

**A RESOLUTION AMENDING A POST EMPLOYMENT HEALTH SAVINGS PLAN
FOR CERTAIN EMPLOYEES OF THE CITY OF URBANA**

(Plan Numbers 800006 and 800021, City of Urbana, Illinois)

WHEREAS, the City of Urbana has established a retiree health savings plan in the form of the Vantage Care Retirement Health Savings Plan ("Plan") for certain employees of the City of Urbana that are not subject to previously approved collective bargaining agreements; and,

WHEREAS, said "Plan" provides reasonable security regarding employee's health needs during retirement, provides increased flexibility in the personnel management system of the City of Urbana, and assists in the attraction and retention of competent personnel; and ,

WHEREAS, the City of Urbana has determined that the continuance of the "Plan" serves the above objectives;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, THAT THE CITY OF URBANA HEREBY:

1. Amends and restates the "Plan" as outlined in the attached DECLARATION OF AMENDMENT TO THE VANTAGECARE RETIREMENT HEALTH SAVING PLAN".

2. Resolves that the assets of the "Plan" shall be held in trust, with the City of Urbana serving as trustee ("Trustee") for the exclusive benefit of Plan participants and their beneficiaries, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the "Plan". The City of Urbana executes the Declaration of Trust of the City of Urbana Integral Part Trust in the form of The Model Integral Part Trust Agreement made available by the ICMA Retirement Corporation.

PASSED by the City Council this 21st day of March,
2005 .



Phyllis D. Clark
Phyllis D. Clark, City Clerk

Robert
Deputy Clerk

APPROVED by the Mayor this 24th day of March,
2005 .

James H. Hayes, Jr.
Tod Satterthwaite, Mayor
James H. Hayes, Jr., Mayor Pro-tem

SUPPLEMENTAL ATTACHMENT TO THE CITY OF URBANA VANTAGECARE
HEALTH SAVING PLAN ADOPTION AMENDMENT, ATTACHMENT C

Section A1. Mandatory Contributions.

The employer will make an annual contribution on approximately July 1 of each year. The contribution for July 1, 2005 will be \$425 to every participating full-time employee to the employee's universal reimbursement account. The contribution to the universal reimbursement account shall increase each year such that the contribution for July 1, 2006 will be \$442; \$460 in 2007; \$478 in 2008; \$497 in 2009; \$517 in 2010; \$538 in 2011; \$559 in 2012; \$582 in 2013; \$605 in 2014; \$629 in 2015; and \$654 in 2016. The contribution to the universal reimbursement account shall remain at \$654 unless subsequently amended by the employer.

In addition, the employer shall contribute an amount on approximately July 1 of each year to the employee's insurance premium reimbursement account. The amount contributed shall be 1% of each participating full-time employee's annual salary less the amount contributed by the employer to the employee's universal reimbursement account for that year. (For example, if a participating employee's annual salary for July 1, 2005 is \$50,000, the employer will contribute \$75 to the insurance premium reimbursement account: \$500 less \$425 contributed to the universal reimbursement account).

Eligible part-time employees shall receive a pro-rated contribution on the same date. Contributions will be pro-rated by the same percentage as health insurance contributions.

Section A2. Mandatory Leave Contributions:

The employer will also contribute into the employee's universal reimbursement account, the value of 10% of an eligible employees accumulated and unused sick leave at the time an eligible employee leaves employment if the employee separates in good standing. For purposes of this 10% mandatory contribution, an employee shall be considered eligible if at any time during their employment the City made an annual contribution under Section A1 above (except for an employee that elected to revoke their participation under Part 1:Section 5 "Irrevocable Election to Participate" in the Declaration of Amendment.

Section B1b. Irrevocable Election for Pre-Tax Contributions of Accrued Leave.

During an election window provided by the City, an eligible employee may make a one-time irrevocable election to contribute into his or her universal reimbursement account all or a portion of the value of the accumulated and unused sick leave that she or he would otherwise be eligible to receive as cash upon separation. Such contribution shall be made in lieu of an equivalent cash payment to the employee. These employee elected contributions amounts are in addition to the mandatory leave contributions made by the employer outlined in Section A2 above. The election period and the earliest date such contribution may be made are specified in Attachment C. Once made, the election is irrevocable. However, in the event that the employee elects to contribute under this provision, but separates prior to the earliest date in which such contribution may begin, the voluntary contribution will not be accepted by the Plan unless it is legally permissible to begin the payment by the date in which the City requires such contributions to be made following an employee's separation.