

RESOLUTION NO. 2849

A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF A HEALTH REIMBURSEMENT ARRANGEMENT/VOLUNTARY EMPLOYEES' BENEFICIARY ASSOCIATION (HRA VEBA) PLAN

Findings

- A. The Internal Revenue Code Section 501(c)(9) allows for the creation of a Voluntary Employees' Beneficiary Association (VEBA) which is a tax-exempt health and welfare trust.
- B. Applicable IRS regulations and guidelines allow an employer to offer Health Reimbursement Arrangement (HRA) plans and such plans are available to public employers in the Northwest.
- C. The Voluntary Employees' Beneficiary Association for Public Employees in the Northwest Trust (Trust) offers and will administer an HRA entitled "Voluntary Employees' Beneficiary Association Medical Expense Plan for Public Employees in the Northwest as Amended and Restated January 1, 2007" (Plan).
- D. The City of Bend has determined that establishing an HRA plan which provides a tax-free defined contribution account for employees to pay for medical, dental, vision, and tax qualified long-term care premiums and non-covered healthcare expenses is in the best interest of the City and its employees.
- E. The City of Bend desires to establish an HRA plan for its employees and has selected the services of the Trust to administer such a plan established by the City of Bend and administered in accordance with plan documents provided by the Trust

Based on these findings,

THE CITY OF BEND RESOLVES AS FOLLOWS:

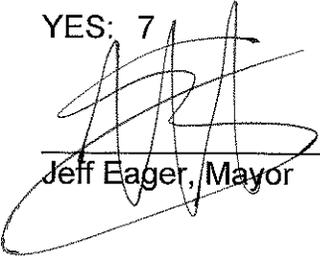
- Section 1. Effective 8/17/2011 the City of Bend elects to participate in the Plan as presently constituted or hereafter amended using the Trust as its plan administrator for the benefit of eligible employees as defined by City of Bend policies or collective bargaining agreements.

Section 2. The City's participation in the plan will be funded with employer contributions in amounts determined from time to time in accordance to City of Bend policies and collective bargaining agreements.

Section 3. The City Manager and designees are authorized to execute documents and establish procedures consistent with Plan and Trust provisions and applicable City of Bend policies and collective bargaining agreements necessary to effect the adoption and administration of the Plan.

Adopted by roll call vote on August 17, 2011

YES: 7 NO: 0



Jeff Eager, Mayor

ATTEST:



Patricia Stell, City of Bend Recorder

Approved as to form:



Legal Counsel