

**RESOLUTION TO AMEND AND RESTATE  
THE MIDAMERICA ADMINISTRATIVE & RETIREMENT SOLUTIONS  
HEALTH REIMBURSEMENT ARRANGEMENT**

WHEREAS, Phelan Piñon Hills Community Services District  
(the “Employer”) has established and adopted the MidAmerica Administrative & Retirement Solutions Health Reimbursement Arrangement (the “Plan”) for the benefit of its eligible employees and their dependents;

WHEREAS, the section of the Plan entitled “Plan Amendments” reserves the right of the Employer to amend the Plan, at any time and in whole or in part, so long as participants are notified and any amendment does not adversely affect the rights of existing participants, and to make changes imposed by the Internal Revenue Service, without notice to participants;

WHEREAS, the Employer wishes to amend and restate the Plan; and

WHEREAS, a copy of the amended and restated Plan document has been attached;

NOW, THEREFORE, BE IT RESOLVED that the Plan is amended and restated by adopting all of the terms of the amended and restated Plan document attached, effective on January 1, 2024.

\*\*\*\*\*

This Resolution has been executed this 14th day of February, 2024.



\_\_\_\_\_  
Signature

Don Bartz, General Manager

\_\_\_\_\_  
Name and Title

Phelan Piñon Hills Community Services District

\_\_\_\_\_  
Employer

# Health Reimbursement Arrangement for Active Employees

## ADOPTION AGREEMENT

for

### Phelan Piñon Hills Community Services District

**Employer Address:** 4176 Warbler Road  
Phelan, CA 92371

**Employer Telephone Number:** 760-868-1212

**Employer Identification Number:** 26-2835062



The undersigned Employer, by executing this Adoption Agreement, hereby adopts and implements the Health Reimbursement Arrangement for Integrated Employees (hereinafter referred to as the "Plan" or the "HRA") and agrees to abide by the terms of the Plan. With this Adoption Agreement, and by its authorized signature below, the Employer hereby makes the following designations.

**Effective Date.** The Plan's Original Effective Date is January 1, 2021. The Plan's Restated Effective Date is January 1, 2024. The Plan is available to Employees of the Employer effective January 1, 2021.

**Plan Year.** The Plan Year ends on December 31.

**Eligible Classes.** The class or classes of Employees covered by this Plan are: *(See attached Class Specifications.)*


Class ActA: Active Employees - Opt Out Class ActB: Board Members with Group Medical Coverage  
 Class ActC: Active Employees enrolled in single coverage Class ActD: \_\_\_\_\_  
 Class ActE: \_\_\_\_\_ Class ActF: \_\_\_\_\_

**Designation of Plan Administrator.** The Employer hereby designates the following initial Plan Administrator: MidAmerica Administrative & Retirement Solutions, Inc.

**Designation of Individuals to Have Access to Protected Health Information ("PHI").** The following Employees, classes of Employees, or other persons shall be given access to the PHI to be disclosed:

Business Office Personnel HR Department Personnel

The Employer hereby agrees to the provisions of the Plan and has executed this Adoption Agreement on this 14th day of February, 2024.

Name of Employer: Phelan Piñon Hills Community Services District  
 Signature:   
 Print Name: Don Bartz  
 Title: General Manager

Employer CONTACT (print): Kim Sevy  
 Title: Human Resources Manager  
 E-Mail: ksevy@pphcsd.org  
 Telephone: 760-868-1212 Ext. 309  
 Fax: 760-868-2323

IRS Circular 230 Notice: We are required to advise you no person or entity may use any tax advice in this communication or any attachment to (i) avoid any penalty under federal tax law or (ii) promote, market or recommend any purchase, investment or other action.

**Employer Representations**

- Employees are not permitted to make any election or choice between cash, the HRA, and/or any other tax deferred program.
- The allocation to the HRA will be expressed in a percent of compensation or dollar amount.
- The Employer has discretion in determining classes of Employees eligible to participate in the HRA. Once determined, Employees in the class shall be treated uniformly and be provided a uniform allocation to the HRA. Such class shall remain in effect for the Employer's entire fiscal year for all affected Employees in such year and for all future contributions to such class. Each year, the Employer may reevaluate allocations and classes for new Employees only.
- The Employer acknowledges that it has received the Plan document for the HRA and agrees with all the terms therein.
- The Employer understands that whether a contribution to the HRA is non-elective for tax purposes is a facts and circumstances determination, and the Employer is responsible for whether the contribution is truly non-elective or not. The Employer understands that MidAmerica Administrative & Retirement Solutions, Inc. and its agents and employees are not tax or legal advisors. They may provide general information regarding the tax treatment of health reimbursement arrangements, but the Employer should consult with its own tax or legal advisors as to how tax and other rules may apply to its own facts and circumstances.
- The Employer will not provide any information or forms or enter into any contracts inconsistent with the preceding.
- The Employer acknowledges that every Participant must be enrolled in a group health plan, as described in the Declaration of Coverage Under Another Group Health Plan Form, and it is the Employer's responsibility to ensure that all Participants complete and sign the Form.

**Effective Date** January 1, 2021      **Employer Initials** JB

**Eligible Class ActA:** Active Employees - Opt Out

**Defined as:** Active employees who secure group health coverage through a family member will receive a monthly contribution determined by the district annually. For the 2024 calendar year, this amount will be \$650 per month

**Employment Status** Upon the initial contribution to the Plan, Participant employment status shall be:

- Active

**Contribution Types** All funds for the Plan shall come exclusively from the Employer and shall be determined in accordance with the following formula:

- Dollar Amount  Percentage of Compensation

**Contribution Frequency**

- One Time  Annually  Quarterly
- Semi-Annually  Monthly  Other District will fund the employer Trust account annually. Deposits will be made monthly to participants accounts with funds pulled from the Trust.

**Vesting Schedule** Participants shall own their account balance in accordance with the following vesting schedule:

- 100% Immediate
- 100% upon Retirement, meeting the Employer's eligible requirements for retirement
- 100% upon Separation of Service
- Other Immediate access to funds during active service. 5 Years of service required to be vested 100% in accumulated unused balance upon separation of service.
- 100% upon death (can be selected in addition to "other" above)

**Forfeitures** Employees who are not 100% vested under the Vesting Schedule at the time of termination shall forfeit their unvested funds. In the event of the death of the Participant, the Participant's spouse, and all of the Participant's qualifying dependents, any vested funds remaining in the account shall be forfeited. In the event that the Participant opts out of participation in the Plan, all vested and unvested funds shall be forfeited. Forfeitures shall:

- Reduce future Employer contributions
- Be redistributed pro-rata at the end of each Plan Year to all Plan Participants who are actively employed as of the end of the Plan Year

**Run-off Times** Participants will be allowed 0 (zero) days to continue incurring expenses after the date that their Participation in the Plan ends. The Run-off time for Participants to submit claims for reimbursement from funds that shall be forfeited will be 90 (ninety) days. The Run-off time for funds that shall be forfeited due to death will be one year.

**Reimbursements** Reimbursements shall be for:

- All eligible Medical Expenses specified in section 213(d) of the Internal Revenue Code
- Limited Purpose \_\_\_\_\_
- Post Deductible
- Premium Only Medical Expenses (Highly Compensated Individuals may receive only premium reimbursements.)

**HRA/FSA Ordering**

- The Employer maintains a Flexible Spending Account (FSA) plan in which Participants may elect to participate.
- The Plan permits reimbursements for expenses eligible to be reimbursed by the FSA plan and therefore the HRA shall not reimburse before expenses exceeding the dollar amount of any FSA have been paid.
- The Plan permits reimbursements for Limited Purpose, Deductible or Premium Only expenses which are not eligible to be reimbursed by the FSA plan and therefore the HRA shall reimburse before the Participant's FSA account is exhausted.

**Administration Fees:** Administrative Fees are paid by the Employer for active employees.

\$8 per participant per month (includes platform fee) with \$75 monthly minimum

**Manual Claim Fees:** Not Applicable

**Reimbursement Eligibility:** A Participant shall be eligible for reimbursement of medical expenses at the time selected below.

- Immediate
- Upon becoming 100% vested

**Investment Selection** Investment Provider: American United Life Insurance Company

- Type of Investment:  Fixed annuity only  Variable annuities – Default \_\_\_\_\_ Forfeiture Default \_\_\_\_\_
- Employer directed
  - Participant directed; restrictions are:
    - None
    - 100% vested
    - At Retirement
    - Account balance in excess of \$ \_\_\_\_\_
    - Other \_\_\_\_\_
    - Funds limited (see attachment)

**Effective Date** January 1, 2021 **Employer Initials** DP

Health Reimbursement Arrangement for Active Employees

Eligible Class ActB: Board Members with Group Medical Coverage

Defined as: Board members who secure group health coverage through a family member or have group coverage through other employment will receive a monthly contribution determined by the district annually. For the 2024 calendar year, this amount will be \$650 per month.

Employment Status Upon the initial contribution to the Plan, Participant employment status shall be:

[X] Active

Contribution Types All funds for the Plan shall come exclusively from the Employer and shall be determined in accordance with the following formula:

[X] Dollar Amount [ ] Percentage of Compensation

Contribution Frequency

[ ] One Time [ ] Annually [ ] Quarterly [X] Other District will fund the employer Trust account annually. Deposits will be made monthly to participants accounts with funds pulled from the Trust

Vesting Schedule Participants shall own their account balance in accordance with the following vesting schedule:

[X] 100% Immediate [ ] 100% upon Retirement, meeting the Employer's eligible requirements for retirement [ ] 100% upon Separation of Service [ ] Other [ ] 100% upon death (can be selected in addition to "other" above)

Forfeitures Employees who are not 100% vested under the Vesting Schedule at the time of termination shall forfeit their unvested funds. In the event of the death of the Participant, the Participant's spouse, and all of the Participant's qualifying dependents, any vested funds remaining in the account shall be forfeited. In the event that the Participant opts out of participation in the Plan, all vested and unvested funds shall be forfeited. Forfeitures shall:

[X] Reduce future Employer contributions [ ] Be redistributed pro-rata at the end of each Plan Year to all Plan Participants who are actively employed as of the end of the Plan Year

Run-off Times Participants will be allowed 0 (zero) days to continue incurring expenses after the date that their Participation in the Plan ends. The Run-off time for Participants to submit claims for reimbursement from funds that shall be forfeited will be 90 (ninety) days. The Run-off time for funds that shall be forfeited due to death will be one year.

Reimbursements Reimbursements shall be for:

[X] All eligible Medical Expenses specified in section 213(d) of the Internal Revenue Code [ ] Limited Purpose [ ] Post Deductible [ ] Premium Only Medical Expenses (Highly Compensated Individuals may receive only premium reimbursements.)

HRA/FSA Ordering

[ ] The Employer maintains a Flexible Spending Account (FSA) plan in which Participants may elect to participate. [X] The Plan permits reimbursements for expenses eligible to be reimbursed by the FSA plan and therefore the HRA shall not reimburse before expenses exceeding the dollar amount of any FSA have been paid. [ ] The Plan permits reimbursements for Limited Purpose, Deductible or Premium Only expenses which are not eligible to be reimbursed by the FSA plan and therefore the HRA shall reimburse before the Participant's FSA account is exhausted.

Administration Fees: Administrative Fees are paid by the Employer for active employees.

\$8 per participant per month (includes platform fee) with \$75 monthly minimum

Manual Claim Fees: Not Applicable

Reimbursement Eligibility: A Participant shall be eligible for reimbursement of medical expenses at the time selected below.

[X] Immediate [ ] Upon becoming 100% vested

Investment Selection Investment Provider: American United Life Insurance Company

Type of Investment: [X] Fixed annuity only [ ] Variable annuities - Default \_\_\_\_\_ Forfeiture Default \_\_\_\_\_ [ ] Employer directed [ ] Participant directed; restrictions are: [ ] None [ ] 100% vested [ ] At Retirement [ ] Account balance in excess of \$ \_\_\_\_\_ [ ] Other \_\_\_\_\_ [ ] Funds limited (see attachment)

Effective Date January 1, 2021 Employer Initials DB

Health Reimbursement Arrangement for Active Employees

Eligible Class ActC: Active Employees enrolled in single coverage

Defined as: Active Employees enrolled in employee only coverage with the district will receive a monthly contribution determined by the district annually. For the 2024 calendar year, this amount will be \$150 per month.

Employment Status Upon the initial contribution to the Plan, Participant employment status shall be:

[X] Active

Contribution Types All funds for the Plan shall come exclusively from the Employer and shall be determined in accordance with the following formula:

[X] Dollar Amount [ ] Percentage of Compensation

Contribution Frequency

[ ] One Time [ ] Annually [ ] Quarterly
[ ] Semi-Annually [ ] Monthly [X] Other District will fund the employer Trust account annually. Deposits will be made monthly to participants accounts with funds pulled from the Trust

Vesting Schedule Participants shall own their account balance in accordance with the following vesting schedule:

[ ] 100% Immediate
[ ] 100% upon Retirement, meeting the Employer's eligible requirements for retirement
[ ] 100% upon Separation of Service
[X] Other Immediate access to funds during active service. 5 Years of service required to be vested 100% in accumulated unused balance upon separation of service
[ ] 100% upon death (can be selected in addition to "other" above)

Forfeitures Employees who are not 100% vested under the Vesting Schedule at the time of termination shall forfeit their unvested funds. In the event of the death of the Participant, the Participant's spouse, and all of the Participant's qualifying dependents, any vested funds remaining in the account shall be forfeited. In the event that the Participant opts out of participation in the Plan, all vested and unvested funds shall be forfeited. Forfeitures shall:

[X] Reduce future Employer contributions
[ ] Be redistributed pro-rata at the end of each Plan Year to all Plan Participants who are actively employed as of the end of the Plan Year

Run-off Times Participants will be allowed 0 (zero) days to continue incurring expenses after the date that their Participation in the Plan ends. The Run-off time for Participants to submit claims for reimbursement from funds that shall be forfeited will be 90 (ninety) days. The Run-off time for funds that shall be forfeited due to death will be one year.

Reimbursements Reimbursements shall be for:

[X] All eligible Medical Expenses specified in section 213(d) of the Internal Revenue Code
[ ] Limited Purpose
[ ] Post Deductible
[ ] Premium Only Medical Expenses (Highly Compensated Individuals may receive only premium reimbursements.)

HRA/FSA Ordering

[ ] The Employer maintains a Flexible Spending Account (FSA) plan in which Participants may elect to participate.
[X] The Plan permits reimbursements for expenses eligible to be reimbursed by the FSA plan and therefore the HRA shall not reimburse before expenses exceeding the dollar amount of any FSA have been paid.
[ ] The Plan permits reimbursements for Limited Purpose, Deductible or Premium Only expenses which are not eligible to be reimbursed by the FSA plan and therefore the HRA shall reimburse before the Participant's FSA account is exhausted.

Administration Fees: Administrative Fees are paid by the Employer for active employees.

\$8 per participant per month (includes platform fee) with \$75 monthly minimum

Manual Claim Fees: Not Applicable

Reimbursement Eligibility A Participant shall be eligible for reimbursement of medical expenses at the time selected below.

[X] Immediate
[ ] Upon becoming 100% vested

Investment Selection Investment Provider: American United Life Insurance Company

Type of Investment: [X] Fixed annuity only [ ] Variable annuities - Default Forfeiture Default
[ ] Employer directed
[ ] Participant directed; restrictions are:
[ ] None
[ ] 100% vested
[ ] At Retirement
[ ] Account balance in excess of \$
[ ] Other
[ ] Funds limited (see attachment)

Effective Date January 1, 2021 Employer Initials DS

# Health Reimbursement Arrangement for Retirees

## ADOPTION AGREEMENT

for

### Phelan Piñon Hills Community Services District

**Employer Address:** 4176 Warbler Road  
Phelan, CA 92371

**Employer Telephone Number:** 760-868-1212

**Employer Identification Number:** 26-2835062



The undersigned Employer, by executing this Adoption Agreement, hereby adopts and implements the Health Reimbursement Arrangement for Retirees (hereinafter referred to as the "Plan" or the "HRA") and agrees to abide by the terms of the Plan. With this Adoption Agreement, and by its authorized signature below, the Employer hereby makes the following designations.

**Effective Date.** The Plan's Original Effective Date is January 1, 2021. The Plan's Restated Effective Date is January 1, 2024. The Plan is available to Retirees of the Employer effective January 1, 2021.

**Plan Year.** The Plan Year ends on December 31.

**Eligible Classes.** The class or classes of Retirees covered by this Plan are: *(See attached Class Specifications.)*

Class RetA: Integrated Rollover - Active Class A, B, & C      Class RetB: Board Members on Medicare  
 Class RetC: Active Employees on Medicare      Class RetD: \_\_\_\_\_  
 Class RetE: \_\_\_\_\_      Class RetF: \_\_\_\_\_

**Designation of Plan Administrator.** The Employer hereby designates the following initial Plan Administrator: MidAmerica Administrative & Retirement Solutions, Inc.

**Designation of Individuals to Have Access to Protected Health Information ("PHI").** The following Employees, classes of Employees, or other persons shall be given access to the PHI to be disclosed:

Business Office Personnel      HR Department Personnel

The Employer hereby agrees to the provisions of the Plan and has executed this Adoption Agreement on this 14th day of February, 2024.

Name of Employer: Phelan Piñon Hills Community Services District

Signature: 

Print Name: Don Bartz

Title: General Manager

Employer CONTACT (print): Kim Sevy

Title: Human Resources Manager

E-Mail: ksevy@pphcsd.org

Telephone: 760-868-1212      Ext. 309

Fax: 760-868-2323

IRS Circular 230 Notice: We are required to advise you no person or entity may use any tax advice in this communication or any attachment to (i) avoid any penalty under federal tax law or (ii) promote, market or recommend any purchase, investment or other action.

**Employer Representations**

- The Employer intends to reduce its Retirees' medical expenses by providing reimbursement of such expenses, in a limited capacity. The Employer anticipates that participation in the HRA will encourage prospective Retirees to retire earlier, as they will be better able to afford quality health care prior to the age at which they are Medicare eligible.
- The Employer may allow Retirees to participate in both the HRA and the Special Pay Plan (403(b)).
- Retirees are not permitted to make any election or choice between cash, the HRA, and/or the Special Pay Plan, or any other tax deferred program.
- The Employer will base HRA allocations on its estimates of the costs required to provide a certain amount of medical reimbursements to its Retiree population as that population approaches Medicare age.
- The Employer has discretion in determining classes of Employees eligible to participate in the Retiree HRA. Once determined, Retirees in the class shall be treated uniformly and be provided a uniform allocation to the HRA. Such class shall remain in effect for the Employer's entire fiscal year for all affected Retirees in such year and for all future contributions to such class. Each year, the Employer may reevaluate allocations and classes for new Retirees only.
- The Employer may gather information from the Retiree to determine the appropriate allocation to the HRA, but individual Participants are not allowed to elect or to determine their allocation.
- The Employer will monitor all rehires to ensure that less than two employees are in the Retiree HRA Plan.
- The Employer acknowledges that it has received the Plan document for the HRA and agrees with all the terms therein.
- The Employer understands that whether a contribution to the HRA is non-elective for tax purposes is a facts and circumstances determination, and the Employer is responsible for whether the contribution is truly non-elective or not. The Employer understands that MidAmerica Administrative & Retirement Solutions, Inc. and its agents and employees are not tax or legal advisors. They may provide general information regarding the tax treatment of health reimbursement arrangements, but the Employer should consult with its own tax or legal advisors as to how tax and other rules may apply to its own facts and circumstances.
- The Employer will not provide any information or forms or enter into any contracts inconsistent with the preceding.

**Effective Date** January 1, 2021      **Employer Initials** OB





**Eligible Class RetB:** Board Members on Medicare

**Defined as:** Board Members who enrolled in Medicare and waive group medical coverage will receive a monthly contribution determined by the district annually. For the 2024 calendar year, this amount will be \$650 per month. Funds are not accessible until separation of service

**Employment Status** Upon the initial contribution to the Plan, Participant employment status shall be:

- Retiree  Active with no access to benefit until retirement or separation of service

**Contribution Types** All funds for the Plan shall come exclusively from the Employer and shall be determined in accordance with the following formula:

- Dollar Amount  Percentage of Compensation or Retirement Pay

**Contribution Frequency**

- One Time  Annually  Quarterly  
 Semi-Annually  Monthly  Other Annual contributions into Trust with monthly contributions into Board Member accounts

**Vesting Schedule** Participants shall own their account balance in accordance with the following vesting schedule:

- 100% Immediate  
 100% upon Retirement, meeting the Employer's eligible requirements for retirement  
 100% upon Separation of Service  
 Other \_\_\_\_\_  
 100% upon death (can be selected in addition to "other" above)

**Forfeitures** Employees who are not 100% vested under the Vesting Schedule at the time of termination shall forfeit their unvested funds. In the event of the death of the Participant, the Participant's spouse, and all of the Participant's qualifying dependents, any vested funds remaining in the account shall be forfeited. In the event that the Participant opts out of participation in the Plan, all vested and unvested funds shall be forfeited. Forfeitures shall:

- Reduce future Employer contributions  
 Be redistributed pro-rata at the end of each Plan Year to all Plan Participants who are actively employed as of the end of the Plan Year

**Run-off Times** Participants will be allowed 0 (zero) days to continue incurring expenses after the date that their Participation in the Plan ends. The Run-off time for Participants to submit claims for reimbursement from funds that shall be forfeited will be 90 (ninety) days. The Run-off time for funds that shall be forfeited due to death will be one year.

**Reimbursements** Reimbursements shall be for:

- All eligible Medical Expenses specified in section 213(d) of the Internal Revenue Code  
 Limited Purpose \_\_\_\_\_  
 Post Deductible  
 Premium Only Medical Expenses

**HRA/FSA Ordering**

- The Employer maintains a Flexible Spending Account (FSA) plan in which Participants may elect to participate.  
 The Plan permits reimbursements for expenses eligible to be reimbursed by the FSA plan and therefore the HRA shall not reimburse before expenses exceeding the dollar amount of any FSA have been paid.  
 The Plan permits reimbursements for Limited Purpose, Deductible or Premium Only expenses which are not eligible to be reimbursed by the FSA plan and therefore the HRA shall reimburse before the Participant's FSA account is exhausted.

**Administration Fees:** Administrative Fees are paid by the Employer for active employees. Administrative Fees are paid by the participant upon separation. \$7 per participant per month during active service and \$8 per participant per month (includes platform fee) upon separation of service with \$75 monthly minimum

**Manual Claim Fees:** Not Applicable

**Reimbursement Eligibility**

- Immediate  
 Upon becoming 100% vested  
 Upon Retirement or Separation of Service

**Investment Selection**

**Investment Provider:** American United Life Insurance Company

- Type of Investment:**  Fixed annuity only  Variable annuities – Default \_\_\_\_\_ Forfeiture Default \_\_\_\_\_  
 Employer directed  
 Participant directed; restrictions are:  
 None  
 100% vested  
 At Retirement  
 Account balance in excess of \$ \_\_\_\_\_  
 Other \_\_\_\_\_  
 Funds limited (see attachment)

**Effective Date** January 1, 2021 **Employer Initials** DB

**Eligible Class RetC:** Active Employees on Medicare

**Defined as:** Active Employees enrolled in Medicare and waive group medical coverage will receive a monthly contribution determined by the district annually. For the 2024 calendar year, this amount will be \$650 per month. Funds are not accessible until separation of service

**Employment Status** Upon the initial contribution to the Plan, Participant employment status shall be:

- Retiree
- Active with no access to benefit until retirement or separation of service

**Contribution Types** All funds for the Plan shall come exclusively from the Employer and shall be determined in accordance with the following formula:

- Dollar Amount
- Percentage of Compensation or Retirement Pay

**Contribution Frequency**

- One Time
- Semi-Annually
- Annually
- Monthly
- Other Annual contributions into Trust with monthly contributions into Active employee accounts

**Vesting Schedule** Participants shall own their account balance in accordance with the following vesting schedule:

- 100% Immediate
- 100% upon Retirement, meeting the Employer's eligible requirements for retirement
- 100% upon Separation of Service
- Other \_\_\_\_\_
- 100% upon death (can be selected in addition to "other" above)

**Forfeitures** Employees who are not 100% vested under the Vesting Schedule at the time of termination shall forfeit their unvested funds. In the event of the death of the Participant, the Participant's spouse, and all of the Participant's qualifying dependents, any vested funds remaining in the account shall be forfeited. In the event that the Participant opts out of participation in the Plan, all vested and unvested funds shall be forfeited. Forfeitures shall:

- Reduce future Employer contributions
- Be redistributed pro-rata at the end of each Plan Year to all Plan Participants who are actively employed as of the end of the Plan Year

**Run-off Times** Participants will be allowed 0 (zero) days to continue incurring expenses after the date that their Participation in the Plan ends. The Run-off time for Participants to submit claims for reimbursement from funds that shall be forfeited will be 90 (ninety) days. The Run-off time for funds that shall be forfeited due to death will be one year.

**Reimbursements** Reimbursements shall be for:

- All eligible Medical Expenses specified in section 213(d) of the Internal Revenue Code
- Limited Purpose \_\_\_\_\_
- Post Deductible
- Premium Only Medical Expenses

**HRA/FSA Ordering**

- The Employer maintains a Flexible Spending Account (FSA) plan in which Participants may elect to participate.
- The Plan permits reimbursements for expenses eligible to be reimbursed by the FSA plan and therefore the HRA shall not reimburse before expenses exceeding the dollar amount of any FSA have been paid.
- The Plan permits reimbursements for Limited Purpose, Deductible or Premium Only expenses which are not eligible to be reimbursed by the FSA plan and therefore the HRA shall reimburse before the Participant's FSA account is exhausted.

**Administration Fees:** Administrative Fees are paid by the Employer for active employees. Administrative Fees are paid by the participant upon separation. \$7 per participant per month during active service and \$8 per participant per month (includes platform fee) upon separation of service with \$75 monthly minimum

**Manual Claim Fees:** Not Applicable

**Reimbursement Eligibility** A Participant shall be eligible for reimbursement of medical expenses at the time selected below.

- Immediate
- Upon becoming 100% vested
- Upon Retirement or Separation of Service

**Investment Selection**

**Investment Provider:** American United Life Insurance Company

**Type of Investment:**  Fixed annuity only

- Variable annuities – Default \_\_\_\_\_ Forfeiture Default \_\_\_\_\_
  - Employer directed
  - Participant directed; restrictions are:
    - None
    - 100% vested
    - At Retirement
    - Account balance in excess of \$ \_\_\_\_\_
    - Other \_\_\_\_\_
    - Funds limited (see attachment)

**Effective Date** January 1, 2021

**Employer Initials** DB