

A RESOLUTION

A RESOLUTION OF THE CITY OF FAIR OAKS RANCH, TEXAS ADOPTING AN AMENDMENT TO THE CITY'S FLEXIBLE BENEFIT PLAN ARTICLE VI "HEALTH FLEXIBLE SPENDING ACCOUNT" SECTION 6.2(c) DEFINITION OF "MEDICAL EXPENSES" IN ACCORDANCE WITH THE IRS ANNOUNCEMENT 2021-7 AND AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS REQUIRED BY THE PLAN SERVICE PROVIDER

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 Internal Revenue Service issued Announcement 2021-7 notifying Health Flexible Spending Account participants that purchases for personal protective equipment for the purpose of preventing the spread of COVID-19 are treated as amounts paid for medical care under §231(d) of the Internal Revenue code; and,

WHEREAS, Article VI "Health Flexible Spending Account" of the Plan provides for the definition of "Medical Expenses"; and,

WHEREAS, the Plan's Service Provider, United Healthcare, recommends the City of Fair Oaks Ranch adopt, by Resolution, the amended Plan's definition of "Medical Expenses" in accordance with the provisions of the IRS Announcement 2021-7; and,

WHEREAS, the City Council of Fair Oaks Ranch, Texas finds it to be in the public interest to adopt the provisions of the IRS Announcement 2021-7 and authorizes the City Manager to execute documents required by the Plan service provider.

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 amendment to the City's Flexible Benefit Plan Section 6.2(c) definition of "medical expenses" in accordance with the IRS Announcement 2021-7.

SECTION 2. The City Council hereby authorizes the City Manager to execute documents required by the Plan service provider.

PASSED, APPROVED, AND ADOPTED on this 20th day of January, 2022

Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

Christina Picioccio, City Secretary

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