

## RESOLUTION 14-001

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO AMENDING THE CAFETERIA PLAN DOCUMENTS.

WHEREAS, the City of Ketchum has previously adopted Resolution No. 07-086 entering into a FSA Plan Service Agreement to obtain services associated with preparing and maintaining the City of Ketchum Cafeteria Plan, as well as all other administration services required for such Cafeteria Plan; and

WHEREAS, that the Administrator of the Plan was instructed to take such actions that were deemed necessary and proper in order to implement the Plan, and to set up adequate accounting and administrative procedures to provide benefits under the Plan; and

WHEREAS, the City has enter into a Business Associate Agreement with National Benefit Services, LLC for services associated with maintaining the City of Ketchum Cafeteria Plan, as well as all other administration services required for such Cafeteria Plan; and

WHEREAS, due to changes implemented by the IRS, the City of Ketchum Cafeteria Plan now needs to be amended.

#### ARTICLE III, PROVISIONS

Limited Health FSA Carryover: A Participant in the Health Flexible Spending Account may roll over up to \$500 (cannot be more than \$500) of unused amounts in the Health Flexible Spending Account remaining at the end of one Plan Year to the immediately following Plan Year. These amounts can be used during the following Plan Year for expenses incurred in that Plan Year. Amounts carried over do not affect the maximum amount of salary redirection contributions for the Plan Year to which they are carried over. Unused amounts are those remaining after expenses have been reimbursed during the runout period. These amounts may not be cashed out or converted to any other taxable or nontaxable benefit. Amounts in excess of \$500 will be forfeited; and


WHEREAS, the effective date of this provision is November 20, 2103; and

WHEREAS, that attached hereto are true copies of the Amendment to Allow Health FSA Carryover and Summary of Material Modifications; and


WHEREAS, the FSA Administration fee will remain at \$2.95/Monthly/Participant Fee (Minimum of \$50/Month) and the Document Updates/Amendments Fee remains the same at \$150.

NOW THEREFORE BE IT RESOLVED, that the Ketchum City Council authorizes amending the Cafeteria Plan to allow Health FSA Carryover.

This Resolution will be in full force and effect upon its adoption and approval this sixth (6th) day of January, 2014.

  
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Nina Jonas  
Mayor

ATTEST:

  
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Sandra Cady, CMC  
City Treasurer/Clerk