

RESOLUTION NO. 31-2013

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE AN AMENDMENT TO THE INTERNATIONAL CITY MANAGEMENT ASSOCIATION RETIREMENT CORPORATION ("ICMA-RC") RETIREMENT HEALTH SAVINGS PLAN ("ICMA-RC RHS PLAN") THEREBY PROVIDING FOR MANDATORY CONTRIBUTIONS FROM RETIRING EMPLOYEES TO THE ICMA-RC RHS PLAN; AND PROVIDING AN EFFECTIVE DATE THEREOF.

WHEREAS, with the passage of Resolution No. 48-2004, the City of Mesquite, Texas ("City"), established a Retiree Health Savings Plan for employees on an elective contribution basis; and

WHEREAS, in an agreement with the Internal Revenue Service ("IRS"), all City elective Retiree Health Savings Plan contributions ceased effective December 31, 2007, with the exception of mandatory contributions for specific employee groups; and

WHEREAS, with the passage of Resolution No. 53-2007, the City ended elective contributions to the City's existing Retiree Health Savings Plan and approved the mandatory election for the City Manager, Deputy City Manager, Assistant City Manager and directors only to participate and contribute to a Retiree Health Savings Plan proposed for the City by the International City Management Association - Retirement Corporation ("ICMA-RC") through its VantageCare Retirement Health Savings program effective January 1, 2008 (the "ICMA-RC RHS Plan"); and

WHEREAS, in discussions with the administrator of the ICMA-RC RHS Plan, a structure was developed whereby retiring employees of the City below the director level could contribute to the ICMA-RC RHS Plan meeting the mandatory requirement of the IRS; and

WHEREAS, to modify the ICMA-RC RHS Plan to satisfy the IRS requirements, it is necessary to amend the ICMA-RC RHS Plan to provide that retiring employees of the City below the level of director will have mandatory contributions to the ICMA-RC RHS Plan consisting of terminal pay (vacation and sick leave) dependent upon the number of hours of the employee's accrued but unused vacation leave balance with the City as of the employee's retirement date; and

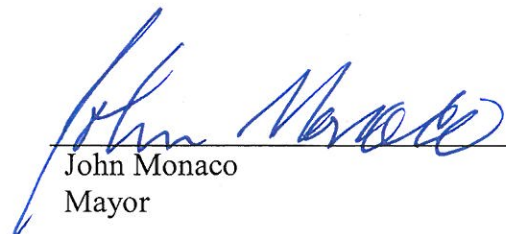
WHEREAS, the proposed amendment to the ICMA-RC RHS Plan would only apply to retiring employees of the City below the level of director.

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

SECTION 1. That the City Manager is hereby authorized to finalize and execute an amendment to the International City Management Association - Retirement Corporation ("ICMA-RC") Retirement Health Savings Plan (the "ICMA-RC RHS Plan") to require mandatory contributions from retiring employees of the City below the level of director to the ICMA-RC RHS Plan consisting of terminal pay (vacation and sick leave) dependent upon the number of hours of the employee's accrued but unused vacation leave balance with the City as of the employee's retirement date.

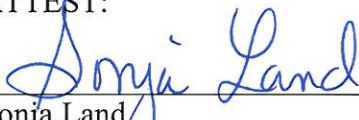
SECTION 2. That the amendment to the ICMA-RC RHS Plan approved in Section 1 above shall expressly be effective October 1, 2013.

DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 16th day of September, 2013.




John Monaco
Mayor

ATTEST:



Sonja Land
City Secretary

APPROVED:



B.J. Smith
City Attorney