800-272-3900 or [mkaminski@alz.org](mailto:mkaminski@alz.org).

## SANTA CRUZ

### SETH MCGIBBEN NAMED TO NEW POST

[Community Bridges](#), a nonprofit agency with 10 human services programs across Santa Cruz County, announced the appointment of Seth McGibben as its new chief administrative officer. McGibben comes to Community Bridges with extensive experience providing legal council to individuals, corporations and municipal entities. He is a graduate of Aptos High School, received his bachelor's degree from Santa Clara University and his law degree from the University of San Francisco School of Law. McGibben succeeds Susan Marinshaw, who is retiring in July after nearly 17 years at Community Bridges.

## About Me



### Gary A. Patton

I was an elected official in Santa Cruz County, California for twenty years. Now, I am an environmental attorney, practicing law in Santa Cruz County. I also teach courses in Legal Studies at UCSC. To get my perspective on land use and planning issues, please listen to the [Land Use Report](#) that appears on KUSP Radio, covering land use policy issues on the California Central Coast.

## Subscribers

## Archived Posts

Archived Posts ▼

MONDAY, MAY 16, 2016

#137 / Bridges



**COMMUNITY BRIDGES**  
**PUENTES DE LA COMUNIDAD**

I am a long time supporter of [Community Bridges](#), a Santa Cruz County-based nonprofit organization that provides a wide variety of human service programs in the three-county area that includes Santa Cruz County, Monterey County, and San Benito County. You, too, can be a Community Bridges supporter. [Click right here to contribute!](#)

Community Bridges recently sent me its [2015 Annual Report](#), which you can read online. On Pages 4 and 5, I learned that Community Bridges provided help to tens of thousands of people last last year, and that over 87% of the people it helped live below 200% of the federal poverty level (less than \$31,860 for a family of two).

I am glad that my contributions to Community Bridges are helping families and individuals who are having a difficult time, economically. That's great, and there are pages and pages of names in the Annual Report (all in very small print), of many hundreds of other people who are doing the same.

However.....

While individual giving is good (and let me remind you about that link in the first paragraph of this posting that will let you join the crowd), there is no reason that we shouldn't structure our society so that the community itself provides the kind of basic human services that are now being provided by way of individual contributions to Community Bridges and other nonprofit organizations.

In the richest nation in the world, the richest nation, in fact, in the history of the world, we could, thorough our collective action, provide every family and every individual in this country with a basic education, meaningful work, child care, health care, and housing.

You know we could do it. The money is out there, and the purpose of politics is to decide, collectively, how we should raise money and spend it, on the things we decide just must be done, for the good of us all.

So, keep those individual contributions flowing, but...

Let's make sure that the United States Congress and the next President of the United States does something to ensure that there's a strong and solid economic floor for every family, and every person in this country.

That's not [a bridge too far!](#)



JUNE 14, 2016

Supporters view the Beach Flats Garden, seen here last fall before the city redrew its boundaries, as a sanctuary for healthy food and cultural history. PHOTO: KEANA PARKER

## COVER STORIES BEHIND THE BATTLE IN BEACH FLATS

### HOW NEGOTIATIONS OVER THE BEACH FLATS COMMUNITY GARDEN WENT WRONG

BY JACOB PIERCE

It was October of last year when Councilmember Cynthia Chase brought about 20 gardeners to Santa Cruz City Hall on Center Street to sit down with Kris Reyes, the Santa Cruz Seaside Company's spokesperson, and discuss the future of the Beach Flats Community Garden.

In the weeks leading up to the talk, activists in neon shirts reading "Guarde el Jardín" had been crowding small meeting rooms. Green-space supporters had written impassioned letters to local newspapers imploring everyone to do whatever they could to save the cacti, corn and other vegetables on the nearly half-acre patch of land owned by the Seaside Company, but farmed for 20 years by local gardeners, many of whom worried they had harvested for their last season there.

On the wall in that October meeting hung a historic oil painting of the San Lorenzo River in 1876, and out the window, the city's courtyard fountain lay dry and empty due to water rationing in the drought.

Sitting in swivel chairs at the long wooden table, gardeners talked about what they loved about the garden, which the Seaside Company had indefinitely loaned to the community for two decades. In the nearly four-hour meeting, Reyes shared why the company—which also owns the Beach Boardwalk, a few motels, parking lots and other Beach Flats real estate—needed the land back to start a nursery for their landscaping needs.

"I'm always looking for 'What's the middle way?'" explains Chase, now the city's vice mayor, sitting in the same room where she started the discussion. "Where can we find some compromise? Does this have to be all or nothing? Is there some negotiation that can preserve the ability of these gardeners to keep gardening? I think that's how it all started."

The following month, Reyes would go on to announce at a Santa Cruz City Council meeting that the Seaside Company would be preserving 60 percent of the garden with a three-year lease, hopefully long enough for the city to find a permanent home for it. Many supporters left that council meeting still fuming, desperate to find a way to save the space in its entirety, but the new proposal offered a garden more than twice the size of either of the last two compromises the Seaside Company had suggested.

The October discussion had laid the groundwork.

"We talked at length about what was important to them," Reyes remembers. "I tried to share, as best I could, what was important to us. And I felt like each time we did that, we had a better understanding of what was important to each side, and I think those meetings were critical in allowing the gardeners to feel comfortable enough with us to sign their agreement and begin the transition. But we put a lot of time into working with them and understanding."

If there was one thing that could be said to have set off and gradually worsened the arguments over the garden, which first turned contentious nearly a year ago, it would be the mutual feeling of disrespect each side felt from the other.

Garden advocates felt it was a sanctuary in a place practically overrun with Boardwalk visitors for several months out of the year. "The noise and the traffic and the trash," says Vicki Winters, a longtime garden supporter. "It is this little oasis there."



Meanwhile, Reyes and his coworkers wondered how they ended up getting yelled at after donating a parcel of land for 20 years.

“Everybody’s right. Nobody’s wrong in that,” Chase says. “That was their experience. That was their perception.”

### WHY THE GARDEN MATTERS

**AROUND THE CORN** Emilio Martinez Castaneda has farmed in the Beach Flats Community Garden for two decades. PHOTO: KEANA PARKER



Beach Flats, which is tucked between the San Lorenzo River and the Boardwalk, is the most economically depressed neighborhood in the city, with large families often crowded into small and sometimes rundown units. Many in the community work at the neighboring Boardwalk. With so little park space, the garden has long provided a respite from the noise that fills the air during summer nights, and traffic that plugs Beach Street on the afternoons. In that context, the garden’s disappearance quickly became an emotional one, says Councilmember Don Lane.

“We have this community within Santa Cruz that generally is disadvantaged. No one would question that,” Lane says. “And [when] something that’s really

important to the community is threatened, a whole bunch of people are gonna go, ‘That’s wrong.’ That fueled the public discourse around this—‘This disadvantaged community is being wronged, and we must not allow that.’”

Reyes and the Seaside Company told city parks staff in late 2014 that the company would not be renewing the yearly \$1 lease because it needed the garden for landscaping, and the city sent letters to the gardeners. More than six months later, at what Reyes calls “the eleventh hour,” activists began their full-scale campaign to protect the garden, and many suggested seizing it in its entirety. Rumors began to spread. “That’s where the frustration comes from,” says Reyes.

It isn’t uncommon, Lane explains, for people to feel slighted in the political process. Part of the job of a policymaker, he says, is demonstrating to constituents that they understand where someone else is coming from.

“That’s normal in a sense. That’s human nature,” says Lane, who was involved in the Beach Flats Community Garden discussions. “But it always gets tricky when multiple players are each coming into it with that feeling. Because then you choose a side, and somebody who already was feeling disrespected and doesn’t get anything out of it is really angry—like ‘Wow, I feel disrespected. I let you know how I feel about that, and you still disrespected me.’ It’s a double injury. To me, one of the most important things is to not allow that to happen. When the different parties are feeling disrespected and not heard, [it’s important] that we deliver something to them so that they don’t feel disrespected.”

### HENCE THE FENCE

On a recent Thursday, the late afternoon sun is casting long shadows at the Beach Flats Community Garden as young neighbors play, running in circles in and out of a small shed. Around them, young bean, kale, parsley, onion and squash plants sprout out of the ground. The spicy smell of a bonfire wafts through the air from a small pit that parents have gathered around, speaking Spanish.

“The way things are grown in that garden is different than other gardens, like the ones I see in the Westside,” artist Irene O’Connell tells *GT* on the phone, as she sketches. O’Connell is brainstorming a few drafts for the Beach Flats mural on Raymond Street that will be repainted more than two years after city workers coated the previous mural in white paint—the beginning of an ill-fated project for which the city later apologized. (O’Connell, who is incorporating the garden into her community mural, will unveil her sketches at 7 p.m. on Wednesday, June 15 at Beach Flats Park and ask for input.)

The gardeners' farming style, O'Connell notes, features traditional Latin American methods that have been taught by hand. "It's a knowledge and it's an important resource that's been passed down through generations," O'Connell says.

**DEEP ROOTS** Don Domingo Mendoza has been gardening at the Beach Flats Community Garden since it opened 20 years ago. PHOTO: CHIP SCHEUER



Toward the back of the garden, a wooden good-neighbor fence divides the green space from a large barren plot of dirt, where the Seaside Company will start a small nursery.

On the company's side of the barrier, weeds have sprouted from the ground. And where the vacated patch of garden faces the San Lorenzo River levees, streamers still hang from a wire fence—pieces of cloth that once spelled out pro-garden messages, but have since been rendered indecipherable and tattered from six months of sun and rain.

The Seaside Company, which currently has an application into the Santa Cruz Planning Department to re-zone its portion, wants to use this land to grow and nurture plants that will go around the

Boardwalk and in some of its nearby parking lots. It's part of giving guests a "softer experience," Reyes says, "where it's as much about the space that you're playing in as the things that you're doing when you're there. The landscaping is a huge part of that strategy."

For instance, the Boardwalk, Reyes says, is filling large colorful pots, nearly as tall as a person, with large red flowers around the park. "It's about how you create the environment where people feel comfortable and at home," he explains. "And one way you do that is with great plants and greenery and flowers and color. It's just being integrated throughout the park."

Back on its side of the fence, the Coalition to Save the Beach Flats Garden still holds meetings, and the group wants to make sure the garden is a big issue in the 2016 City Council race. Advocates still cling to the goal of preserving the original garden in its entirety.

"I hope the garden is going to be front and center of an issue of how politics play out in this city," Winters says. "It's something I want to ask candidates."

## FAULT LINES

"There's been any number of miscommunications, and I think there has been both literally and figuratively so much lost in translation," Chase says, remembering some of the mistakes in the city's handling of the community garden issue. "It's really sad to me. What was really clear in the meeting with the Seaside Company and the gardeners was they want to garden. If you just boiled it down, they were like, 'We want to garden. When can we go? Let's garden. Let's get back on the land.'"

Everyone admits that the most tragic mishap happened on the day city workers came to divvy up the garden, and ended up cutting down fruit trees that were simply supposed to be moved after a harvest. There was also confusion about whether or not the city would be installing a bathroom, where the boundary lines of the garden would fall, and other matters—many of which reinforced garden supporters' distrust of the city and the Seaside Company.

Many have asked for the City Council to use eminent domain and seize the property. It's something Councilmember Micah Posner suggested at an April meeting, although no other councilmembers supported the move. Lane and Chase worry the action would sour the city's relationship with the Seaside Company, which it often partners with on local projects. The city attorney says the city would likely prevail in court. But the costs could be high, especially if the Seaside Company chose to fight it. And the lot's estimated value, which the city would need to pay, could run close to \$2 million.

In addition, that course of action could temporarily kick gardeners off their land, which is just about the last thing Lane and Chase say they want. The plan, instead, is to work together with the Seaside Company to find a new permanent home for the garden.

**GOD SAVE THE GREEN** City leaders have pledged to find the garden a permanent home. PHOTO: KEANA PARKER



This year, City Manager Martín Bernal has also prioritized affordable housing in the neighborhood, as part of a bigger strategy to improve Beach Flats—a discussion in which the Seaside Company will also participate.

Of course, housing was a priority 18 years ago too, when the city drafted its Beach Area Plan, as was the garden itself.

The Beach Area Plan of 1998 detailed the poor housing, insufficient park space, heavy tourist impact, unsafe streets, and overall low quality of life in the area. It also recommended, nearly two decades before this issue came to a head last year, that the city look for a permanent

home for the garden.

“The concern,” according to the plan, “stems from the fact that the site is currently on private property, which is proposed for eventual development.”

The city has realized some of its goals set in the plan, like a levee path system and the addition of the Nueva Vista Community Resources building and housing complex. But the garden stayed put for years, while Seaside and the city re-approved the lease agreement each year without giving it much thought.

“The city has had 20 years of altruism on the part of the Seaside Company and in hindsight, we should have done something before now,” says City Councilmember Micah Posner, the council’s most vocal supporter of the garden. “I don’t blame the Seaside Company for wanting the land back. It’s just about preserving the culture, the open space and the agriculture in that neighborhood. For me, that’s what government is for, when a corporation has more influence than an entire community. The Seaside Company owns a huge part of that whole community.”

Posner, an activist at heart, is skeptical that the Seaside Company and the city will do the work to save what’s left of the garden—even suggesting it would take protests or maybe even a boycott to make any headway. But, he’s quick to add, he hopes he’s wrong.

No one knows exactly how anyone will make the garden “permanent,” especially because the Seaside Company doesn’t normally sell land. But Reyes and Lane point to the temporary Santa Cruz Warriors arena on an old Boardwalk parking lot as the kind of deal multiple parties can agree on.

Possibly the best option, Lane says, would be to keep the garden where it is now. He notes that the city has a lot of land as well and maybe the Seaside Company will show interest in some sort of exchange. Also, as Lane noted in the April council meeting, no one has taken eminent domain off the table for good.

Garden advocates aren’t taking anything for granted even though the city has made a commitment to protect the garden. Winters isn’t even surprised the city never created a permanent home for the garden after putting it in its plan 18 years ago.

“Things get put in plans,” Winters says. “And once the plan’s done, everyone pats themselves on the back. ‘Wasn’t that a good plan?’ Unless people protest to make things happen, they just don’t.”

<http://goodtimes.sc/cover-stories/behind-battle-beach-flats/>

culture—to me represented everything that makes this community great, and Jensen’s testament is truly moving.

STEVE PALOPOLI | EDITOR-IN-CHIEF

**LETTERS TO THE EDITOR**

**Drought and Diet**

Last week’s cover story “Is The Drought Over?” (GT, 4/20) brings to light a huge misunderstanding by the general public about our water supply. This problem affects our welfare and even life itself. After this winter’s rains, many people thought, “Thank God the drought is over, let’s get back to building more homes and using water in our many (wasteful) ways.”

Kara Guzman’s article concludes, “We can’t solve this problem through conservation,” which is only partially true. It will take a paradigm shift in what we consume water for before we will be safe from the coming disaster. The article correctly states that 85 percent of our water is used for agriculture. What it doesn’t mention is that, in California, 48 percent of that water is used to raise and slaughter cattle (mostly for irrigating feed crops).

Californians use about 1,500 gallons of water per day, per person. Close to half of that is associated with meat and dairy production. It takes 2,500 gallons of water to produce 1 pound of beef, 477 gallons to produce 1 pound of eggs, 1,000 gallons of water to produce 1 gallon of milk, and even the hamburger you had for lunch required 660 gallons of water to produce!

**GOOD IDEA**

**MOTHER LOVERS**

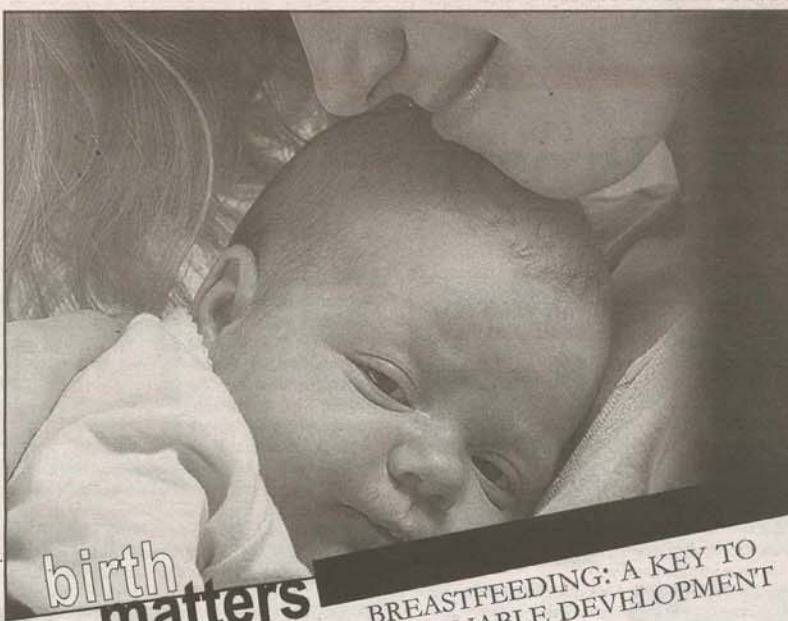
No one wants to let down his or her mom by forgetting about Mother’s Day and simply gifting her a last-minute candy bar with a sheepish shrug. That’s why Live Oak Community Resources is hosting its second annual Mother’s Day Gift Fair one week before Mother’s Day. The fair is 9 a.m. to 3 p.m. on Sunday, May 1 at Live Oak Elementary. Proceeds go to Live Oak Community Resources, a division of Community Bridges that strengthens local access to resources.

**April 26, 2016 issue**

**GOOD WORK**

**CREDIT CART**

Staff of Life Natural Foods donated more than \$23,000 to Santa Cruz County community charities through its Sharatoken Program and GivBack Community Program in 2015. Through the programs, a cashier gives a shopper a token every time he or she brings their own bag. Recipients included Bike Santa Cruz, Encompass Support Services, Familia Center, Hospice of Santa Cruz, Kid Quest, Native Animal Rescue, Resource Center for Nonviolence, Save our Shores, WomenCare, and Women’s Crisis Center.



## birth matters

## BREASTFEEDING: A KEY TO SUSTAINABLE DEVELOPMENT

By Laura Maxson, LM

**A**ugust is National Breastfeeding month. The 10<sup>th</sup> Annual Breastfeeding Walk will take place on Aug 12, from 3-6pm at the Watsonville Plaza (corner of Main & E. Beach St.) Sponsored by Community Bridges/WIC and supported by the Santa Cruz County Breastfeeding Coalition, the walk is part of a free, family event with t-shirts, raffle, healthy snacks, community resources, face painting and more.

Each year the World Alliance for Breastfeeding Action (WABA) sets a theme for World Breastfeeding Week, Aug 1-7. This year's theme, *Breastfeeding: a key to Sustainable Development*, focuses on linking breastfeeding to the United Nation's, 17 Sustainable Development Goals.

These 17 goals and WABA's suggested links with breastfeeding are listed in their entirety below. Find out more about how you can help reach these goals at [www.worldbreastfeedingweek.org](http://www.worldbreastfeedingweek.org).

**No Poverty:** Breastfeeding is a natural and low-cost way of feeding babies and children. It is affordable for everyone and does not burden household budgets compared to artificial feeding. Breastfeeding contributes to poverty reduction.

**Zero Hunger:** Exclusive breastfeeding and continued breastfeeding for two years and beyond provide high quality nutrients and adequate energy and can help prevent hunger, under-nutrition and obesity. Breastfeeding also means food security for infants.

**Good Health and Wellbeing:** Breastfeeding significantly improves the health, development and survival of infants and children. It also contributes to improved health and wellbeing of mothers, both in the short and long term.

**Quality Education:** Breastfeeding and adequate complementary feeding are fundamentals for readiness to learn. Breastfeeding and good quality complementary foods significantly contribute to mental and cognitive development and thus promote learning.

**Gender Equity:** Breastfeeding is the great equalizers, giving every child a fair and best start in life. Breastfeeding is uniquely a right of women and they should be supported by society to breastfeed optimally. The breastfeeding experience can be satisfying and empowering for the mother as she is in control of how she feeds her baby.

**Clean Water and Sanitation:** Breastfeeding on demand provides all the water a baby needs, even in hot weather. On the other hand, formula feeding requires access to clean water, hygiene and sanitation.

**Affordable and Clean Energy:** Breastfeeding entails less energy when compared to formula production industries. It also reduces the need for water, firewood and fossil fuels in the home.

**Decent Work and Economic Growth:** Breastfeeding women who are supported by their employers are more productive and loyal. Maternity protection and other workplace policies can enable women to combine breastfeeding and their other work or employment. Decent jobs should cater to the needs of breastfeeding women,

especially those in precarious situations. **Industry, Innovation and Infrastructure:** With industrialization and urbanization the time and space challenges become more prominent. Breastfeeding mothers who work outside the home need to manage these challenges and be supported by employers, their own families and communities. Crèches near the workplace, lactation rooms and breastfeeding breaks can make a big difference.

**Reduced Inequities:** Breastfeeding practices differ across the globe. Breastfeeding needs to be protected, promoted and supported among all, but in particular among poor and vulnerable groups. This will help to reduce inequalities.

**Sustainable Cities and Communities:** In the bustle of big cities, breastfeeding mothers and their babies need to feel safe and welcome in all public spaces. When disaster and humanitarian crises strike, women and children are affected disproportionately. Pregnant and lactating women need particular support during such times.

**Responsible Consumption and Production:** Breastfeeding provides a healthy, viable, non-polluting, non-resource intensive, sustainable and natural source of nutrition and sustenance.

**Climate Action:** Breastfeeding safeguards infant health and nutrition in times of adversity and weather-related disasters due to global warming.

### More Info:

WABA - [worldbreastfeedingweek.org](http://worldbreastfeedingweek.org)  
WIC walk -  
[www.communitybridges.org/wic](http://www.communitybridges.org/wic)  
Birth Network's Local Resources -  
[www.birthnet.org](http://www.birthnet.org)

**Life Below Water:** Breastfeeding entails less waste compared to formula feeding. Industrial formula production and distribution lead to waste that pollutes the seas and affects marine life.

**Life on Land:** Breastfeeding is ecological compared to formula feeding. Formula production implies dairy farming that often puts pressure on natural resources and contributes to carbon emissions and climate change.

**Peace and Justice, Strong Institutions:** Breastfeeding is enshrined in many human rights frameworks and conventions. National legislation and policies to protect and support breastfeeding mothers and babies are needed to ensure that their rights are upheld.

**Partnership for Goals:** The Global Strategy for Infant and Young Child Feeding (GSIYCF) fosters multi-sectorial collaboration, and can build upon various partnerships for support of development through breastfeeding programs and initiatives."

Laura Maxson, LM, CPM, the mother of three grown children, has been working with pregnant and breastfeeding women for over 20 years. Currently she is the executive director of Birth Network of Santa Cruz County and has a homebirth midwifery practice. Contact her at [midwife@scsbop.com](mailto:midwife@scsbop.com) or [postmaster@birthnet.org](mailto:postmaster@birthnet.org).



- HOME
- CALENDAR
- ARTICLES
- GUIDES
- TALK
- GREEN
- RESOURCES
- ADVERTISE
- ABOUT US

Home

## Building Bridges in our Community



Written by Suki Wessling



Lift Line. Meals on Wheels. Live Oak Family Resource Center. Women, Infants & Children. Summer Sports Leagues.

You have seen the green shuttle busses, or you've attended a parenting class at a family resource center, or your child has played in a sports league, or your grandparent received meals from a volunteer.

These programs have touched nearly everyone in our county, directly or indirectly, yet you may not be aware that they are all under the umbrella of one important agency: Community Bridges.

### Celebration dinner

Community Bridges CEO Ray Cancino says that bringing together these diverse programs and raising awareness of them in our community is the driving force behind Community Bridges' first all-agency event, the Farm to Fork Gala Dinner.

"In the last year and a half we've been working on unifying the organization," Cancino explains. "It's a celebration to bring people together that might be supporters of one program and not of others."

### Coming together through shared need

Over the years, Community Bridges has changed with the times. During the hard years of the recession, change came more quickly. Santa Cruz County was dotted with small nonprofits that served the needs of families, from nutrition to childcare to disaster-preparedness to senior care. Rising insurance costs and falling donations combined to threaten the delicate safety net these nonprofits provided.

Community Bridges stepped in to unify all of these nonprofits under their general mission, to serve the needs of families at risk.

"We look at the family holistically," Cancino explains. "The family unit is beyond one individual—it's the complimentary exchanges between families."

Community Bridges supports the immediate needs of families when they distribute food or help an adult look for work. But they also serve the other needs that arise as a result of this interconnectedness.

### Main Menu

- HOME
- ABOUT US
- GUIDES
- RESOURCES
- SUBMISSIONS
- DISTRIBUTION
- CONTACT US
- ARTICLES

Job-hunting leads to a need for childcare or senior day care. Becoming employed leads to a need for help with taxes. Money freed by donated services is used by families to further increase their standard of living.

Community Bridges offers services to ten percent of the county's population during any given year. The improvements in the lives of those families radiates outward into our entire society, regardless of income.

### **A Bridge to the Other 90%**

Libby Morain, Director of Development at Community Bridges, is excited to reach out to the community with a unified message at Farm to Fork.

"Every cent raised will go to support the 27,000 local kids, families and seniors we serve every year," she says. "A lot of our programs support people working in agriculture, and we wanted our event to capture that: the wonderful parts of Santa Cruz helping the more vulnerable parts."

With local partners including LPL Financial, SC County Bank, and California Giant Berry Farms, Community Bridges hopes to showcase the best of our county.

Ray Cancino sums up what happens when a family walks in the door with any sort of need: "We help support the family to be in a better place than they were before they came to see us."

On July 30, our community can come together to support Community Bridges in their important work.

### **Community Bridges Farm to Fork Gala Dinner**

**Saturday, July 30, 2016 from 5:30 to 10pm**

At Community Bridges, there's a lot to celebrate. Join us in our first ever agency-wide event, supporting 27,000 local kids, families & seniors. This Farm to Fork Gala Dinner at Aptos Village Park features live music, a live auction, and a multiple course, locally sourced gourmet dinner by renowned chef Jonnatan Leiva. All proceeds will go to support the 10 programs of Community Bridges. **Early registration at [CBFarmtoFork.Eventbrite.com!](http://CBFarmtoFork.Eventbrite.com)**

### **Sidebar:**

#### **You and your children can help**

If you've been looking for ways to do community service as a family, Community Bridges would love to talk to you. "We always need volunteers," explains Libby Morain. "Across 10 programs with 20 different locations around the county, volunteers are key to our success." Families can deliver for Meals on Wheels, tutor younger children, and volunteer at and support other Community Bridges activities. Visit <https://communitybridges.org/volunteer/> for more information. You can also donate money directly on the website.

*Suki Wessling is a local writer and the mother of two children. Her latest book is Hanna, Homeschooler, a chapter book for young readers. Read more at [www.SukiWessling.com](http://www.SukiWessling.com).*

Last Updated on Friday, 01 July 2016 04:28

# Human Care Alliance (HCA)

July 2016

Welcome to the July issue of the HCA monthly eNewsletter!

The Human Care Alliance (HCA) is a coalition of health and social service nonprofit organizations that work to improve the lives of our clients and to advance the issues that affect our sector. In 2015 we articulated a policy agenda that emphasizes collaboration and prevention and centers around three core areas:

- **Health Equity**
- **Strong and Safe Neighborhoods**
- **Economic and Social Justice**

HCA's strength comes from our member organizations and our collective pursuits. We are proud to be highlighting one of our members each month in this eNewsletter.

Enjoy!

## IN THIS ISSUE....

- \* *HCA Member Highlight: Community Bridges*
- \* *July Member Meeting Highlights*
- \* *Santa Cruz County Process to Revamp Community Programs*
- \* *HCA Membership Renewals*
- \* *Articles & Resources*
- \* *Inspiration Corner*
- \* *Job Listings*

## EVENTS CALENDAR



COMMUNITY BRIDGES  
PUENTES DE LA COMUNIDAD

Community Bridges is one of 500 nonprofits in Santa Cruz County. They stand out for their scope and depth of services, ranging from early childhood education to elder care, with a focus on core basic needs including transportation, education, and nutrition. Each year, Community Bridges' 10 nonprofit programs, across 20 locations throughout Santa Cruz County, directly help more than 27,000 local children, families and seniors in need.

The agency's current strategic priorities, according to Community Bridges CEO Raymon Cancino, are to continue to build a complete continuum of care for clients for greater impact and to increase awareness around the agency's integrated programming strategy. This entails creating the structure and systems to connect clients that come to Community Bridges for one specific program or service with other services they can benefit from internally, or through referrals to community partners. Different programs are well known in parts of the County and a priority this year is to continue to increase awareness around all programs and their connection to a broader agency vision: Stronger Together.



To help increase the awareness and understanding of the critical nature of Community Bridges programs and services, the agency has focused on refreshing their brand, messaging and hosting events like their upcoming "Farm to Fork" fundraising event on July 30, 2016 at 5:30 P.M. at Aptos Village Park. The purpose of the event is three-fold; to increase awareness around the agency's integrated vision and mission, to expand its network, and to nurture relationships with existing supporters. This event is particularly special as it is the first agency-wide fundraiser, designed to showcase and support all 10 of the agency's programs. The "Farm to Fork" Gala Dinner offers an opportunity for attendees to learn more about the agency, its current focus and impact in a unique outdoor dinner setting among friends,

community leaders, and elected officials. For tickets and complete event information, including menu, live auction items, and parking instructions, visit [CBFarmtoFork.eventbrite.com](http://CBFarmtoFork.eventbrite.com). The deadline to purchase tickets is Friday, July 29, 2016.



Community Bridges has been active in the community since 1977. There are many ways you can support Community Bridges today. These include:

- Attend and share the “Farm to Fork” event with your networks on social media and through email. (Be sure to follow Community Bridges on Facebook and Twitter.)
- Serve as a Board member
- Serve as a volunteer in a program, special project or committee
- Donate funds, goods or services
- Stay informed and get involved in the political process by writing your elected officials to ensure that right priorities for the entire community are getting funded.

**SPOTLIGHT: Elizabeth “Libby” Morain**



When people come together, inspired by a common mission, success is sure to follow. In the case of Community Bridges, this includes the Board of Directors, all staff, program volunteers, funders and individual donors at all levels. One of these inspired individuals is Libby Morain, the agency’s current Director of Development. Libby has been working with Community Bridges for over two years and is originally from Davis, California.

As a student at UCSC, through various service learning opportunities, Libby built a strong connection to Santa Cruz County nonprofits and communities. After working in Sacramento for a women and children’s shelter program, she found her way back to Santa Cruz to pursue her current position with Community Bridges. She is proud to be a part of this organization. She loves being part of such a diverse agency that impacts people from all walks of life. Being able to connect volunteers and donors to the programs and causes they care about, she says, is one of the most rewarding aspects of her work.

These days Libby is focused on working with the "Farm to Fork" committee on the final event planning and coordination details. Libby stresses the importance of having a committee to help plan and host a successful event. Bringing in a group of people and tapping into each person’s talents is critical, so that everyone walks away enriched by the experience. It is that collective approach that has enabled Community Bridges to reach several key milestones since she started, including 100% giving on their Board and reaching a record high in individual donations.

Community Bridges has many reasons to celebrate. Please consider joining in on the celebration. If you have not already, be sure to get your ticket for the upcoming "Farm to Fork" event on July 30, 2016. Come and be inspired.

For more information on Community Bridges, visit [www.communitybridges.org](http://www.communitybridges.org) or click [HERE](#) to download a copy of their most recent annual report. For information on supporting Community Bridges please email Libby Morain at [elizabethm@cbridges.org](mailto:elizabethm@cbridges.org). She has a gift for matching people with the right opportunity.

# Las familias de California crecen sanas con WIC

WIC es un programa de nutrición para mujeres, bebés y niños.



**Usted puede calificar si:**

- Está embarazada, está dando pecho o acaba de tener un bebé;
- Tiene un niño menor de 5 años; y
- Tiene un ingreso bajo a mediano; y/o
- Recibe beneficios de Medi-Cal, CalWORKs (TANF) o CalFresh (Estampillas de Comida); y
- Vive en California



**WIC proporciona:**

- Consejos de nutrición e información de salud
- Apoyo con la lactancia
- Cheques para alimentos saludables (como frutas y verduras)
- Referencias a proveedores de servicios médicos y servicios comunitarios



**Su familia puede calificar para WIC\***

- Una familia de 2 puede ganar hasta \$1,140 en un periodo de 2 semanas
- Una familia de 3 puede ganar hasta \$1,435 en un periodo de 2 semanas
- Una familia de 4 puede ganar hasta \$1,730 en un periodo de 2 semanas



\*Antes de impuestos los niveles de Ingreso cambian anualmente. Comuníquese con su oficina local de WIC o visite [www.wicworks.ca.gov](http://www.wicworks.ca.gov) para la información mas reciente.



**Inscríbese pronto! Llame hoy mismo si está embarazada o tiene un bebé o un niño menor de 5 años:**



Community Bridges WIC  
Watsonville 831-722-7121  
18 West Lake Avenue Suite A

Santa Cruz 831-426-3911  
1105 Water Street

[communitybridges.org/wic](http://communitybridges.org/wic)



California Department of Public Health, California WIC Program  
*This institution is an equal opportunity provider.*

1-888-942-9675 (1-888-WIC-WORKS)

**CONDADOS DE SANTA CRUZ, MONTEREY, SAN BENITO Y SANTA CLARA**

## NEWS IN BRIEF

## Highway 17 headaches return May 16-19

Four days of re-paving two sections of south-bound Highway 17 from just south of the summit to Laurel Curve Road and from W. Vine Hill Road to Granite Creek Road near Scotts Valley will begin on Monday, May 16, closing the right lane each day from 7 a.m. to 2 p.m.

Work on the two-mile section by Laurel Curve Road takes place May 16-18 with work at Vine Hill Road occurring on May 19.

## Mother-Baby Friendly Award for Community Bridges

Community Bridges has been selected to receive the California Breastfeeding Coalition's Mother-Baby Friendly Workplace Award for providing a family-friendly and supportive working environment for its employees, including working mothers returning from maternity leave.

The nonprofit agency, of which Mountain Community Resources is a part, has approximately 200 employees in 20 locations in Santa Cruz County, including Felton and Ben Lomond. Representatives from Community Bridges traveled to the State Capitol on May 10 to accept the award.

## Scotts Valley schools best for music education

Scotts Valley Unified School District has been given one of the "2016 Best Communities for Music Education" Award by The National Association of Music Merchants Foundation. The award recognizes outstanding efforts by teachers, administrators, parents, students and community leaders who work together to ensure access to music learning for all students as part of the school curriculum.

"We would like to thank all the community organizations, parent clubs, parents and businesses that have supported music education in our schools through your generous donations," the district said in a statement.

"A special thank you to Kiwanis Club of the Valleys and all their sponsors and bands for Music at SkyPark, which raises thousands of dollars a year and has helped purchase new instruments, choral risers, musician chairs, instrument storage cabinets, concert attire, pianos, new music, and helped students attend festival adjudications throughout the year."

## Goodwill to double staff at new Scotts Valley site

By Edita McQuary  
Press Banner

The Scotts Valley Goodwill Industries store is getting ready to move to a larger retail location in the Kings Village Shopping Center and double its number of employees.

The new location at 224 Mt. Hermon Road, formerly the Vintage Church, is twice the size of the current store on Whispering Pines, with more parking.

Goodwill expects the current Scotts Valley staff of 13 to double at the new location, which is to open this fall.

Ed Durkee, president and CEO of Goodwill Central Coast said that all Goodwill employees are full-time and have vacation and other benefits.

Goodwill also will be moving its Santa Cruz regional headquarters on Encinal Street to Salinas in mid-2017, according to Durkee. He said the current headquarters has outgrown its location. Salinas offer a more central location for the three counties, and twice as much office space in a more modern facility, he said.

The 114 people at the current headquarters will be offered transfers to Salinas or at other sites in Santa Cruz County, and up to 100 employees are likely to be hired at the new Salinas headquarters, he said.

Goodwill Industries, founded in Boston in 1902, opened in Santa Cruz in 1961. Goodwill Central Coast covers Santa Cruz, Monterey and San Luis Obispo counties.

In addition to retail and drop-off locations, Goodwill operates two training academies: cosmetology and esthetics in Capitola and culinary arts in Marina. Luis Obispo County.

For further information about Central Coast Goodwill, go to [www.cegoodwill.org](http://www.cegoodwill.org).

## HAPPY MOTHER'S DAY



Barry Holtzclaw/Press-Banner

**SPECIAL BREAKFAST** Doreen Andersen of Scotts Valley celebrates her special day on May 8 with her grandson Tommy, left, and son Tom, at the Felton Fire Station. You can find more fire station pancakes at Zayante on June 19, Father's Day, and at Ben Lomond July 3, and Boulder Creek July 4.

Wm. Clayton Greene



Fine Jewelry Design

Unique Jewelry  
Custom Designs  
Jewelry Repair

245 Mt. Hermon Rd | Scotts Valley CA | 831 438-1844



Realtor #bre 00991440

REAL ESTATE SERVICES

30 Years Local Experience

Sales & Management

Jon Lundgren (831) 425-2680

## Scotts Valley High School Student of the Week

Ryan Edwards - 12th Grade





RESERVE NOW ›



## FARM TO FORK GALA DINNER

By Anna Hattis (<http://www.santacruzwaves.com/author/anna-hattis/>) on August 6, 2016 in Event & Nightlife Photos (<http://www.santacruzwaves.com/category/galleries/events-and-nightlife-photos/>), Featured (<http://www.santacruzwaves.com/category/featured/>), Galleries (<http://www.santacruzwaves.com/category/galleries/>)

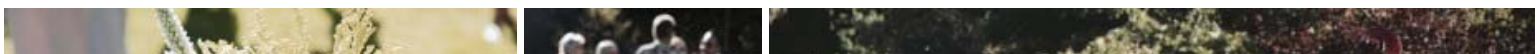
The Community Bridges (<https://communitybridges.org/>) Farm to Fork Gala Dinner was held on Saturday, July 30 at Aptos Village Park. This event featured live music from Olde Blue, a life auction (including a signed Steph Curry jersey), beer from World Beer Cup winners Discretion Brewing, wine from our region, and a multiple-course, locally sourced dinner by Chef Jonnatan Leiva, a Chronicle Rising Star Chef honoree.

Leiva trained with top chefs in Paris, New York, and throughout the Bay Area. He served as executive chef at the Jack Falstaff restaurant in San Francisco, guest chef at the James Beard Foundation Dinner, and ran kitchens at high-profile restaurants in New York including 10 Downing, The Lion, and Saxon+Parole. Leiva recently moved back to Northern California where he has been working to open his own brick-and-mortar location the Bay Area, all while consulting for top restaurants like Penrose in Oakland, the Thomas in Napa, and the online social dining start-up, Eatwith.

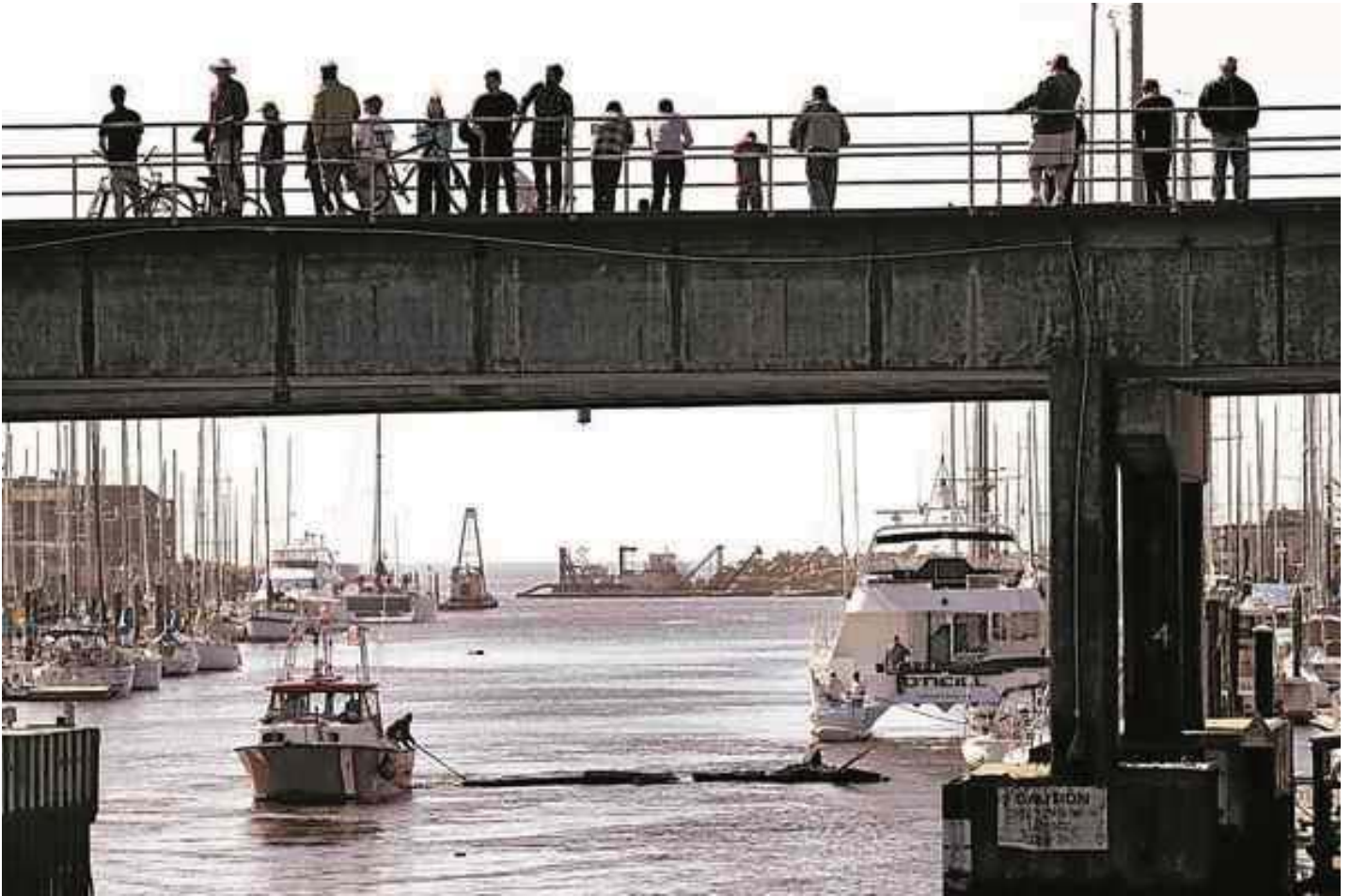
All proceeds went to support the 10 programs of Community Bridges: Elderday Adult Day Health Care, Meals on Wheels for Santa Cruz County, Lift Line, Child & Adult Care Food Program, Child Development Division, Women, Infants & Children (WIC), La Manzana Community Resources, Live Oak Community Resources, Mountain Community Resources, and Nueva Vista Community Resources

The Community Bridges Farm to Fork Gala Dinner was proudly sponsored by System Studies, California Giant Berry Farms, Santa Cruz County Bank, LPL Financial, Bay Federal Credit Union, Tilapia Film, Hive Event Planning Design, Santa Cruz County Parks, Watsonville Coast Produce, Inc., and Lakeside Organic Gardens.

Photos- Anna S. Hattis ([https://www.instagram.com/ash\\_\\_photos/](https://www.instagram.com/ash__photos/))



# Santa Cruz budget puts aside \$36.5M for major projects



Spectators line Murray Street Bridge spanning the Santa Cruz Harbor, watching Vessel Assist crew members corral broken docks and other debris before they cause more damage in a series of tsunami surges that sucked muddy water in and out of the harbor over a period of several hours in 2011. One of Santa Cruz's major infrastructure projects for the coming year will be beginning construction to improve bridge in the face of earthquakes. (Dan Coyro -- Santa Cruz Sentinel file)

By [Jessica A. York](#), *Santa Cruz Sentinel*

POSTED: 06/18/16, 1:24 PM PDT | UPDATED: 1 DAY AGO

[7 COMMENTS](#)

**SANTA CRUZ >>** Santa Cruz City Council's approval of a [\\$233.5 million budget](#) on Tuesday night, a more than 8.5 percent increase in total spending compared to the previous year, comes with a swath of major city improvement projects.

Citywide, seven new full-time equivalent positions ranging from a new finance manager to a Water Department civil engineer were authorized. Of that, a position and a half are funded by the city's general fund, about 47 percent of the overall budget at nearly \$93 million, which pays for costs ranging from public safety and traffic to roads and parks.

Nearly 16 percent of the overall budget, at \$36.5 million, is set aside for capital improvements in the coming fiscal year. That spending, down about \$6.6 million from last year, is without any new funding assistance from the city's general fund, though about \$1 million will be taken from other previously planned efforts and redistributed to higher-priority needs.

City Manager Martín Bernal, in his annual budget message, said he and a new Quality of Life Bond Committee have begun to assess the viability of bringing a bond or revenue measure to voters to help fund \$300 million in major infrastructure needs such as a design overhaul of the Santa Cruz

Municipal Wharf, major renovation of Santa Cruz Civic Auditorium, widening of the Highway 1 bridge, a new downtown parking structure and more.

“In sum, we cannot defer needed projects again and again, nor can we continue to set aside \$0 for infrastructure or cannibalize existing projects’ funding,” Bernal wrote. “We have a pressing need to develop new funding sources for infrastructure.”

A city five-year budget projection, which includes potential new revenue sources such as new hotels, a bond measure, California Public Employee Retirement System rates leveling off and the remaining \$15 million payoff of a city pension obligation bond, shows budgets increasingly leaning on its nearly \$17 million reserve funds to balance city books.

“They are projections. The further out you get, the less reliable they are. Even so, they’re at the scale where they’re manageable,” said Bernal.

For the community, some of the largest impacts of the annual budget process will come in the form of expensive capital improvement projects. Some items planned for the coming year include:

- Setting aside \$12 million toward Water Department infrastructure projects to improve existing infrastructure and lay the groundwork for [a supplemental water supply](#) in the coming decade.
- Building a \$2.7 million [bike and pedestrian path](#) between the San Lorenzo Park and river levee path south of the Soquel Bridge, including a bridge over Branciforte Creek. The path will complete the gap in the 5-mile Riverwalk system that runs north-south through the center of Santa Cruz.
- Completing the design and environmental review for segment 7 of the city’s portion of the [Monterey Bay Scenic Trail](#), from Natural Bridges State Park to Pacific and Beach streets, and setting aside an additional \$3.5 million toward the project.
- Replacing the former Natural Bridges Elementary School’s gymnasium floor, which is used for city Parks and Recreation Department events, for about \$10,000.
- Beginning construction in 2017 of the Murray Street bridge’s [earthquake and barrier improvement work](#), a more than \$9 million effort.
- Developing a new [storm water trash capture](#) program with \$100,000, filtering out debris down to the size of a cigarette butt.
- Allocating \$2.5 million to fund [lower Pacific Avenue infrastructure improvements](#), such as parking and street beautification, in connection with the Metro project.
- Shoring up the Santa Cruz Municipal Wharf’s pilings and build it a new ticketing booth and gates for \$1.5 million.
- Contracting with [Community Bridges](#) to hire a new part-time Spanish-speaking community liaison and outreach costs for \$39,000, based out of the Beach Flats neighborhood.
- Replacing the Downtown Host Program and security patrols with city Parks and Recreation rangers, who also will expand to Main and Cowell beaches during the summer.
- Installing two new 24-hour portable toilets downtown as a \$25,000 pilot program that could develop into more permanent installations, such as the [Portland Loo](#), a free parking space-sized toilet kiosk that connects to the sewer system.

Advertisement

<http://www.santacruzsentinel.com/article/NE/20160618/NEWS/160619730>

# Santa Cruz Mountain soul on display at Makers' Market



Artists, artisans and local businesses drew crowds along Highway 9 in Felton on Sunday afternoon during the Santa Cruz Mountains Makers' Market. (Kevin Johnson -- Santa Cruz Sentinel)

By **Ryan Masters**, *Santa Cruz Sentinel*

POSTED: 07/10/16, 6:12 PM PDT | UPDATED: 1 DAY AGO 1 COMMENT

FELTON >> If you've ever wondered what defines Santa Cruz Mountain soul, a good place to start your search might be the [Makers' Market](#).

On Sunday, dozens of local artists, crafters, chefs and musicians gathered along Highway 1 to showcase and sell their goods while benefiting [Mountain Community Resources](#), the Community Bridges program that brings food, care and transportation programs to the residents of the San Lorenzo Valley.

As the band [Broken Shades](#) played blues from a stage at the far end of the Mountain Community Resources parking lot, hundreds wandered through the maze of vendor booths selling unique Santa Cruz Mountain items.

Kate Stanyer was hawking blackberry and wildflower honey, products derived from the busy charges of her beekeeping husband Richard Evans and sold under the moniker [RK Honeybee Studio](#).

"He puts the bees in blackberry bushes in Ben Lomond and then pulls the frames as soon as the flowers finish blooming so they don't go to other flowers. That's what gives it the blackberry flavor," Stanyer said.

A few rows over, Debbie Graves was also selling bee products. Her line of [Bee Happy](#) clothes and accessories, which feature a happy cartoon bee, highlight how events like Makers' Market can launch successful businesses.

“I went from a DIY print artist to a wholesaler thanks to Makers’ Market and pop-ups,” Graves said.

Suzanne McLean is the [California Jam Queen](#). The Scotts Valley woman presented 10 different jams and six marmalades Sunday, including her LGBT marmalade, which won a Bronze Award in the World Marmalade Awards this year in Penrith, England.

The LGBT stands for lemon, grapefruit, blood orange and tangerine, which infuse the award-winning marmalade. It is also a tribute to family members, she said.

“It’s sweet, complex and, not surprisingly, a little bit bitter,” McLean said.

[Wendy Collins](#) creates hauntingly beautiful art on recycled media; most notably, she inks skulls on to the pages of Bibles.

“I bought some big, old family Bibles at a thrift store. They were so beautiful, I didn’t like the idea they were going to be thrown out so I started working with them,” Collins said.

Collins says she doesn’t put much thought into which particular pages from the Bible she uses for her work because each piece tends to develop its own meaning anyway.

If you’ve ever wondered about those Santa Cruz Mountains-branded hats and clothing, Cindy Haro of Ben Lomond is one of the responsible parties. Although a number of different businesses produce similar items these days, Haro and husband Jareds Dueker started creating their line of [SCM Clothing](#) products 10 years ago.

“It started out with just printing a few shirts for friends, but people kept asking when we were going to open a store. I was like, ‘Open a store? What are you talking about? I have a job!’” Haro said.

But open a store Haro and Dueker did. Although it was closed much of this past year due to other conflicts, the SCM Clothing store at 9500 Highway 9 in Ben Lomond will be reopening in the next few weeks.

For more information about Mountain Community Resources, visit [communitybridges.org/mcr](http://communitybridges.org/mcr).

Advertisement



# Santa Cruz County to expand mental health crisis services

By **Jondi Gumz**, *Santa Cruz Sentinel*

POSTED: 08/02/16, 4:41 PM PDT | UPDATED: 1 DAY AGO  
0 COMMENTS

SANTA CRUZ >> With a \$1.127 million state grant in hand, Santa Cruz County aims to buy a property to expand services for those 18 and older experiencing a mental health crisis.

Currently, [2nd Story](#), a six-bed house operated by the nonprofit Encompass Community Services, offers a 24/7 respite in a home-like environment to those in crisis, with [trained peers](#) on hand.

There is a waiting list.

The grant, accepted by county supervisors Tuesday, requires the county to increase capacity to eight beds.

The county's [mental health strategic plan](#) called for more crisis services, according to Giang Nguyen, director of the county Health Services Agency. An independent evaluation showed the program reduced the need for participant hospitalization by 70 percent compared to those not participating.

Buying a property would enable the county to give the program, which is in rented space, a permanent home.

The funding came from the [California Health Facilities Financing Authority](#), which had \$142 million to award and a goal of adding 2,000 mental health crisis beds across the state.

Santa Cruz County's Health Services Agency also received \$247,000 from the state to bolster mental health crisis services.

Nearly \$125,000 will go to expand the [child crisis evaluation center](#) at the county Behavioral Health Center, 2250 Soquel Ave., which has one bed for children ages 5 to 17 and serves 300 children a year.

Renovations would increase capacity to four beds and make it possible to serve 900 children a year and reduce or eliminate waits for families taking children to Dominican Hospital's emergency department for evaluation, according to Nguyen.

About \$122,000 would go to buy five hybrid vehicles and laptops for the mobile crisis support team to provide more services in the community. Nguyen said she expects the center to serve 1,000 adults and children a year.

In other action, the supervisors:

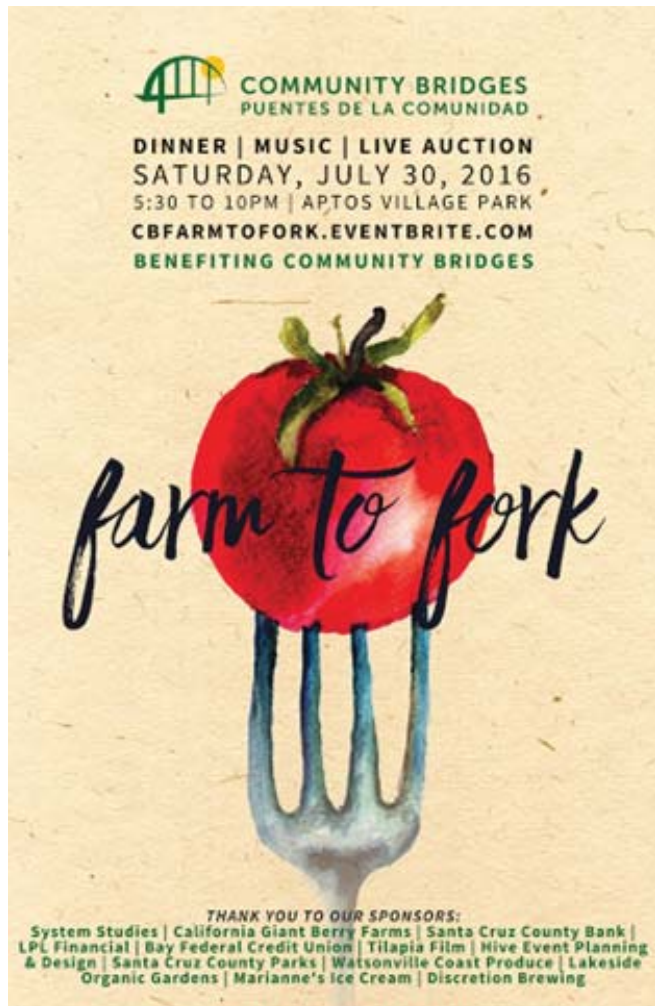
- Certified a vote by property owners rejecting fees for the [Soquel Village Parking District](#). Options will be presented Sept. 13.
- Placed a measure on the Nov. 8 ballot to amend the medical cannabis dispensary tax of 7 percent to apply to cultivators, manufacturers, transporters, distributors and testing facilities as outlined in [state law](#). In Santa Cruz County, 13 dispensaries have paid \$2.8 million in taxes.
- Agreed in concept to limit parking in electric vehicle charging spaces to three hours.
- Heard from moms and staff at [Community Bridges Women Infants Children](#) thanking supervisors for a proclamation declaring August as Breastfeeding Awareness Month and inviting them to the 10th Annual Breastfeeding Walk at Watsonville Plaza at 3 p.m. Aug. 12.

"I pray and hope that breastfeeding will become the norm," said Rebeca Cervantes of Ben Lomond, who teaches at Women Infants Children. "The benefits of breastfeeding last a lifetime."



# FARM TO FORK GALA DINNER

By [Waves](#) on July 11, 2016 in [Featured](#), [Local Loop](#)



## Eat, drink, and make a difference at Community Bridges’ Farm to Fork Gala Dinner

Community Bridges invites the public to enjoy a locally sourced, gourmet dinner by renowned Bay Area Chef Jonathan Leiva, along with live music and award-winning wine and beer. This is Community Bridges first agency-wide event, providing support to all 10 of the organization’s programs that together, serve 27,000 children, families and seniors in Santa Cruz County each year.

The Community Bridges Farm to Fork Gala Dinner will be held on Saturday, July 30 from 5:30 to 10pm at Aptos Village Park, 100 Aptos Creek Road, Aptos, CA 95003.

This event features live music from Olde Blue, a life auction (including a signed Steph Curry jersey), beer from World Beer Cup winners Discretion Brewing, wine from our region, and a multiple-course, locally sourced dinner by Chef Jonnatan Leiva, a Chronicle Rising Star Chef honoree.

Leiva trained with top chefs in Paris, New York and throughout the Bay Area. He served as executive chef at the Jack Falstaff restaurant in San Francisco, guest chef at the James Beard Foundation Dinner, and ran kitchens at high-profile restaurants in New York including 10 Downing, The Lion, and Saxon+Parole. Leiva recently moved back to Northern California where he has been working to open his own brick-and-mortar location the Bay Area, all while consulting for top

restaurants like Penrose in Oakland, the Thomas in Napa, and the online social dining start-up, Eatwith.

All proceeds will support the 10 programs of Community Bridges: Elderday Adult Day Health Care, Meals on Wheels for Santa Cruz County, Lift Line, Child & Adult Care Food Program, Child Development Division, Women, Infants & Children (WIC), La Manzana Community Resources, Live Oak Community Resources, Mountain Community Resources, and Nueva Vista Community Resources.

The Community Bridges Farm to Fork Gala Dinner is proudly sponsored by System Studies, California Giant Berry Farms, Santa Cruz County Bank, LPL Financial, Bay Federal Credit Union, Tilapia Film, Hive Event Planning & Design, Santa Cruz County Parks, Watsonville Coast Produce, Inc., and Lakeside Organic Gardens.

Tickets and full information for the event are available online — including the menu, auction items, and parking information — at <http://CBFarmtoFork.eventbrite.com>. Tickets are \$125 per person, \$750 for a table of 6, or \$1,200 for a VIP table of 8.

SAVE EVENT (155)

ENDED

Map > Santa Cruz Mountains Makers' Market > **SCM Makers Market**

.....

SUNDAY, JULY 10 -- **SCM Makers Market!**

Located at 6134 Highway 9 in downtown **FELTON** - **Mountain Community Resources** Lot

Hours- 10am-5pm

FREE ADMISSION!

Come on out and shop local with over 40 artists and crafters, enjoy free live local BLUES music by AL FRISBY, PREACHER BOY, & BROKEN SHADES while supporting the local non-profit **Mountain Community Resources!**

WE LOVE ALL THINGS LOCAL! HOW 'BOUT YOU? COME ON OUT & SUPPORT THE LOCALS!

Sponsored by Santa Cruz Hydroponics & Organics, Directions Real Estate & Development, Eric Hammer Construction, New Leaf **Markets**, Mountain Girl Graphics, Santa Cruz Mountains Clothing, Mountain Feed & Farm, & the Santa Cruz Mountain Bulletin.

[www.scmakersmarket.com](http://www.scmakersmarket.com)

[www.facebook.com/santacruzmountainmakersmarket](http://www.facebook.com/santacruzmountainmakersmarket)

MUSIC

BLUES

STAY UPDATED ON  
UPCOMING EVENTS  
IN  
**FELTON**

Enter an email address

Keep me updated

# Letters, July 1, 2016: Supreme Court hypocrisy

---

POSTED: 06/30/16, 4:25 PM PDT | UPDATED: 1 WEEK AGO [70 COMMENTS](#)

---

## Supreme Court hypocrisy

Such hypocrisy! The Supreme Court voted down Deferred Action for Parents of Americans and placed restrictions on Deferred Action for Childhood Arrivals. These same conservative justices probably enjoy fresh fruit shipped from California daily — and likely picked by an undocumented farmworker, as 75 percent are undocumented in California. Most farmworkers were run off their small farms in Mexico as a result of the Clinton-signed trade agreement, NAFTA. With no alternative plan, they are economic refugees of our trade policies and can no longer visit their families in Mexico. They live in the California shadows in constant fear of deportation. DAPA and DACA were their hope for the future. How is this an example of so-called “family values” so adamantly promoted by some?

— *Ann Aurelia López, Center for Farmworker Families, Felton*

## ‘Swimmerships’ aim to keep kids in the pool

The Friends of Harvey West Pool have established “swimmerships” for children at Mercy Housing and Nueva Vista’s summer program participants to pay entrance and swimming lesson fees. In 2002 the city wanted to close Harvey West Pool to save money. We formed a group to save the pool, adopting two strategies to make the pool financially viable: 1) decrease operational costs, and 2) increase revenue by expanding the number/diversity of users. We raised money through swimathons, business sponsorships and donations. We paid for a solar water system and water-control devices for showers, designed a marketing campaign and formed alliances with nonprofits to reach underserved communities. When the city decided to eliminate winter pool hours and contract out staffing and management, we still had \$6,910. That money will be used for “swimmerships” for kids at Mercy Housing and Nueva Vista. Thanks to all who helped raise these funds. Keep swimming!

— *Kay Archer Bowden and Liz Pollock, Santa Cruz*

## Transportation Funding Measure Coming to November Ballot

By Zach Friend

The Regional Transportation Commission's (RTC) transportation funding measure will appear on the November ballot after securing approval from the Santa Cruz County Board of Supervisors and the cities of Capitola, Santa Cruz and Watsonville.

The RTC, on which I serve as a member, has been looking at ways to provide improved local funding for transportation needs including roads, the highway, bus and pedestrian and para-transit. With significant cuts from state and federal funding sources the RTC has been working on ways to make our county a "self-help" county.

Currently, over 80 percent of California's population live in self-help counties, which means they have a local, secure, and independent transportation funding mechanism.

This local funding can be used to leverage additional state, federal and grant funding. In fact, as funding has been reduced from state and federal sources it's common that the funding that's left requires a local funding match – in a sense advantaging areas with their own self-help funding mechanism. The funding proposal is for a one-half cent sales tax measure, which includes citizen oversight, independent audits, and strict financial accounting requirements.



### What does the measure contain?

The aim of the RTC measure is to include a balanced mix of projects. Projects would be geographically dispersed and focus on everything from road and highway improvements to bus, pedestrian, bike and school safety investments. The proposed projects and services would be funded just from this funding stream and most would not be possible absent a local funding mechanism.

The RTC developed the ballot measure over the last two years based on extensive public input from evening community meetings, workshops, public hearings at the RTC meetings, surveys and more. As a result, the measure proposes the following:

**Neighborhood Projects** — The largest amount of the measure (30% ~ \$5M/yr.)\* goes toward neighborhood projects. Specifically, this element will maintain local streets and roads and fund safety improvements for children walking and biking to school. In our district we are aiming to construct new sidewalks and put a dent in the significant amount of deferred maintenance on our local roads – including pothole repair, resurfacing and more.

**Highway Corridors** — The second largest amount (25% ~ \$4.1M/yr.)\* of the measure targets Highway 1. Funding will create auxiliary lanes between 41st Ave to Soquel Dr, Bay/Porter to Park Ave, and Park Ave to State Park. In addition, two bicycle/pedestrian crossings including finishing the long-awaited crossing at Mar Vista (to help connect Seacliff to the school and Soquel). Traveler information including real-time traffic conditions and safety programs for Highway 17 are other items funded.

**Mobility Access** — One of the key funding elements of the measure (20% ~ \$3.3M/yr.)\* is for mobility access services to help maintain senior and disabled transit service. This funding includes Santa Cruz METRO's ParaCruz service and Community Bridges Lift Line service as well as general funding for the METRO (bus) system.

**Coastal Rail Trail** — Funding to construct, operate and maintain the bike and pedestrian trail along the rail corridor (17% ~ \$2.8/yr.)\*.

**Rail Corridor** — This is the smallest portion (8% ~ \$1.3)\* of the measure and it goes toward repair and maintenance of the corridor, including drainage improvements and vegetation/graffiti/trash control as well as an environmental analysis of all possible future public transit (rail and non-rail) uses of the corridor. No new passenger rail service is funded by the measure.

This provides an overview of the November measure. As always, I'd love to hear your thoughts and answer any questions you may have. Please feel free to call me at 454-2200.

...

\*Estimates from the Regional Transportation Commission based on funding total of ~ \$16.6M/yr. from the one-half cent sales tax.



RAISING AWARENESS

# BREASTFEEDING WALK



KEVIN JOHNSON -- SANTA CRUZ SENTINEL

Dozens march from the plaza and through downtown Watsonville on Friday afternoon during the 10th annual Community Bridges' WIC Breastfeeding Walk. The event aimed to raise awareness and educate the public about the benefits of breast feeding.