

**RESOLUTION NO. 1087**

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

**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 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 ; and

**WHEREAS**, the City of Canby 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; and

**WHEREAS**, the Employer desires to establish an HRA plan for its employees; and

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

**WHEREAS**, 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.

**IT IS HEREBY RESOLVED** by the City of Canby Council as follows:

1. Effective February 16, 2011 the City of Canby 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 or collective bargaining agreements.
2. The Plan will be funded with Employer contributions in amounts determined from time to time pursuant to Employer policies and collective bargaining agreements.


3. The Human Resource Director is authorized to execute documents and establish procedures consistent with Plan and Trust provisions and applicable Employer polices and collective bargaining agreements necessary to effect the adoption and administration of the Plan.

This resolution shall take effect on February 16, 2011.

ADOPTED this 16<sup>th</sup> day of February 2011, by the Canby City Council.

  
Randy Carson  
Mayor

ATTEST:

  
Kimberly Scheafer, CMC  
City Recorder