

RESOLUTION NO. 2185

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

THE TROUTDALE CITY COUNCIL FINDS AS FOLLOWS:

1. 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.
2. IRS regulations and guidelines allow an employer to offer health reimbursement arrangement (HRA) plans.
3. Such HRA plans are available to governmental employers in the Northwest.
4. 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" ("Plan") as amended and restated.
5. The City of Troutdale, ("Employer") 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 Employer and its employees.
6. The Employer desires to establish an HRA plan for its employees.
7. The Employer desires to use the services of the Trust to administer such Plan.
8. Such HRA established by the Employer will be administered in accordance with the Plan documents provided by the Trust on file in the Employer's main office.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF TROUTDALE:

Section 1. Effective, January 1, 2013 the Employer hereby elects to participate in the Plan and Trust as presently constituted or hereafter amended using the Trust as its plan administrator for the benefit of eligible employees as defined by Employer policies and or collective bargaining agreements.

Section 2. The Plan will be funded with Employer contributions in amounts determined from time to time pursuant to Employer policies and collective bargaining agreements.

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


Section 4. Designates the City Manager or Finance Director (each a "City Official") to act on behalf of the Employer, and without further action by the City Council the City Official is hereby, authorized, empowered and directed to sign on behalf of the Employer any and all other required and necessary documents to implement the HRA Plan and Trust participation.


Section 5. Further, the City Official is authorized to execute any supporting and implementing documents, and to take any other action as may be advisable, convenient, necessary, or appropriate to give full force and effect to implement and maintain compliance with the HRA Plan and Trust as amended and restated, and the execution thereof by any such City Official shall be conclusive as to such determination.

Section 6. The Finance Director is authorized to disburse funds, subject to annual appropriations, as necessary to fulfill the terms and conditions of participation in the HRA Plan, and is further directed to implement all such actions necessary to ensure budgetary compliance.


Section 7. This Resolution shall take effect immediately upon adoption.

YEAS: 7
NAYS: 0
ABSTAINED: 0



Mayor Jim Kight


Date



Debbie Stickney, City Recorder
Adopted: December 11, 2012