

## **A RESOLUTION**

### **A RESOLUTION OF THE CITY OF FAIR OAKS RANCH, TEXAS ADOPTING THE ALLOCATION OF SURPLUS OR “FORFEITED” FUNDS UNDER ARTICLE VI SECTION 7.2 OF THE FLEXIBLE BENEFIT PLAN “APPLICATION OF BENEFIT PLAN SURPLUS” TO REVERT BACK TO THE CITY AND AUTHORIZING THE CITY MANAGER TO EXECUTE APPLICABLE DOCUMENTS.**

**WHEREAS**, the City of Fair Oaks Ranch, Texas (the “City”) offers a Section 125 Flexible Benefit Plan (the “Plan”) to its employees; and,

**WHEREAS**, the Plan’s employer, administrator and sponsor is the City of Fair Oaks Ranch; and,

**WHEREAS**, the Employee Benefit Trust designates all members of City Council as Trustees; and,

**WHEREAS**, Article VI, Section 7.2 of the Plan entitled “Health Flexible Spending Account” provides for the “Application of Benefit Plan Surplus”; and,

**WHEREAS**, the city recommends the allocation of surplus or “forfeited” funds under Section 7.2 of the Plan to revert back to the City; and,

**WHEREAS**, the City Council of Fair Oaks Ranch, Texas finds it to be in the public interest to adopt the formalization of allocating surplus or “forfeited” funds under the Benefit Plan to revert back to the City; and,

**NOW, THEREFORE, BE IT RESOLVED THAT THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS THAT:**

**SECTION 1.** The City Council hereby adopts the formalization allocating surplus or “forfeited” funds under Article VI Section 7.2 of the Plan to revert back to the City in accordance with Plan and IRS guidelines.

**SECTION 2.** The City Council hereby authorizes the City Manager to execute applicable documents to effectuate this Resolution.

**PASSED, APPROVED, AND ADOPTED** on this 20<sup>th</sup> day of January, 2022.

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Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

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Christina Picioccio, City Secretary

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Denton Navarro Rocha Bernal & Zech, P.C.,  
City Attorney