

RESOLUTION 15-023

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 entered 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, NBS continually monitors changes in regulatory requirements for benefit plans and works to keep employer benefit plan documents in compliance with those requirements. Changes in health care regulations in recent years require updates to Flexible Spending Account (FSA) Summary Plan Descriptions (SPD's), which is the City of Ketchum's Cafeteria Plan. NBS has completed these updates and attached is the Plan Highlights Page. In addition to updating the SPD, NBS has revised the Service Agreement with Schedule A and Schedule B. The revised agreement includes minor changes and NBS states it will better allow them to administer the City's benefit plan timely and accurately.

Below is a brief summary of all the changes:

- SPD language has been updated so Plan Sponsors no longer need to attach each applicable Summary of Material Modification ("SMM") to their SPD on file. The SPD will contain all current plan provisions as well as any amendments the plan has requested or have been required since 2009.
- Service Agreement Package:
 - The Schedule A better defines the responsibilities of NBS and those of the Plan Sponsor.
 - Appendix 1-The NBS Health FSA Claims Procedures Appendix describes in more detail how NBS handles participant claims.
 - Appendix 2-The NBS Discrimination Testing Appendix describes how NBS performs discrimination testing.
 - The Schedule B lists additional miscellaneous services and reflects the fees for 2016.

WHEREAS, the FSA Administration fee will remain at \$3.10/Monthly/Participant Fee (Minimum of \$75/Month) and the Document Updates/Amendments Fee remains the same at \$150.

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NOW THEREFORE BE IT RESOLVED, that the Ketchum City Council authorizes the Updates to the Cafeteria Plan (Flexible Spending Account-FSA) and authorizes the Mayor to sign the National Benefits Service Agreement.

This Resolution will be in full force and effect upon its adoption and approval this second (2nd) day of November, 2015.



Nina Jonas
Mayor

ATTEST:



Robin Crotty
Interim City Clerk