

RESOLUTION NO. 11-2014

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE INTERNATIONAL CITY MANAGEMENT ASSOCIATION RETIREMENT CORPORATION (ICMA-RC) RETIREMENT HEALTH SAVINGS PLAN THEREBY COMPLYING WITH THE PROHIBITION ON ANNUAL AND LIFETIME LIMITS ADDED THROUGH SECTION 2711 OF THE PUBLIC HEALTH SERVICES ACT, AS REQUIRED BY THE PATIENT PROTECTION AND AFFORDABLE CARE ACT OF 2010, BY CONDITIONING REIMBURSEMENT ELIGIBILITY UPON THE EMPLOYEE'S SEPARATION FROM SERVICE.

WHEREAS, the City of Mesquite, Texas (City) has employees rendering valuable services; and

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

WHEREAS, in an agreement with the Internal Revenue Service, 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, with the passage of Resolution No. 02-2011, the City amended the ICMA-RC RHS Plan to allow all participants to be eligible to receive benefits at age 55 and still be employed at the City; and

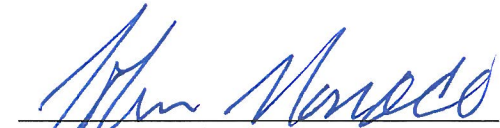
WHEREAS, with the passage of Resolution 31-2013, the City amended the ICMA-RC RHS Plan effective October 1, 2013, to require mandatory contributions from retiring employees of the City below the level of director to the ICMA-RC RHS Plan consisting of terminal pay (vacation and sick leave) dependent upon the number of hours of the employee's accrued but unused vacation leave balance with the City as of the employee's retirement date; and

WHEREAS, in order to comply with the Prohibition on Annual and Lifetime Limits added through Section 2711 of the Public Health Services Act, as required by the Patient Protection and Affordable Care Act of 2010, the City is required to amend the ICMA-RC RHS Plan to condition reimbursement eligibility upon the employee's separation from service.

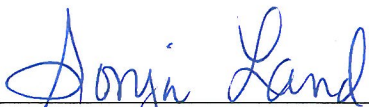
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS:

SECTION 1. That the City Manager is hereby authorized to execute an amendment to the ICMA-RC RHS Plan to condition reimbursement eligibility upon the employee's separation from service.

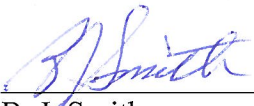
DULY RESOLVED by the City Council of the City of Mesquite, Texas, on the 3rd day of March, 2014.

  
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John Monaco  
Mayor

ATTEST:

  
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Sonja Land  
City Secretary

APPROVED:

  
\_\_\_\_\_  
B. J. Smith  
City Attorney