

HOME GARDENS SANITARY DISTRICT

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

MARCH 25, 2025

The Regular Meeting of the Board of Directors of the Home Gardens Sanitary District was called to order by the President, Grady Garrison, at 7:30 p.m. at the office of the District, 13538 Magnolia Ave., Corona, CA 92879.

Directors present were: Garrison, Samson Runion, Serrato, Cacho and Barajas. Also present were: Alexandra Halfman, District Counsel; Tracey LaBonte, General Manager; Tania Duarte, Administrative Assistant.

Minutes of the regular meeting of February 25, 2025 were presented for approval. Motion was made by Director Barajas, seconded by Director Serrato, and unanimously carried to approve the minutes as presented.

Expenditures for the month of March 2025 were presented and discussed. Motion was made by Director Cacho, seconded by Director Samson Runion, and unanimously carried to approve the expenditures as presented.

Manager LaBonte presented the Budget Efficiency and Income/Revenue reports. Discussion followed.

Staff Report:

1. On March 25th we received an email from Big Giant Media regarding the update to our website. The District's website is now fully ADA compliant.

WRCRWA Committee Report: None.

President Garrison moved back to Item II on the agenda.

Public Comment: None.

Hearing for Delinquent Accounts:

The Meeting was called to public hearing at 7:39 p.m. District Counsel, Alexandra Halfman, presented an overview of the hearing, which was presided over by the President, Grady Garrison. The hearing was being held pursuant to Health and Safety Code Section 6523.2. No persons notified of this hearing appeared to present evidence of why they should not be disconnected from the public sewer system. The General Manager was called to present the status of the accounts. Tracey LaBonte testified that the status of accounts as presented in the

attached "Notice of Hearing" was accurate and that all persons on the list had been duly notified of the hearing. Motion was made by Director Serrato, seconded by Director Barajas, and unanimously carried to disconnect those properties in the "Notice of Hearing" from the sewer system on or after April 15, 2025. This hearing concluded at 7:40 p.m.

Items for discussion and consideration:


1. The Board discussed February's Monthly Status Report by G & G Environmental Compliance.
2. After consideration for Adrian Chavolla's and Darren Tang's request to waive a late fee on their account, a motion was made by Director Samson Runion, seconded by Director Serrato, and unanimously carried to approve waiving the late fee one time.
3. After consideration for Darren Tang's request to waive the NSF Charge on his account, a motion was made by Director Cacho, seconded by Director Samson Runion, and unanimously carried to deny waiving the NSF Charge on his account.
4. A motion was made by Director Serrato, seconded by Director Barajas, and unanimously carried to approve to engage Smith Marion & Company to audit the District's Pension Fund year ending July 31, 2024.

5. Signatures were acquired for the Statements of Economic Interest Form 700.
6. A motion was made by Director Barajas, seconded by Director Cacho, and unanimously carried to adopt Resolution No. 531, A Resolution of the Board of Directors of the Home Gardens Sanitary District Terminating its 401(a) Pension Plan and 457(b) Deferred Compensation Plan and Approving the Establishment of Replacement Plans along with Exhibit A: MissionSquare Retirement Governmental Money Purchase Plan, Exhibit B: MissionSquare Retirement Governmental Money Purchase Plan Adoption Agreement, Exhibit C: MissionSquare Retirement Governmental 457 Deferred Compensation Plan, Exhibit D: 457 Governmental Plan and Trust Optional Provisions Election Form (January 2022).
7. District Counsel Alexandra Halfman gave an overview of the Assembly Bill 2257.
8. District Counsel Alexandra Halfman gave an overview of the Coachella Valley Water District Prop 218 Case.
9. District Counsel Alexandra Halfman gave an overview of the City and County of San Francisco v. EPA.

Closed Session: None.


Director Comments: None.


There being no further business, President Grady Garrison adjourned the meeting at 8:16 p.m.



Karen Samson Runion, Secretary

The foregoing minutes were approved by the Board of Directors of the Home Gardens Sanitary District at the regularly scheduled meeting of said Board April 22, 2025.


Signed: _____
Grady Garrison, President



Karen Samson Runion, Secretary

RESOLUTION NO. 531

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HOME GARDENS SANITARY DISTRICT TERMINATING ITS 401(a) PENSION PLAN AND 457(b) DEFERRED COMPENSATION PLAN AND APPROVING THE ESTABLISHMENT OF REPLACEMENT PLANS

WHEREAS, the Board established a tax-qualified money purchase pension plan in accordance with section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code") on or about 1977 (the "401(a) Plan") that provides an annual employer contribution of 25% of compensation for eligible full-time employees;

WHEREAS, the Board established an eligible deferred compensation plan in accordance with section 457(b) of the Code on or about 1994 (the "457(b) Plan") that permits eligible employees to elect to make pre-tax deferrals of their compensation;

WHEREAS, appropriate plan amendments to the 401(a) Plan and the 457(b) Plan to reflect discretionary changes adopted by the Board from time to time and to update the plan documents for mandatory statutory or regulatory changes were not maintained and/or have been lost or destroyed; and

WHEREAS, the Board of Directors desires to restore clarity to the language of the 401(a) Plan and the 457(b) Plan and therefore desires to terminate those plans and replace them with new plans as set forth in compliant plan documents that satisfy all the prevailing legal requirements.

NOW, THEREFORE, the Board of Directors of the Home Gardens Sanitary District does hereby RESOLVE and DETERMINE as follows:

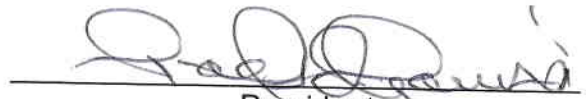
1. The District does hereby approve the termination of the 401(a) Plan effective December 31, 2024 and approves the adoption of a new 401(a) Plan effective January 1, 2025 with the assistance of MissionSquare Retirement through the adoption of the MissionSquare Retirement Governmental Money Purchase Plan, a copy of which is attached hereto labeled **Exhibit A**, which is accomplished by executing the Adoption Agreement thereto, a copy of which is attached hereto labeled **Exhibit B**.

2. The District does hereby approve the termination of the 457(b) Plan effective as soon as it is administratively practicable in coordination with the establishment of the new 457(b) Plan so as to minimize the disruption of the eligible employees' pre-tax deferrals with the assistance of MissionSquare Retirement through the adoption of the MissionSquare Retirement Governmental 457 Deferred Compensation Plan, a copy of which is attached hereto labeled **Exhibit C**, which is accomplished by executing the 457 Optional Plan Provisions Form, a copy of which is attached hereto labeled **Exhibit D**.

3. The Board authorizes the President and Secretary-Treasurer, General Manager, and its attorneys to take such action consistent with this action to implement the termination of the 401(a) Plan and the 457(b) Plan and the adoption of the new 401(a) and 457(b) plans.

PASSED AND ADOPTED this 25th day of March, 2025.


Secretary


President