



## CITY OF NORMAN, OK STAFF REPORT

---

**MEETING DATE:** 12/13/2022

**REQUESTER:** Dawn James

**PRESENTER:** Dawn James, Director of Human Resources

**ITEM TITLE:** CONSIDERATION OF APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF THE AMENDED CITY OF NORMAN, OKLAHOMA, FLEXIBLE SPENDING PLAN EFFECTIVE JANUARY 1, 2023.

---

### **BACKGROUND:**

Effective February 1, 1992, the City of Norman adopted a Flexible Spending Plan in accordance with ERISA with the intention of qualifying as a nondiscriminatory salary reduction cafeteria plan under Sections 129, 125, 106, 105, and 79 of the Internal Revenue Code. City Council, in its meeting of December 28, 1993, approved Contract K-9394-57 with Deloitte and Touche to serve as plan administrators for a Flexible Spending Plan to be offered to City of Norman employees.

The City of Norman assumed the duties of Plan Administrator in 1998 and circumstances indicated that certain provisions of the Plan needed to be amended to adequately provide the benefits intended for participants of the Plan. As a result, City Council, in its meeting of November 14, 2000, approved an Amended Plan.

### **DISCUSSION:**

The Internal Revenue Service (IRS) announced on October 18, 2022, the annual contribution limits will increase to \$3,050 health care flexible spending accounts on January 1, 2023. The City of Norman's Plan is currently limited at \$2,500. The Amended Plan submitted at this time will raise the Health Care Expense Reimbursement Account from \$2,500 to \$3,050 in line with the new IRS guidelines. The rest of the Plan will remain unchanged.

### **RECOMMENDATION:**

The City of Norman Flexible Spending Plan, as amended, is submitted for City Council's approval.