

**RESOLUTION NO. 22-\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING THE CREATION OF A TRUST UNDER INTERNAL REVENUE CODE SECTION 115 FOR THE PURPOSE OF PRE-FUNDING OTHER POST EMPLOYMENT BENEFITS (OPEB) RELATED TO THE CITY'S POST EMPLOYMENT HEALTH PLAN FOR RETIREES; APPOINTING THE CITY MANAGER AS TRUSTEE; AND PROVIDING AN EFFECTIVE DATE**

**WHEREAS**, the City Council finds that it is in the best interest of the Town to establish the OPEB Trust in conformance with Internal Revenue Code Section 115 for the purpose of pre-funding the Town's post-employment health plan benefits for retirees (the "OPEB Trust"), and further that the Town is eligible to establish the OPEB Trust in the manner set forth herein; and

**WHEREAS**, the City Council therefore desires to establish the OPEB Trust and appoint to City Manager, their successor and/or designee, as Trustee.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:**

**SECTION 1.** The City Council hereby approves the creation of the OPEB Trust in conformance with Internal Revenue Code Section 115 for the purpose of pre-funding the Town's post-employment health plan benefits for retirees, which shall be effective October 1, 2022.

**SECTION 2.** The City Council hereby appoints the City Manager, their successor and/or designee, to serve as Trustee for the OPEB Trust and to perform all such duties and responsibilities as may be necessary to administer the OPEB Trust, including execution of all administrative and legal documents necessary to establish and administer the same.

**SECTION 3.** The City Council authorizes funding for the OPEB Trust as follows:

- (a) An initial deposit of \$500,000, appropriated in the fiscal year 2023 budget; and
- (b) Additional deposits of up to 0.25% of annual salaries expenditures beginning in fiscal year 2023, as appropriated.

**SECTION 4.** This Resolution shall take effect from and after its date of adoption; provided that the OPEB Trust shall have an effective date of October 1, 2022.

**DULY RESOLVED AND ADOPTED** by the City Council of the Town of Addison, Texas, on this the 27<sup>th</sup> day of SEPTEMBER 2022.

**TOWN OF ADDISON, TEXAS**

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Joe Chow, Mayor

**ATTEST:**

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Irma Parker, City Secretary