RESOLUTION 2016-20

Agenda Item

TO: Mayor and City Council

FROM: City Clerk/Finance Clerk O'Connor

DATE: October 3, 2016

RE: Flexible Benefit Plan – Section 125

Background

With the new fiscal year, the City has made changes to employee benefits. One change is with the Flexible Benefit Plan under Section 125 of the Internal Revenue Code. Section 125 enables employees to choose between qualified benefits under the Plan on a tax-excludable basis and/or taxable cash compensation. Having reviewed options and with the best interest of the employees in mind, the City is changing our carrier from AFLAC to Guardian.

Action

Consider Resolution 2016-20 approving the change providers for the Section 125 Flexible Benefit Plan.

Resolution 2016-20

A RESOLUTION BY THE CITY OF CAMERON, CLINTON AND DeKALB COUNITES, MISSOURI ADOPTING THE CITY OF CAMERON FLEXIBLE BENEFIT PLAN

WHEREAS, the City Council of the City Cameron, Clinton and DeKalb Counties, Missouri (the "City) desires to adopt the City of Cameron Flexible Benefit Plan (the "Plan") under Section 125 of the Internal Revenue Code in order to enable its employees to choose between qualified benefits under the Plan on a tax-excludable basis and/or taxable cash compensation; and

WHEREAS, the City desires to adopt the City of Cameron Health Flexible Spending Account, effective October 01, 2016 under Code Section 105 ("Health FSA") and the Dependent Care Flexible Spending Account under Code Section 129 ("Dependent Care FSA") in order to enable employees to pay for certain eligible expenses with pre-tax salary reductions made under the Plan. Both the Health and Dependent Care FSA are benefits offered under the Plan.

NOW, THEREFORE, BE IT RESOLVED, that the City Council hereby adopts/amends the City of Cameron Flexible Benefit Plan (consisting of the Plan Document, Summary Plan Description and component Benefit Package Options) effective as of October 01, 2016.

BE IT FURTHER RESOLVED that the City Manager of the City is authorized and directed to take any and all action as may be necessary to effectuate this Resolution.

BE IT FURTHER RESOLVED, that the Council hereby delegates the authority to approve future amendments to the Plan to the City Manager.

Passed and approved this 3rd day of October 2016.

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Mayor Jerri Ann Eddins

Attest:

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City Clerk/Finance Clerk