

**RESOLUTION No. 14/15-5**  
**City of Dayton, Oregon**

***TITLE: A Resolution Authorizing the Establishment of the Health Reimbursement Arrangement/Voluntary Employees' Beneficiary Association ("HRA VEBA") Plans***

**WHEREAS**, the Internal Revenue Code Section 501(c)(9) allows for the creation of a voluntary employees' beneficiary association which is a tax-exempt health and welfare trust; and

**WHEREAS**, IRS regulations and guidelines allow an employer to offer health reimbursement arrangement (HRA) plans; and

**WHEREAS**, such HRA plans are available to governmental employers in the Northwest; and

**WHEREAS**, the Voluntary Employees' Beneficiary Association Trust for Public Employees in the Northwest ("Trust") offers and will administer two HRA VEBA plans (collectively the "Plans") as amended and restated: the **Standard HRA Plan**, which shall be integrated with the Employer's or another qualified group health plan and which shall accept Employer contributions on behalf of eligible employees who are enrolled in or covered by such qualified group health plan and any other contributions that may be permitted under applicable law from time to time; and the **Post-separation HRA Plan**, which shall accept contributions on behalf of eligible employees, including eligible employees who are not enrolled in or covered by the Employer's or another qualified group health plan, and which shall provide benefits only after a participant separates from service or retires.

**WHEREAS**, The City of Dayton ("Employer") has determined that it is in the best interest of the Employer and its employees to establish the Plans, which provide tax-free, defined contribution accounts for employees to reimburse qualified medical, dental, vision and tax qualified long-term care premiums and non-covered healthcare expenses of the employees and their qualified dependents; and

**WHEREAS**, the Employer desires to establish the Plans for its employees; and

**WHEREAS**, the Employer desires to use the services of the Trust to administer such Plans; and

**WHEREAS**, the Plans will be administered in accordance with the Plan documents provided by the Trust on file in the Employer's main office.

**The City of Dayton resolves as follows:**

**Section 1.** Effective, January 1, 2015 the Employer hereby elects to participate in the Plans 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 or collective bargaining agreements.

**Section 2.** The Plans 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 Manager 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 Plans.

ADOPTED this 1<sup>st</sup> day of December, 2014.

**In Favor: Bixler, Collins, Price, Utt, Wytoski**

**Opposed: None**

**Absent: Frank, Marquez**

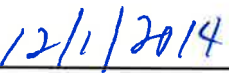
**Abstained: None**

  
Elizabeth Wytoski, Mayor

  
Date Signed

**ATTEST:**

  
Peggy Selberg, City Recorder

  
Date of Enactment