



OLYMPIC VALLEY PUBLIC SERVICE DISTRICT



BRI FLEXIBLE BENEFIT PLAN AMENDMENT

DATE: January 28, 2025
TO: District Board Members
FROM: Jessica Grunst, Account Clerk II/ HR Specialist
SUBJECT: BRI Flex Benefit Plan – Increase FSA Contribution Limit

BACKGROUND: Since 1997, the District has offered eligible employees a Flexible Spending Account (FSA) under IRS Section 125, administered by Benefit Resource Inc. (BRI). This plan allows employees to make pre-tax payroll deductions to cover unreimbursed health and dependent care expenses, reducing taxable income and lowering tax liability for both employees and the employer. FSA funds can be used for various expenses, including dependent care, co-pays, deductibles, prescriptions, orthodontics, and other out-of-pocket medical costs not covered by insurance.

DISCUSSION: The IRS sets annual contribution limits for Health and Dependent Care FSAs. In 2024, employees could contribute up to \$3,200 to a Health FSA, with a maximum rollover of \$640. For 2025, these limits will increase to \$3,300 and \$660, respectively. The dependent care FSA limit remains unchanged at \$5,000 for both years. The District must adopt a resolution to implement these updates.

ALTERNATIVES: 1. Adopt Resolution 2025-01, approving the Plan Amendment, and authorizing the General Manager to execute the Plan Amendment on behalf of the District.
2. Do not adopt Resolution 2025-01.

FISCAL/RESOURCE IMPACTS: BRI charges the District a monthly administration fee of \$175. Employees voluntarily contribute to the Plan.

RECOMMENDATION: Adopt Resolution 2025-01.

ATTACHMENTS: Resolution 2025-01.

DATE PREPARED: January 21, 2025

AMENDMENT RESOLUTION*
-of the-
PLAN ADMINISTRATOR
-for-
Olympic Valley Public Service District
RESOLUTION 2025-01

The undersigned, being the Plan Administrator of Olympic Valley Public Service District (the "Corporation"), a CA Corporation, do hereby consent to the following resolutions without a meeting:

WHEREAS, effective September 1, 1997, Olympic Valley Public Service District ("Corporation") adopted the Olympic Valley Public Service District Flexible Benefit Plan ("Plan") for the benefit of its employees; and

WHEREAS, pursuant to Section 8.1 of the Plan, the Corporation may amend the Plan at any time by an instrument in writing.

NOW THEREFORE, BE IT RESOLVED, that the Plan is hereby amended and restated effective 1/1/2025 as an employee welfare benefit plan to be maintained by the Corporation pursuant to Section 125 of the Internal Revenue Code, and that a copy of the plan document, as amended and restated, be attached to these resolutions; and be it further

RESOLVED, that the proper officers of the corporation are authorized to execute the amended and restated Plan, to receive employee contributions and pay benefits as provided therein, and to do every other act or thing necessary or proper to meet and comply with the obligations of the Corporation as therein provided and to carry these resolutions into full force and effect, and to direct counsel to take such action as may be necessary to satisfy any applicable requirements of law.

IN WITNESS WHEREOF, this consent has been executed on this 28th day of January, 2025.

(Plan Administrator)

**Effective January 1, 2025; Plan is hereby amended to increase the Medical maximum to \$3,300. Plan is hereby amended to add the rollover feature of \$660.*