

**DEKALB COUNTY GOVERNMENT
COUNTY BOARD MEETING**

March 15, 2017

7:30 p.m.

AGENDA

1. Roll Call
2. Pledge to the Flag
3. Approval of Minutes
4. Approval of Agenda
5. Communications and Referrals:
 - a. Employee Service Awards
6. Persons to be Heard from the Floor – *On topics that were not subject to a Public Hearing*
7. Proclamations:
 - a. **Proclamation P2017-01:** Money Smart Week
8. Appointments for this Month:
 - a. **Cortland Community Fire Protection District:** Mike Friedlund reappointed for a three-year term beginning May 1, 2017 and expiring April 30, 2020.
 - b. **DeKalb Community Fire Protection District:** Gerald Bemis reappointed for a three-year term beginning May 1, 2017 and expiring April 30, 2020.
 - c. **Hinckley Community Fire Protection District:** Charles Harris appointed for a three-year term beginning May 1, 2017 and expiring April 30, 2020.
 - d. **Malta Community Fire Protection District:** William Engstrom reappointed for a three-year term beginning May 1, 2017 and expiring April 30, 2020.
 - e. **Shabbona Community Fire Protection District:** William Thomas Greenwell reappointed for a three-year term beginning May 1, 2017 until April 30, 2020.
 - f. **Somonauk Community Fire Protection District:** Edward Stahl reappointed for a three-year term beginning May 1, 2017 and expiring April 30, 2010.
 - g. **Sycamore Community Fire Protection District:** John Ward reappointed for a three-year term beginning May 1, 2017 and expiring April 30, 2020.
 - h. **Waterman Fire Protection District:** David Stryker reappointed for a three-year term beginning May 1, 2017 and expiring April 30, 2020.
 - i. **Workforce Development Board:** Duff Seyller appointed immediately to fill the unexpired term of Caprice Perez until September 30, 2017.
9. Reports from Standing Committees & Ad Hoc Committees

PLANNING & ZONING COMMITTEE

- a. **Ordinance O2017-02:** Establishing a Period of Assessment of Commercial Wind Towers and Commercial Solar Farms/Gardens. *The DeKalb County Board hereby approves to establish a period of assessment of the real impacts, positive and negative, of an approved commercial wind farm, during which period there shall be no action on any Special Use Permit and Amendments to Special Use Permit applications for the construction and operation of commercial electricity-generating wind towers within unincorporated DeKalb County and no action shall be taken on commercial solar farms/gardens, said period of assessment to commence upon execution of this Ordinance and to continue for a period of eighteen (18) months or until a fully adopted sustainability ordinance is in place, whichever comes first. Furthermore this Ordinance hereby repeals and supercedes any Ordinance and any section, article or provision of the DeKalb County Code and shall be in full force and effect upon its adoption. Committee Action: Moved by Mr. Pietrowski, seconded by Mr. Jones and approved unanimously.*

- b. **Ordinance O2017-03:** Amending Chapter 14 of the DeKalb County Code Regarding Adopted Building Regulations. *The DeKalb County Board does concur with the recommendations of the Planning & Zoning Committee and hereby approves the amendments to Chapter 14 of the DeKalb County Code as set forth in the Ordinance. Committee Action: Moved by Ms. Willis, seconded by Mr. Bunge and approved unanimously.*

COUNTY HIGHWAY COMMITTEE

- a. **Resolution R2017-60:** Award for New Wheel Loader and New Snow Plow, Frame, Hydraulic System, Dump Body, Underbelly Scraper, Spreader and Pre-Wet Tank System. *The DeKalb County Board hereby approves the lowest bids meeting specifications to Monroe Truck Equipment, Inc. of Monroe, Wisconsin for the provision of furnishing and installing a new snow plow, frame, hydraulic system, dump body, underbody scraper, spreader and pre-wet tank system on a 2018 Peterbilt in the amount of \$106,996.00; and to Miller Bradford & Risberg of Rockford, Illinois for the provision of a new Wheel Loader in the total amount of \$182,000.00 after trade allowance. Committee Action: Moved by Mr. Osland, seconded by Vice Chair Willis and approved unanimously.*
- b. **Resolution R2017-61:** 2017 General County Letting. *The DeKalb County Board hereby awards the 2017 General County Letting for aggregate, patching material, hot-mix, and liquid calcium chloride to the following companies who submitted the lowest bids meeting specifications: Curran Contracting, Peter Baker, Rock Road Companies, Inc., William Charles Construction Company, Macklin Inc. of Rochelle, Illinois, Vulcan Materials of Sycamore/DeKalb, Illinois, Wagner Aggregate, Inc. of DeKalb, Illinois, and Sicalco, LTD of Hinsdale, Illinois. Committee Action: Moved by Mr. Stoddard, seconded by Mr. Plote and approved unanimously.*
- c. **Resolution R2017-62:** 2017 Rejuvenator Project. *The DeKalb County Board hereby approves the lowest bid meeting specifications to Corrective Asphalt Materials, LLC of South Roxana, Illinois for the application of 268,347 square yards of rejuvenator-reclamite and 37,713 square yards of rejuvenator-CRF on various roads within DeKalb County in the amount of \$301,619.90. Committee Action: Moved by Vice Chair Willis, seconded by Mr. Plote and approved unanimously.*
- d. **Resolution R2017-64:** 2017 County Seal Coat Project. *The DeKalb County Board hereby approves to award the lowest bid meeting specification to Civil Constructors, Inc. of Freeport, Illinois for single seal coating of 11.17 miles of County roadways; 40.5 miles of Road District roadways; and double seal coating of 5.8 miles of roadway for the County and various Road Districts within DeKalb County in the amount of \$881,184.75. Committee Action: Moved by Mr. Plote, seconded by Mr. Osland and approved unanimously.*
- e. **Resolution R2017-65:** 2017 Crack Routing and Fill Project. *The DeKalb County Board hereby approves to award the lowest bid meeting specification to SKC Construction, Inc. of West Dundee, Illinois for 118,070 feet of crack routing and filling and 2,500 feet of crack filling within various Road Districts in DeKalb County in the amount of \$56,742.90. Committee Action: Moved by Mr. Stoddard, seconded by Mr. Osland and approved unanimously.*

- f. **Resolution R2017-66:** 2017 Pavement Marking Project. *The DeKalb County Board hereby approves to award the lowest bid meeting specifications to America's Parking Remarketing of St. Louis, Missouri for the center line and edge line markings on all County roads and various Road District and City roads within DeKalb County in the amount of \$231,127.57. Moved by Mr. Plote, seconded by Mr. Stoddard and approved unanimously.*
- g. **Resolution R2017-67:** 2017 Road District Aggregate Projects. *The DeKalb County Board hereby awards the lowest bids meeting specifications to Macklin, Inc. from Rochelle, Illinois for 8,020 tons of aggregate surface course spread on road (SOR) to be placed on Huff and Graham Roads in Victor Road District in the amount of \$97,443.00, and to Vulcan Materials of Naperville, Illinois for 3,000 tons of aggregate surface course SOR to be placed on Shabbona Grove Road in Squaw Grove Road District in the amount of \$35,370.00. Committee Action: Moved by Vice Chair Willis, seconded by Ms. Polanco and approved unanimously.*
- h. **Resolution R2017-68:** 2017 Hot-Mix Resurfacing Projects. *The DeKalb County Board hereby awards the lowest bids meeting specifications to Curran Contracting Company of Crystal Lake, Illinois for the hot-mix resurfacing of 2.5 miles of Shabbona Grove Road in Clinton Road District in the amount of \$153,645.70, for the hot-mix resurfacing of a total of 2.42 miles of Rich, Twombly, John Huber Parkway and Nelson Roads in DeKalb Road District in the amount of \$490,158.95, for the hot-mix resurfacing of 2.14 miles of Gletty and E. Sandwich Roads in Sandwich Road District in the amount of \$198,930.02, for the hot-mix resurfacing of 1.05 miles of Hiawatha Lane and Fawn Drive in Somonauk Road District in the amount of \$96,471.92, for the hot-mix resurfacing of 1.16 miles of Howison Road in Squaw Grove Road District in the amount of \$140,236.28; The DeKalb County Board further approves the lowest bids meeting specifications to Peter Baker & Son Company of Lake Bluff, Illinois for the hot-mix resurfacing of 0.48 miles of Willow Lane in Genoa Road District in the amount of \$30,865.72. Committee Action: Moved by Mr. Plote, seconded by Mr. Bunge and approved unanimously.*
- i. **Resolution R2017-70:** Request to IDOT for Their Consent on County Engineer Reappointment. *The DeKalb County Board does hereby request the consent of the Illinois Department of Transportation to reappoint Nathan F. Schwartz, P.E. as County Engineer. Moved by Vice Chair Willis, seconded by Mr. Stoddard and approved unanimously.*

ECONOMIC DEVELOPMENT COMMITTEE

No Actionable Items

HEALTH & HUMAN SERVICES COMMITTEE

- a. **Resolution R2017-63:** Community Action Transition Plan. *The DeKalb County Board hereby authorizes the County Administrator to enter into an agreement with Donna Moulton, effective March 11, 2017 through July 15, 2017, to serve as advisor to the Community Action Department; to set office transition expectation and over-sight for the CSBG Coordinator, Jess Collins, to perform additional responsibilities during the transition period until a new Director is hired; and to re-assign the transportation over-sight responsibilities (PCOM) as needed. Committee Action: Moved by Mr. Whelan, seconded by Mr. Reid and approved unanimously.*

LAW & JUSTICE COMMITTEE

No Actionable Items

FINANCE COMMITTEE

- a. **Resolution R2017-69:** Travel Regulations Policy. *The DeKalb County Government Travel Policy dated March 15, 2017, regulating the reimbursement of all travel, meal, and lodging expenses of its offices and employees is hereby adopted and shall be in full force and effect from and after its passage, and that the existing Travel Regulations Policy is hereby repealed in its entirety.* **Committee Action: Moved by Ms. Leifheit, seconded by Mr. Luebke and approved unanimously.**
- b. **Resolution R2017-71:** Amending and Restating the DeKalb County Cafeteria Plan to Allow for the Inclusion of a Dental Insurance Benefit. *The DeKalb County Board hereby approves the amendments to the DeKalb County Cafeteria plan effective December 1, 2016 attached as Exhibit A, and the amended and restated Summary Plan Description attached as Exhibit B, in their entirety, and that this new Plan will supercede all the provisions of the previous Plan.* **Committee Action: Moved by Mr. Cribben, seconded by Ms. Leifheit and approved unanimously.**
- c. **Resolution R2017-72:** FY 2016 Year-End Budget Transfers. *The DeKalb County Board hereby approves the appropriations and budget transfers as set forth on Attachment A for the Fiscal Year ending December 31, 2016.* **Committee Action: Moved by Mr. Cribben, seconded by Mr. Luebke and approved unanimously.**
- d. **Claims to be Paid in March 2017:** Move to approve the payment of claims for this month, and the off cycle claims paid during the previous month, including all claims for travel, meals, and lodging, in the amount of \$6,325,341.87.
- e. **Reports of County Officials:** Move to accept and place on file the following Reports of County Officials:
 1. Cash & Investments in County Banks – February 2017
 2. Public Defender's Report – February 2017
 3. Adult & Juvenile Monthly Reports – February 2017
 4. Pretrial Report – February 2017
 5. Sheriff's Jail Report – February 2017
 6. Planning & Zoning Building Permits & Construction Reports - February 2017

EXECUTIVE COMMITTEE

No Actionable Items

10. Old Business
11. New Business
 - a. **Appointments Scheduled to be made in the Month of April 2017**
 1. Regional Planning Commission – 5 positions
 2. Regional Planning Commission Alternates – 5 positions
 3. Board of Review – 2 positions
 4. Board of Review Alternates – 3 positions
 5. Farmland Assessment Review Board – 2 positions
12. Adjournment

EMPLOYEE SERVICE AWARDS

March

2017

SUN

MON

TUE

WED

THU

FRI

SAT

35 YEARS OF SERVICE

None

30 YEARS OF SERVICE

None

25 YEARS OF SERVICE

None

20 YEARS OF SERVICE

None

15 YEARS OF SERVICE

None

10 YEARS OF SERVICE

Paul R. Stoddard

03/21/2007

Administration

5 YEARS OF SERVICE

None

For questions or corrections, please contact Lisa in the Administration Office at 815-895-1639

03/01/2017



PROCLAMATION

P2017-01

"Money Smart Week"

WHEREAS, the economic progress of our Country is dependent upon the financial well-being of its citizens, and

WHEREAS, citizens have many choices on how to manage their financial affairs, making it important to become educated about the best options available, and


WHEREAS, educational institutions, financial institutions, government entities and community-based organizations can work together to help consumers make informed choices about their personal finances, and

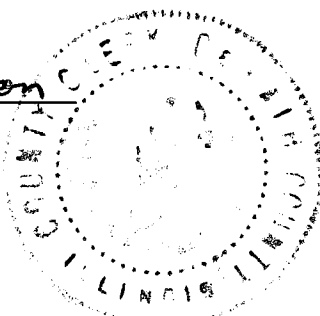
WHEREAS, improved financial literacy results in a higher standard of living for individuals and greater community stability.


THEREFORE, the DeKalb County Board do hereby proclaim April 22 to April 29, 2017 as "Money Smart Week" in DeKalb County, Illinois and encourage all citizens to increase financial literacy.

Given at Sycamore, Illinois, this 15th Day of March, 2017.

ATTEST:


Douglas J. Johnson
DeKalb County Clerk




Mark Pietrowski, Jr.
DeKalb County Board Chairman

STATE OF ILLINOIS)
)SS
COUNTY OF DEKALB)

ORDINANCE 2017-02

AN ORDINANCE ESTABLISHING A PERIOD OF ASSESSMENT OF COMMERCIAL WIND TOWERS AND COMMERCIAL SOLAR FARMS/GARDENS

WHEREAS, on June 17, 2009, the DeKalb County Board approved Ordinance 2009-05, which granted a Special Use Permit for the construction and operation of a commercial wind farm consisting of 119,263-foot-tall, 1.5 megawatt electricity-generating wind towers on properties comprising approximately 22,000 acres in unincorporated Shabbona, Milan, Afton and Clinton Townships; and

WHEREAS, the project approved by Ordinance 2009-05 consists of the first such commercial, electricity-generating wind towers to be located in DeKalb County; and

WHEREAS, EDF Renewable Development, Inc. has petitioned for two (2) temporary meteorological towers in February of 2017 to determine whether conditions are right to pursue permits from DeKalb County to construct the County's second commercial, electricity-generating wind farm to be located in DeKalb County; and

WHEREAS, the public hearings' process for the initial wind farm and the two (2) temporary meteorological towers raised questions specific to the potential impacts of wind towers, including but not limited to: effect on the value of surrounding properties; effect on the visual aesthetics of the area where wind towers are constructed; effect of "shadow flicker" associated with spinning blades; effect of noise associated with wind towers; effects on birds and bats; effect on drainage in the area around the towers; effect on aerial spraying of adjoining farms; effects on television, radio, microwave and internet reception; and impacts to public roads used by construction traffic associated with wind towers; and

WHEREAS, the Planning and Zoning Committee of the DeKalb County Board discussed at its meeting on February 22, 2017 the idea of a period of assessment of the real impacts, positive and negative, of the approved, existing and operating commercial wind farm, during which period no expansion of an existing wind farm or of any new proposed wind farm would be processed, considered, or approved, and no new proposed commercial solar farms/gardens permits would be processed, considered or approved for a period of eighteen (18) months or until the creation of a sustainable energy ordinance whichever comes first; and

WHEREAS, the DeKalb County Board finds it to be in the interest of the public health, safety and welfare to establish a period of time for an assessment of the actual impacts of commercial wind towers and commercial solar farms/gardens, based upon data generated by the project approved by Ordinance 2009-05, and for evaluation and action on that assessment if such is deemed appropriate, during which time County staff shall not process, nor the County Board act upon, any application for a Special Use Permit or Amendment to a Special Use Permit for commercial wind towers or commercial solar farms/gardens; and

WHEREAS, the County Board anticipates that a period of eighteen (18) months or until a fully adopted sustainability ordinance is necessary to evaluate the real impacts of commercial wind towers and commercial solar farms/gardens on surrounding properties and the County as a whole;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD OF DEKALB COUNTY, ILLINOIS, as follows:

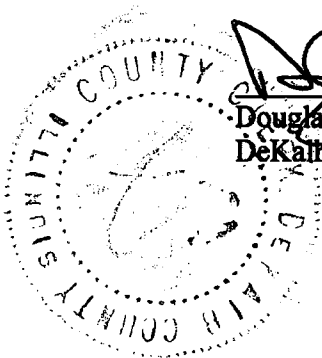
SECTION ONE: The above recitals are hereby specifically incorporated into the terms of this Ordinance as if fully set forth in this Section One. Based on these recitals, the DeKalb County Board hereby establishes a moratorium for a period of assessment of the real impacts, positive and negative, of an approved commercial wind farm, during which period there shall be no action on any Special Use Permit and Amendments to Special Use Permit applications for the construction and operation of commercial electricity-generating wind towers within unincorporated DeKalb County and no action shall be taken on commercial solar farms/gardens, said period of assessment to commence upon execution of this Ordinance and to continue for a period of eighteen (18) months or until a fully adopted sustainability ordinance is in place, whichever comes first.


SECTION TWO: This Ordinance hereby repeals and supercedes any Ordinance and any section, article or provision of the DeKalb County Code to the extent that such Ordinance and any section, article or provision of the DeKalb County Code is in conflict with any provision of this Ordinance. Any such Ordinance and any section, article or provision of the DeKalb County Code so in conflict with any provision of this Ordinance shall however remain in full force and effect as the same might relate to any other application or request other than for the approval of electricity-generating wind towers.

SECTION THREE: This Ordinance shall be in full force and effect upon its adoption by the County Board of DeKalb County, Illinois.


ADOPTED BY THE COUNTY BOARD THIS 15TH DAY OF MARCH, 2017, A.D.

ATTEST:




Douglas J. Johnson
DeKalb County Clerk

SIGNED:



Mark Pietrowski, Jr.
County Board Chairman

STATE OF ILLINOIS)
)SS
COUNTY OF DEKALB)

ORDINANCE 2017-03

**AN ORDINANCE AMENDING CHAPTER 14
OF THE DEKALB COUNTY CODE
REGARDING ADOPTED BUILDING REGULATIONS**

WHEREAS, Chapter 14 of the DeKalb County Code adopts building and construction codes containing regulations and standards for construction of buildings and structures in DeKalb County; and

WHEREAS, certain provisions within the adopted building and construction codes are in conflict with other County regulations or policies, necessitating specific amendments to those building and construction codes; and

WHEREAS, the Planning and Zoning Committee of the DeKalb County Board has considered updated building codes recommended for adoption by the County Health Department Official, and has recommended that the updated building codes be adopted by the County Board; and

WHEREAS, the County Board of DeKalb County has determined that it is in the best interest of the citizens of the County to amend the DeKalb County Code to update the adopted building codes;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY BOARD OF DEKALB COUNTY, ILLINOIS, as follows:

SECTION ONE: The conclusions set forth above and the recommendation of the Planning and Zoning Committee are hereby adopted as the conclusions of the DeKalb County Board.

SECTION TWO: The DeKalb County Code, Chapter 14, Buildings and Building Regulations, is hereby amended as follows:

1. **ARTICLE 1. IN GENERAL:**

Delete **Sec. 14-4. VA/FHA inspection fee** as followed:

~~Sec. 14-4. -- VA/FHA inspection fee.~~

~~The fee for a VA/FHA inspection made by the county health department shall be \$50.00.~~

(Code 1979, § 5-6)

2. **ARTICLE IV. - HOUSING CODE**

DIVISION 1. - GENERALLY

Sec. 14-76. – Definitions. amended and adopted as followed:

~~Health officer~~ Authorized representative – Authorized representative means ~~the administrator of the county health department and his duly authorized representatives a designated employee of DeKalb County as mutually agreed upon by the Health Department and Planning, Zoning and Building Department of DeKalb County.~~

Sec. 14-78. – Inspections amended and adopted as followed:

- (a) The ~~health officer~~ authorized representative is hereby authorized and directed to make inspections after receiving a complaint from concerned individuals, and when he has reasonable cause to believe that a violation of this article exists, to determine the condition of the dwellings, dwelling units, rooming units and premises located within the county in order that he may perform his duty of safeguarding the health and safety of the occupants of dwellings and of the general public. For the purpose of making such inspections, the ~~health officer~~ authorized representative is hereby authorized to enter, examine and survey at all reasonable times all dwellings, dwelling units, rooming units and premises.
- (b) The owner or occupant of every dwelling, dwelling unit or other person in charge thereof, shall give the ~~health officer~~ authorized representative free access to such dwelling, dwelling unit, rooming unit or premises at all reasonable times for the purpose of such inspection, examination and survey. Every occupant of a dwelling or a dwelling unit shall give the ~~health officer~~ authorized representative thereof, or his agent or employee access to any part of such dwelling or dwelling unit or its premises, at all reasonable times for the purpose of making such repairs or alteration as are necessary to effect compliance with the provision of this article.
- (c) The ~~health officer~~ authorized representative is further authorized to use necessary force to gain entry into such dwelling, dwelling unit or rooming unit when and to the extent he reasonably believes it is necessary to prevent eminent loss of life or serious injury.

(Code 1979, § 10.5-3)

3 **DIVISION 3. - UNFIT DWELLINGS**


Sec. 14-121. – Condemnation adopted and amended as followed:

Any dwelling or dwelling unit which does not comply with any one or more of the minimum standards set forth in this article shall be condemned as unfit for human habitation and shall be so designated and placarded by the ~~health officer~~ authorized representative. (Code 1979, § 10.5-46)

SECTION THREE: This Ordinance shall be in full force and effect upon its adoption by the County Board of DeKalb County, Illinois.

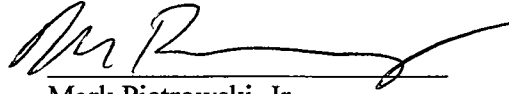
ADOPTED BY THE COUNTY BOARD THIS 15TH DAY OF MARCH, 2017, A.D.

ATTEST:

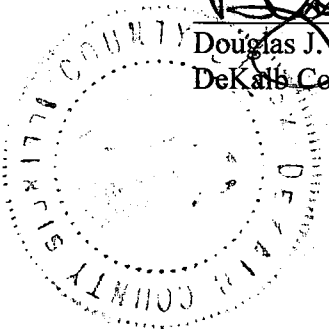


Douglas J. Johnson
DeKalb County Clerk

SIGNED:



Mark Pietrowski, Jr.
County Board Chairman



R E S O L U T I O N #R2017-60

WHEREAS, bids have been invited by the County of DeKalb for provision of pieces of equipment as specified, and

WHEREAS, Monroe Truck Equipment, Inc. of Monroe, Wisconsin and Miller Bradford & Risberg of Rockford, Illinois have submitted the low bids meeting specifications, for the provision of below listed items;

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does approve an award in the low bid submitted meeting specifications by the aforementioned dealers for the provision of the specified pieces of equipment in the amount as provided below.

MONROE TRUCK EQUIPMENT, INC:

- A) Provision of furnishing and installing a new snow plow, frame, hydraulic system, dump body, underbody scraper, spreader and pre-wet tank system on a 2018 Peterbilt model 348 as specified in the amount of One Hundred Six Thousand Nine Hundred Ninety-Six Dollars and Zero cents (\$106,996.00); and

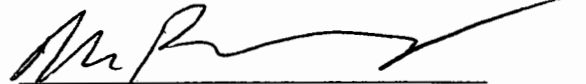
MILLER BRADFORD & RISBERG:

- A) Provision of a new Case 821G Wheel Loader as specified in the amount of Two Hundred Thirty Thousand Dollars and Zero Cents (\$230,000.00); and
- B) Trade allowance for one 2005 Case 821 Wheel Loader Forty-Eight Thousand Dollars (\$48,000.00);
- Total cost of New Wheel Loader - \$182,000.00

Resolution #2017-60

Page 2 of 2

PASSED AT SYCAMORE, ILLINOIS THIS 15TH DAY OF MARCH, 2017 A.D.


Chairman, DeKalb County Board

ATTEST:


County Clerk

Funding for Award Resolution 2017-60	
100% Highway Fund (Property Tax)	\$288,996.00

RESOLUTION #R2017-61

WHEREAS, quotes have been invited for the County of DeKalb for the provision of certain, specified materials during 2017, and

WHEREAS, the following vendors have submitted bids meeting specifications:

Curran Contracting

Bituminous Patching Mixture	\$125.00/ton
Hot-Mix Asphalt Surface Course "C" N30 or 50	\$ 47.25/ton

Peter Baker

Bituminous Patching Mixture	\$150.00/ton
Hot-Mix Asphalt Surface Course "C" N30 or 50	\$ 45.00/ton

Rock Road Companies, Inc.

Hot-Mix Asphalt Surface Course "C" N30 or 50	\$ 53.00/ton
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William Charles Construction Company

Bituminous Patching Mixture	\$130.00/ton
Hot-Mix Asphalt Surface Course "C" N30 or 50	\$ 47.00/ton
Aggregate Surface Course, Type B CA-6	\$ 4.25/ton
Seal Coat Aggregate CA-16	\$ 16.50/ton
AgLime/Screenings	\$.50/ton

Macklin Inc. of Rochelle, Illinois:

Aggregate Surface Course, Type B CA-6	\$ 5.40/ton
Seal Coat Aggregate CA-16	\$ 7.40/ton
AgLime/Screenings	\$ 3.60/ton

Vulcan Materials of Sycamore/DeKalb, Illinois:

Aggregate Surface Course, Type B CA-6	\$ 6.60/ton
Seal Coat Aggregate CA-16	\$ 15.40/ton
AgLime/Screenings	\$ 6.05/ton

Wagner Aggregate, Inc of DeKalb, Illinois:

Aggregate Surface Course, Type B CA-6	\$ 4.50/ton
Seal Coat Aggregate CA-16	\$ 6.50/ton
AgLime/Screenings	\$ 3.00/ton

WHEREAS, Sicalco, LTD of Hinsdale, Illinois has submitted the low bid meeting specifications, for liquid calcium chloride in the amount of \$1.03 per gallon.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does approve awards to the companies named herein above for the provision of certain, specified maintenance materials to the County of DeKalb and its nineteen Road Districts.

PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH 2017 A.D.



County Clerk


Chairman, DeKalb County Board

Funding for Award Resolution #R2017-61	
Motor Fuel Tax and Local Tax Funds	NA

RESOLUTION #R2017-62

WHEREAS, bids have been invited for improvements on Stone Quarry, Glidden, Shabbona and Plank Road for DeKalb County; Bethany Road for DeKalb Road District; Deerpath and Church Road for Mayfield Road District; and various street for the City of Sycamore, for 22.11 miles; and

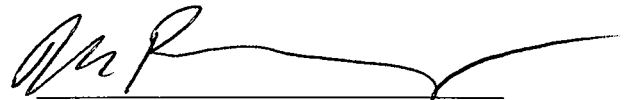
WHEREAS, Corrective Asphalt Materials, LLC of South Roxana, Illinois has submitted the only bid meeting specifications.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does approve the award as set forth herein below after all known protests, if any, have been settled:

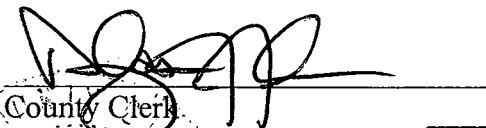
CORRECTIVE ASPHALT MATERIALS:

(a) In the amount of Three Hundred One Thousand Six Hundred Nineteen Dollars and Ninety Cents (\$301,619.90) for the application of 268,347 square yards of rejuvenator-reclamite and 37,713 square yards of rejuvenator-CRF on various roads within DeKalb County as specified and identified as section number 2017 Rejuvenator.

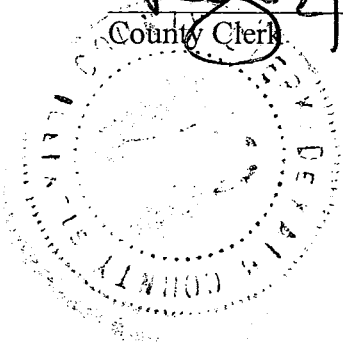
PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH 2017 A.D.


Chairman, DeKalb County Board

ATTEST:


County Clerk

Funding for Award Resolution 2017-62	
Highway Fund – Property Tax	\$219,399.20
Township Local Funds	\$ 62,134.80
City of Sycamore Funds	\$ 20,085.90



RESOLUTION #R2017-64

WHEREAS, bids have been invited for improvements on various roads in DeKalb County; and

WHEREAS, Civil Constructors, Inc of Freeport, Illinois has submitted the low bid meeting specifications.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does approve the award as set forth herein below:

CIVIL CONSTRUCTORS, INC:

In the amount of Eight Hundred Eighty-One Thousand One Hundred Eighty-Four Dollars and Seventy-Five Cents (\$881,184.75) for single seal coating of 11.17 miles of County roadway; 40.5 miles of Road District roadway; and double seal coating of 5.8 miles of roadway for the County and various Road Districts within DeKalb County identified as section number 17-XX000-0X-GM.

**PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH, 2017
A.D.**



County Clerk

A handwritten signature in black ink, likely belonging to the Chairman of the DeKalb County Board.

Chairman, DeKalb County Board

Funding for Award Resolution #R2017-64	
County MFT Funds	\$87,249.47
County Matching Tax Funds	\$71,385.93
Township MFT & Local Township Funds	\$722,549.35

RESOLUTION #R2017-65

WHEREAS, bids have been invited for improvements on various roads in DeKalb County,
and

WHEREAS, SKC Construction, Inc. from West Dundee, Illinois has submitted the low bid
meeting specifications.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does
approve the award as set forth herein below:

SKC CONSTRUCTION INC:

- (a) In the amount of Fifty-Six Thousand Seven Hundred Forty-Two Dollars and
Ninety Cents (\$56,742.90) for 118,070 feet of crack routing and filling and
2,500 feet of crack filling within various Road Districts in DeKalb County
under Section 17-XX000-0X-GM.

PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH, 2017 A.D.


Chairman, DeKalb County Board


ATTEST:


County Clerk

Funding for Award Resolution #R2017-65	
100% Township MFT and Township Local Funds	\$56,742.90

RESOLUTION #R2017-66

WHEREAS, bids have been invited for improvements on various roads in DeKalb County,
and

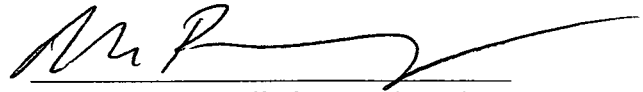
WHEREAS, America's Parking Remarking of St. Louis, Missouri has submitted the low bid
meeting specifications.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does
approve the awards as set forth herein below:

AMERICA'S PARKING REMARING:

- (a) In the amount of Two Hundred Thirty-One Thousand One Hundred Twenty-Seven
Dollars and Fifty-Seven cents (\$231,127.57) for the center line and edge line
markings on all County roads and various Road District and City roads, under Section
2017 Pavement Marking.

PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH, 2017 A.D.


Chairman, DeKalb County Board


ATTEST:


County Clerk

Funding for Award Resolution #R2017-66	
County MFT Funds	\$91,212.25
County Matching Tax Funds	\$91,212.25
Township MFT, Township Local, City of Sandwich and City of Sycamore local Funds	\$48,703.07

RESOLUTION #R2017-67

WHEREAS, bids have been invited for improvements on various roads in DeKalb County,
and

WHEREAS, Macklin, Inc. from Rochelle, Illinois and Vulcan Materials from Naperville,
Illinois have submitted the low bids meeting specifications.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does
approve the award as set forth herein below:

MACKLIN, INC:

- (a) In the amount of Ninety-Seven Thousand Four Hundred Forty-Three Dollars
and Zero Cents (\$97,443.00) for 8,020 tons of aggregate surface course SOR,
to be placed on Huff and Graham Roads in Victor Road District under Section
17-19000-00-GM; and

VULCAN MATERIALS:

- (a) In the amount of Thirty-Five Thousand Three Hundred Seventy Dollars and
Zero Cents (\$35,370.00) for 3,000 tons of aggregate surface course SOR, to
be placed on Shabbona Grove Road in Squaw Grove Road District under
Section 17-17000-00-GM.

PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH, 2017 A.D.



County Clerk

A handwritten signature in black ink, likely belonging to the Chairman of the DeKalb County Board.

Chairman, DeKalb County Board

Funding for Award Resolution #R2017-67	
Squaw Grove Township Local Funds	\$35,370.00
Victor Township MFT Funds	\$97,443.00

R E S O L U T I O N #R2017-68

WHEREAS, bids have been invited for improvements on various roads in DeKalb County,
and

WHEREAS, Curran Contracting Company of Crystal Lake, Illinois and Peter Baker & Son
of Lake Bluff, Illinois have submitted the low bids meeting specifications.

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does
approve the awards as set forth herein below:

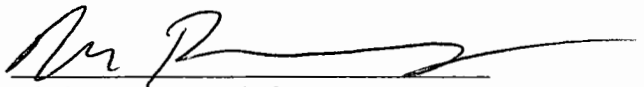
CURRAN CONTRACTING COMPANY:

- (a) In the amount of One Hundred Fifty-Three Thousand Six Hundred Forty-Five Dollars
and Seventy cents (\$153,645.70) for the hot-mix resurfacing of 2.5 miles of Shabbona
Grove Road, under Section 17-02000-00-GM in Clinton Road District; and
- (b) In the amount of Four Hundred Ninety Thousand One Hundred Fifty-Eight Dollars
and Ninety-Five Cents (\$490,158.95) for the hot-mix resurfacing of a total of 2.42
miles of Rich, Twombly, John Huber Parkway and Nelson Roads, under Section
17-04000-00-GM in DeKalb Road District; and
- (c) In the amount of One Hundred Ninety-Eight Thousand Nine Hundred Thirty Dollars
and Two Cents (\$198,930.02) for the hot-mix resurfacing of 2.14 miles of Gletty and
East Sandwich Roads, under Section 17-13000-02-GM in Sandwich Road District;
and
- (d) In the amount of Ninety-Six Thousand Four Hundred Seventy-One Dollars and
Ninety-Two Cents (\$96,471.92) for the hot-mix resurfacing of 1.05 miles of
Hiawatha Lane and Fawn Drive, under Section 17-15000-01-GM in Somonauk Road
District; and
- (e) In the amount of One Hundred Forty Thousand Two Hundred Thirty-Six Dollars and
Twenty-Eight Cents (\$140,236.28) for the hot-mix resurfacing of 1.16 miles of
Howison Road, under section 17-17000-03-GM in Squaw Grove Road District.

PETER BAKER & SON COMPANY:

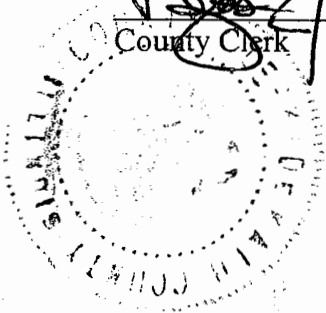
- (a) In the amount of Thirty Thousand Eight Hundred Sixty-Five Dollars and Seventy-Two Cents (\$30,865.72) for the hot-mix resurfacing of 0.48 miles of Willow Lane, under Section 17-06000-00-GM in Genoa Road District.

PASSED AT SYCAMORE, ILLINOIS THIS 15th DAY OF MARCH, 2017 A.D.


Chairman, DeKalb County Board

ATTEST:


County Clerk



Funding for Award Resolution #R2017-68
100% Township MFT Funding and Local Township Funding



**Illinois Department
of Transportation**

**Resolution Requesting Consent of the
Department of Transportation to the
Reappointment of the Incumbent as County
Engineer**

Resolution #R2017-70

WHEREAS, a vacancy exists (will exist) on 6/25/2017, in the office of County Engineer in DeKalb County, Illinois due to the expiration of the six-year term of the incumbent County Engineer Nathan F. Schwartz, P.E., and

WHEREAS, in accordance with 605 ILCS 5/5-201, the County Board must request and receive the consent of the Department of Transportation before the reappointment of the incumbent can be made:

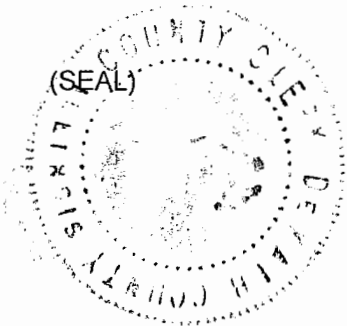
THEREFORE, BE IT RESOLVED, that the County Board of DeKalb County does hereby request the consent of the Department of Transportation to the reappointment of Nathan F. Schwartz, P.E. as County Engineer, and

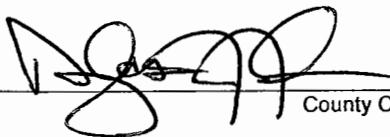
BE IT FURTHER RESOLVED, that the clerk is hereby directed to transmit two (2) certified originals of this resolution to the Department of Transportation, through its Regional Engineer's office at Ottawa, Illinois.

STATE OF ILLINOIS)
) SS
COUNTY OF DeKalb)

I, Douglas J. Johnson, County Clerk in and for said County, in the State aforesaid, and keeper of the records and files thereof, as provided by statute, do hereby certify the foregoing to be a true, perfect and complete copy of a resolution adopted by the DeKalb County Board at its Regular meeting held at Sycamore, Illinois on 3/15/2017.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the County at my office in Sycamore, Illinois in said County this 15th day of March 2017.




County Clerk

BOARD INFORMATION FROM MARCH 1ST BID LETTING:

New Plow, Fram, Hydraulic System, Dump Body, Etc.

Bonnell Industries, Inc.	\$	109,852.00
Monroe Truck Equipment, Inc	\$	106,996.00

New Wheel Loader

	List	Trade	Final Price
Casey Equipment Company (Does not meet specs) (JCB)	\$ 213,800.00	\$ 34,000.00	\$ 179,800.00
Miller Bradford & Risberg (Case)	\$ 230,000.00	\$ 48,000.00	\$ 182,000.00
Patten Industries (CAT)	\$ 234,500.00	\$ 29,000.00	\$ 205,500.00
Patten Industries (CAT)	\$ 264,500.00	\$ 29,000.00	\$ 235,500.00
West Side Tractor (John Deere)	\$ 242,435.00	\$ 42,000.00	\$ 200,435.00

2017 Rejuvenator

Engineer's Estimate	\$	306,059.80
Corrective Asphalt Material (Sole Bid)	\$	301,619.90

2017 Seal Coat Project

Engineer's Estimate	\$	1,269,806.48
Civil Constructors, Inc.	\$	881,184.75
Beniach Construction Company, Inc	\$	1,143,683.73

2017 Road Districts Crack Routing & Filling

Engineer's Estimate	\$	78,320.50
SKC Construction, Inc.	\$	56,742.90
Complete Asphalt Service Company	\$	59,079.30
Freehill Asphalt, Inc.	\$	66,313.50

2017 Pavement Marking

Engineer's Estimate	\$	238,502.00
America's Parking Remarking	\$	231,127.57
Perform Traffic Control Systems	\$	279,746.61

2017 Road District Aggregate Projects**Squaw Grove Road District**

Engineer's Estimate	\$	30,000.00
Vulcan Materials	\$	35,270.00
Macklin, Inc.	\$	37,200.00
Wagner Aggregates, Inc	\$	41,250.00

Victor Road District

Engineer's Estimate	\$	80,200.00
Macklin, Inc.	\$	97,443.00
Vulcan Materials	\$	99,929.20
Wagner Aggregates, Inc	\$	119,578.20

17-02000-00-GM Clinton Hot-Mix

Engineer's Estimate	\$	226,648.00
Curran Contracting Company	\$	153,645.70
Builders Paving, LLC	\$	196,579.80
Universal Asphalt & Excavating Company	\$	250,437.80

17-04000-00-GM DeKalb Hot-Mix

Engineer's Estimate	\$	764,532.40
Curran Contracting Company	\$	490,158.95
Rock Road Companies, Inc.	\$	510,226.52
Peter Baker & Son Company	\$	546,808.19
William Charles Construction Company, Inc	\$	597,534.75
Builders Paving, LLC	\$	669,974.00

17-06000-00-GM Genoa Hot-Mix

Engineer's Estimate	\$	41,304.50
Peter Baker & Son Company	\$	30,865.72
William Charles Construction Company, Inc	\$	35,185.59
Rock Road Companies, Inc.	\$	36,929.22
Curran Contracting Company	\$	39,550.72
Universal Asphalt & Excavating Company	\$	44,972.22
Builders Paving, LLC	\$	63,402.22

17-09000-02-GM Mayfield Hot-Mix

Engineer's Estimate	\$	37,360.00
Peter Baker & Son Company	\$	27,207.76
William Charles Construction Company, Inc	\$	29,421.98
Curran Contracting Company	\$	30,879.96
Rock Road Companies, Inc.	\$	32,956.96
Universal Asphalt & Excavating Company	\$	39,878.96
Builders Paving, LLC	\$	52,014.96

17-12000-01-GM Pierce Hot-Mix Patching

Engineer's Estimate	\$	7,780.00
Curran Contracting Company	\$	9,958.40
Builders Paving, LLC (No Bid Check)		Not Read

17-13000-02-GM Sandwich Hot-Mix

Engineer's Estimate	\$	232,031.50
Curran Contracting Company	\$	198,930.02
Geneva Construction Company	\$	206,963.82
Builders Paving, LLC	\$	224,346.82
Universal Asphalt & Excavating Company	\$	225,187.82

17-15000-01-GM Somonauk Hot-Mix

Engineer's Estimate	\$	115,196.25
Curran Contracting Company	\$	96,471.92
Geneva Construction Company	\$	96,538.77
Universal Asphalt & Excavating Company	\$	113,093.77
Builders Paving, LLC	\$	127,842.77

17-17000-03-GM Squaw Grove Hot-Mix

Engineer's Estimate	\$	195,260.00
Curran Contracting Company	\$	140,236.28
Rock Road Companies, Inc.	\$	146,125.68
Geneva Construction Company	\$	168,159.68
Builders Paving, LLC	\$	179,862.68
Universal Asphalt & Excavating Company	\$	199,510.68

17-18000-02-GM Sycamore Hot-Mix
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Engineer's Estimate	\$	156,133.00
Peter Baker & Son Company	\$	113,973.05
Rock Road Companies, Inc.	\$	117,496.30
Curran Contracting Company	\$	117,598.95
William Charles Construction Company, Inc	\$	138,663.63
Universal Asphalt & Excavating Company	\$	141,114.80
Builders Paving, LLC	\$	159,632.80

RESOLUTION
R2017-63

WHEREAS, the Director of DeKalb County's Community Action Department, Donna Moulton, terminated her full-time employment with DeKalb County Government on Friday, March 10, 2017 to accept employment in Phoenix, Arizona, and

WHEREAS, it is recognized that Ms. Moulton has also served in the role as the County's Program Compliance Over-sight Monitor (PCOM) officer to fulfill the County's responsibilities concerning the 5311 grant for transportation services provided through the Voluntary Action Center, and

WHEREAS, the County Board's Health & Human Services Committee will immediately begin recruiting candidates to fill the position of Community Action Director but recognizes that the process will take three to four months to complete, and


WHEREAS, the County Administrator has requested that interim arrangements be put in place to manage the Community Action Department, as well as the PCOM responsibilities, during the transition period until a new Director is hired, and

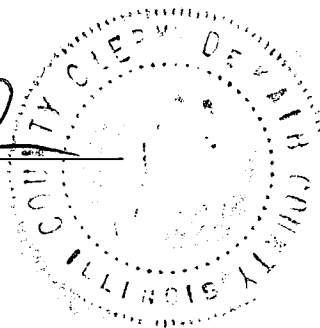
WHEREAS, the Health & Human Services Committee has considered, and now recommends to the County Board, to approve this transition plan;

NOW, THEREFORE, BE IT RESOLVED that the DeKalb County Board does hereby authorize the County Administrator to (1) enter into an agreement with Donna Moulton, effective March 11, 2017 through July 15, 2017, to serve as advisor to the Community Action Department for up to 25 hours per week at \$30.48 per hour, plus \$3,000 as recognition of fore-going family health insurance during 2017 if she satisfies the advisory requirements through to the end; (2) to set office transition expectations and over-sight for the Community Services Block Grant Coordinator, Jess Collins, to perform in addition to his regular responsibilities during the transition period until a new Director is hired with a stipend of \$200 per week; and (3) to re-assign the transportation over-sight responsibilities (PCOM) as needed and manage those over-sight administrative monies in a manner which assures that the County will be in compliance with program responsibilities, with the majority of the over-sight expected to rest with the Finance Office during this interim period until a plan is developed as to where these transportation over-sight responsibilities should rest on a permanent basis.


PASSED THIS 15TH DAY OF MARCH, 2017 AT SYCAMORE, ILLINOIS

ATTEST:


Douglas J. Johnson
DeKalb County Clerk



SIGNED:


Mark Pietrowski, Jr.
County Board Chairman

RESOLUTION R2017-69

A RESOLUTION REGULATING THE REIMBURSEMENT OF ALL TRAVEL, MEAL, AND LODGING EXPENSES OF OFFICERS AND EMPLOYEES IN THE COUNTY OF DEKALB, ILLINOIS

WHEREAS, DeKalb County, Illinois is a non-home rule unit of local government pursuant to Article VII, § 8 of the 1970 Illinois Constitution; and

WHEREAS, the Local Government Travel Expense Control Act, Public Act 99-0604, requires all non-home rule local public agencies, including Counties, to regulate, by Ordinance or Resolution, the reimbursement of all travel, meal, and lodging expenses of their officers and employees by the effective date of January 1, 2017; and

WHEREAS, on and after June 29, 2017, no travel, meal, or lodging expense shall be approved or paid by a local public agency unless regulations have been adopted under Public Act 99-0604; and


WHEREAS, DeKalb County, Illinois had previously adopted a Travel Regulations Policy on January 16, 1985; and

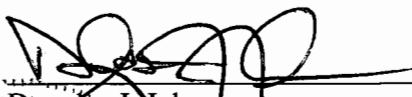
WHEREAS, the DeKalb County Finance Committee has reviewed the attached Travel Policy and has determined that it complies with the Act;

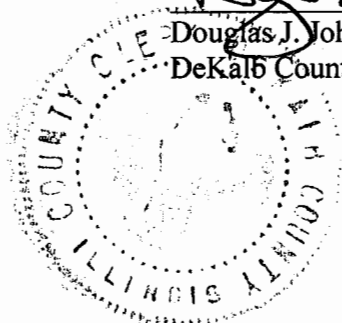
NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that the attached Travel Policy dated March 15, 2017, regulating the reimbursement of all travel, meal, and lodging expenses of its officers and employees is hereby adopted and shall be in full force and effect from and after its passage, and that the existing Travel Regulations Policy is hereby repealed in its entirety.

PASSED AT SYCAMORE, ILLINOIS, THIS 15TH DAY OF MARCH, 2017, A.D.

ATTEST:


Mark Pietrowski, Jr.
Chairman, DeKalb County Board


Douglas J. Johnson
DeKalb County Clerk



DEKALB COUNTY GOVERNMENT

TRAVEL POLICY

(Adopted March 15, 2017)

A. State Statute

The Local Government Travel Expense Control Act (Public Act 99-604) requires that DeKalb County adopt a Resolution related to the approval of travel expenses and meal purchases. The law provides that the County regulate the reimbursement of all travel, meal, and lodging expenses of officers and employees.

B. Policy Statement

It is the policy of DeKalb County to pay on behalf of or to reimburse its employees and officers, within established budget restraints, for all reasonable expenses related to travel or meetings which are deemed to be necessary and beneficial to DeKalb County. Employees and officers are expected to exercise the same care in incurring expenses for official business as a prudent person would in spending personal funds.

“Travel” means any expenditure directly incident to official travel by employees and officers of DeKalb County or by wards or charges of the County involving reimbursement to travelers or direct payment to private agencies providing transportation or related services.

C. Authorized Types of Official Business

Travel, meal, and lodging expenses will be reimbursed to employees and officers of the County only for purposes of official business conducted on behalf of the County. These include but are not limited to:

1. Training and professional development associated with the individual’s function at the County.
2. Professional association meetings related to the individual’s function at the County.
3. Business meetings associated with functions related to the individual’s function at the County.
4. Site visits to current or potential vendors of the County or associated with current or future County projects.
5. Case site visits and client meetings associated with the performance of the individual’s function at the County.
6. Transportation of prisoners, probationers, or other persons in the County's custody.
7. Law enforcement activities and investigative efforts undertaken in connection with the individual’s function at the County.
8. Transportation of County equipment.
9. Travel between County offices as authorized by the Department Head.
10. Marketing of locations in the County to prospective businesses/consultants.
11. Other travel as authorized by the County Board Chairman or Department Head in compliance with County regulations.

D. Maximum Allowable Reimbursement for Travel Expenses

1. Mileage – The maximum allowable expense is the privately owned vehicle mileage reimbursement rate as determined by the United States General Services Administration (GSA). This rate is adjusted periodically and the current and historical rates are available via the GSA website: www.gsa.gov/perdiem. Rate changes will become effective on the same date as the GSA rate change.
2. Meals and Incidentals
 - a. For overnight travel, the maximum allowable expense is 100% of the meals and incidental per diem determined by the GSA for the geographic region. This rate is adjusted periodically and the current and historical rates are available via the GSA website: www.gsa.gov/perdiem. The amount determined as of January 1st of each year shall remain in effect for the entire calendar year.
 - b. For overnight travel, the maximum allowable expense for meals is limited in the total amount for all days of travel combined and not by each individual day or each individual meal per day, with the allocation of the total combined per diem for meals amongst days and amongst meals within a day being left to the discretion of the employee or officer, provided that the total combined per diem for all meals for all days of the travel event is not exceeded.
 - c. For same day travel or partial day travel where all three meals are not reimbursable, the maximum allowable expense per meal is:
 - i. Breakfast (leave home before 7:00 a.m.)
 - 25% of the overnight travel per diem total
 - ii. Lunch (away from workplace between 11:00 a.m. and 2:00 p.m.)
 - 25% of the overnight travel per diem total
 - iii. Dinner (arrive home after 6:00 p.m.)
 - 50% of the overnight travel per diem total
 - d. Taxes are included in the maximum amounts listed above and will not be reimbursed separately.
 - e. Reasonable gratuities (not to exceed 20%) may be included as part of the cost of the meal but, if included, the total cost of the meal plus applicable taxes plus the gratuity cannot exceed the maximum amounts established above.

- f. There will be no reimbursement for alcoholic beverages of any kind except for the limited exception described in Paragraph D(5) below.
 - g. Incidental expenses include fees and tips given to porters, baggage carriers, and hotel staff.
- 3. Lodging – For overnight travel, the maximum allowable expense is 100% of the lodging per diem as determined by the GSA for the geographic region of the overnight stay. This rate is adjusted periodically and the current and historical rates are available via the GSA website: www.gsa.gov/perdiem. The amount determined as of January 1st of each year shall remain in effect for the entire calendar year.

The foregoing limitation does not apply to conference lodging charges at or near the conference hotel when approved by the Department Head. In such cases, the group rate negotiated for conference attendees shall be the maximum allowable expense provided that confirmation of the published group rate (i.e. lodging rate page from conference brochure, organization's website, etc.) is attached to the Travel Expense Report submitted for the travel event.

Lodging taxes (i.e. hotel tax, room tax, etc.) are not included in the GSA lodging per diem rates and will be reimbursed at the same tax rate in addition to the maximum lodging per diem rate specified above.

Tips for hotel staff are not included in the GSA lodging per diem rates but are included as part of the meals and incidentals per diem described in Paragraph D(2) above and will be reimbursed subject to the per diem limitations of that paragraph.

- 4. Mode of Travel - The mode of travel shall be identified when making a request to travel. The factors of distance, expense, convenience, and travel time shall be taken into account when selecting the mode of travel. Transportation should be arranged in the most reasonable and economical manner. For example, if air travel is more economical than driving (mileage, meals, lodging, etc.), the County will reimburse only for the cost of the air fare.
- 5. Stays at Private Residences – For overnight travel, individuals may opt to stay in the private residence of friends or relatives if they so desire. In such incidences, the County will not pay a lodging fee; however, the employee or officer can be reimbursed for a small gift given in appreciation for the hospitality and cost savings, provided the value of the gift does not exceed twenty-five dollars (\$25) per stay. For purposes of this paragraph only, a limited exception to the prohibition of reimbursement for alcoholic beverages is allowed if prepackaged alcohol is given as the gift for the stay. A receipt for the cost of the gift is required. All overnight stays must be necessary for the business trip and not done for the convenience of the individual.

E. Standardized Reimbursement Form

In accordance with Public Act 99-604, DeKalb County has created a standardized form for submission of travel, meal, and lodging expenses. The Travel Expense Report will be maintained and updated by the Finance Director as rates change or other modifications are required. The current version of the Travel Expense Report is available on the “Finance Office – Forms & Publications – Internal Forms” page of the County’s website at www.dekalbcounty.org.

F. Expenses Exceeding the Maximum Allowable Reimbursement

Travel, meal, and lodging expenses that exceed the maximum allowable reimbursement amount as stated in this policy because of emergency or other extraordinary circumstances, must be approved by the DeKalb County Board via a roll call vote either before or after the travel occurs.

G. County Board Expenses / Reimbursement

Travel, meal, and lodging expenses that are submitted by or on behalf of a member of the governing board, must be approved by the DeKalb County Board via a roll call vote either before or after the travel occurs.

H. Receipts & Required Documentation

Approval of reimbursement may only occur after specified documentation has been submitted to the Finance Office in compliance with this policy and accounts payable procedures.

Required documentation includes: (a) receipts for the cost of travel, meals, or lodging if the expenses have already been incurred, or the estimated cost of travel, meals, or lodging for travel advances if the expenses have not yet been incurred; (b) the name, job title, and department of the individual requesting the reimbursement; (c) the date(s) of travel; and (d) a description of the nature of the official business with supporting documentation (agenda, itinerary, brochure, etc.) as necessary to validate the travel.

Receipts are required for all travel, meal, and lodging expenses, and the per diem amounts referenced earlier are for purposes of establishing maximum allowable amounts only. Any excess funds remaining from travel advances upon returning from travel, must be reimbursed to the County.

L. Approval by the County Board

Approval by the DeKalb County Board may occur either before or after the travel occurs. Travel advances can be made at the sole discretion of the Treasurer and, if approved, must be reconciled with actual expenses within five (5) business days after returning from the travel event, with any balance due to either the County or the individual documented and processed accordingly.

J. Entertainment Expenses Prohibited

Public Act 99-604 prohibits reimbursing entertainment expenses for all local public agencies. “Entertainment” is defined to include shows, amusements, theaters, circuses, sporting events, or any other place of public or private entertainment or amusement, unless ancillary to the purpose of the program or event.

K. Freedom of Information Act Applicability

All documentation submitted as proof for reimbursement shall be subject to disclosure under the Freedom of Information Act.

L. Effective Dates

This policy must be approved by Resolution by the DeKalb County Board prior to June 29, 2017. If the policy is not approved, no travel, meal, or lodging expenses will be permitted to be paid. Beginning March 1, 2017, all travel, meal, and lodging expenses that exceed the maximum allowable reimbursement as stated in this policy, or any expenses submitted by a member of the governing board, must be approved by a roll call vote.



2017 DEKALB COUNTY TRAVEL EXPENSE REPORT

Maximum Allowable Per Diem Rates Available at: www.gsa.gov/perdiem

Name:				Job Title:			
Check One:		Estimated Costs _____ or Actual Costs _____		Department:			
		Reason for Travel / Destination:					
EXPENSES	DATE:						TOTALS
1. Auto Mileage							
x 2017 Mileage Rate (\$0.535)							
2. Lodging Costs							
3. Meals: Breakfast							
Lunch							
Dinner							
4. Air Fare							
5. Rental Car							
6. Other Transportation (Taxi/Train)							
7. Tolls							
8. Parking							
9. Fuel							
10. Telephone							
11. Other (Describe in Comments)							
12. Total Reimbursable Expenses							
COMMENTS:				13. Less Travel Advance Received, if any			
				14. Amount Due Employee			
				15. Amount Due DeKalb County			
				16. Budget Line Items to be Charged			
				Department	Account / Line Item	Amount	
				17. TOTAL CHARGES			

I certify that the foregoing expenses were incurred in connection with official DeKalb County business and that no other reimbursement has been or will be received for these expenses.

_____/_____
Employee's / Officer's Signature Date

_____/_____
Department Head's Signature Date

Note 1: Expenses incurred must have receipts attached to this form!

Note 2: Line 17-Total Charges must equal Line 14-Amount Due!

(a) Estimated costs must be reconciled to actual costs within five (5) days of completing travel.

(b) Please submit claim.

(c) Please submit cash or check for amount due.
(Check # _____)

RESOLUTION R2017-71

A RESOLUTION AMENDING AND RESTATING THE DEKALB COUNTY CAFETERIA PLAN TO ALLOW FOR THE INCLUSION OF A DENTAL INSURANCE BENEFIT

WHEREAS, DeKalb County, Illinois has previously adopted a Cafeteria Plan which was originally effective on January 1, 1990; and

WHEREAS, the DeKalb County Cafeteria Plan has previously been amended and restated several times over the years to remain in compliance with Internal Revenue Service regulations, and to provide tax advantaged benefit options to Plan Participants, with the most recent amendment and restatement becoming effective January 1, 2016; and

WHEREAS, effective December 1, 2016 for the 2017 Plan Year, dental benefits are a separate election Plan Participants can make rather than being included as part of the Health Insurance Benefit available under the Cafeteria Plan; and

WHEREAS, additional savings can be realized by both the County and the Participants by adding a Dental Insurance Benefit to the Cafeteria Plan; and

WHEREAS, the amended and restated Plan Document attached as Exhibit A allows for the inclusion of a Dental Insurance Benefit, and the amended and restated Summary Plan Description attached as Exhibit B incorporates language acknowledging the amendment and restatement to the Plan Document; and

WHEREAS, the DeKalb County Forest Preserve District, as a Participating Employer that has previously adopted the DeKalb County Cafeteria Plan, will be offered the opportunity to adopt the amended and restated Plan Document; and

WHEREAS, the DeKalb County Finance Committee has reviewed this amendment and restatement and recommends that it be incorporated by approving the attached amended and restated Plan Document in its entirety;

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that:

1. The recitals set forth above are hereby incorporated into this Resolution as if set forth herein in full.
2. The DeKalb County Cafeteria Plan is amended effective December 1, 2016 by accepting the amended and restated Plan Document attached as Exhibit A, and the amended and restated Summary Plan Description attached as Exhibit B, in their entirety, and that this new Plan will supersede all the provisions of the previous Plan.

3. The Supplemental Participation Agreement with the DeKalb County Forest Preserve District as a Participating Employer attached as Exhibit C is hereby approved immediately upon the adoption of the amended and restated Plan Document by the DeKalb County Forest Preserve District.
4. That the Finance Director is authorized and directed to execute and deliver to the Administrator of the Plan any and all documents necessary to amend and restate the Plan Document as described above, as well as to execute the Supplemental Participation Agreement on behalf of DeKalb County upon adoption of the amended and restated Plan Document by the DeKalb County Forest Preserve District.

PASSED THIS 15TH DAY OF MARCH, 2017 AT SYCAMORE, ILLINOIS

ATTEST:

SIGNED:

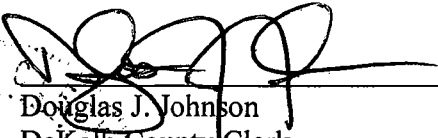
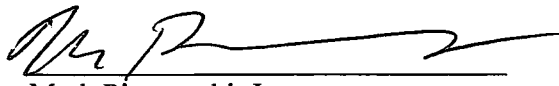

Douglas J. Johnson
DeKalb County Clerk
Mark Pietrowski, Jr.
County Board Chairman

EXHIBIT A

DEKALB COUNTY CAFETERIA PLAN

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**DEKALB COUNTY
CAFETERIA PLAN****INTRODUCTION**

The Employer has amended this Plan effective December 1, 2016, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. This Plan is a restatement of a Plan which was originally effective on January 1, 1990. The Plan shall be known as DeKalb County Cafeteria Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

**ARTICLE I
DEFINITIONS**

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only or under Code Section 152 (as modified by Code Section 105(b)).

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his/her natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means January 1, 1990.

1.9 **"Election Period"** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means DeKalb County Government and any other Employer (as defined in Section 1.2) which shall adopt this Plan; any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. DeKalb County Forest Preserve District is a Participating Employer who will adopt this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 **"Grace Period"** means, with respect to any Plan Year, the time period ending on the fifteenth day of the third calendar month after the end of such Plan Year, during which Medical Expenses and Employment-Related Dependent Care Expenses incurred by a Participant will be deemed to have been incurred during such Plan Year.

1.14 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit.

1.15 **"Insurance Premium Payment Plan"** means the plan of benefits contained in Section 4.1 of this Plan, which provides for the payment of Premium Expenses.

1.16 **"Insurer"** means any insurance company that underwrites a Benefit under this Plan.

1.17 **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.18 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.19 **"Plan"** means this instrument, including all amendments thereto.

1.20 **"Plan Year"** means the 12-month period beginning January 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.21 **"Premium Expenses" or "Premiums"** mean the Participant's cost for the Benefits described in Section 4.1.

1.22 **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured Benefit is elected, sub-accounts shall be established for each type of insured Benefit.

1.23 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.24 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.25 **"Spouse"** means spouse as determined under Federal law.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of the date he satisfies the eligibility conditions for the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference. However, any Eligible Employee who was a Participant in the Plan on the effective date of this amendment shall continue to be eligible to participate in the Plan.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the entry date under the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;
- (b) **Death.** The Participant's death, subject to the provisions of Section 2.6; or
- (c) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

- (a) **Insurance Benefit.** With regard to Benefits which are insured, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.
- (b) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred up to the date of termination and submitted within 90 days after termination, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.
- (c) **Health FSA.** With regard to the Health Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made for claims incurred up to the date of termination and submitted within 90 days after termination.
- (d) **Health FSA treatment.** In the event a Participant terminates his participation in the Health Flexible Spending Account during the Plan Year, if Salary Redirections are made other than on a pro rata basis, upon termination the Participant shall be entitled to a reimbursement for any Salary Redirection previously paid for

coverage or benefits relating to the period after the date of the Participant's separation from service regardless of the Participant's claims or reimbursements as of such date.

2.6 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support Benefits that a Participant has elected hereunder and to pay the Participant's Premium Expenses. The salary administration program of the Employer shall be revised to allow each Participant to agree to reduce his pay during a Plan Year by an amount determined necessary to purchase the elected Benefit Options. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article IV.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.2 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.3 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year. In the event Salary Redirections to the Health Flexible Spending Account are not made on a pro rata basis, upon termination of participation, a Participant may be entitled to a refund of such Salary Redirections pursuant to Section 2.5.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Flexible Spending Account
- (2) Dependent Care Flexible Spending Account

(3) Health Savings Account Benefit

In addition, except for the Health Savings Account Benefit, each Participant shall have a sufficient portion of his Salary Redirections applied to the following Benefits unless the Participant elects not to receive such Benefits:

(4) Health Insurance Benefit

(5) Dental Insurance Benefit

4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

4.4 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Insurance Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.5 DENTAL INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

4.6 HEALTH SAVINGS ACCOUNT BENEFIT

Each Participant may elect to have a portion of his Salary Redirections contributed to a Health Savings Account, as defined in Code Section 223. The amounts contributed shall be subject to the terms of the Health Savings Account as established.

4.7 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may

not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with the Code and regulations. Any act taken by the Administrator shall be carried out in a uniform and nondiscriminatory manner. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among insured Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which spending account Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

- (a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;
- (b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;
- (c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits.

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

- (a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease

coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) **Legal Marital Status:** events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) **Number of Dependents:** Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) **Employment Status:** Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) **Dependent satisfies or ceases to satisfy the eligibility requirements:** An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and guidance thereunder, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for group health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (CHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

- (1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
- (2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of

the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

(l) **Health Savings Account changes.** With regard to the Health Savings Account Benefit specified in Section 4.6, a Participant who has elected to make elective contributions under such arrangement may modify or revoke the election prospectively, provided such change is consistent with Code Section 223 and the Treasury regulations thereunder.

(m) **Changes due to reduction in hours or enrollment in an Exchange Plan.** A Participant may prospectively revoke coverage under the group health plan (that is not a health Flexible Spending Account) which provides minimum essential coverage (as defined in Code §5000A(f)(1)) provided the following conditions are met:

Conditions for revocation due to reduction in hours of service:

- (1) The Participant has been reasonably expected to average at least 30 hours of service per week and there is a change in that Participant's status so that the Participant will reasonably be expected to

average less than 30 hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under the group health plan; and

- (2) The revocation of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

The Administrator may rely on the reasonable representation of the Participant who is reasonably expected to have an average of less than 30 hours of service per week for future periods that the Participant and related individuals have enrolled or intend to enroll in another plan that provides minimum essential coverage for new coverage that is effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

Conditions for revocation due to enrollment in a Qualified Health Plan:

- (1) The Participant is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace (federal or state exchange) pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period; and
- (2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant and any related individuals who cease coverage due to the revocation in a Qualified Health Plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

The Administrator may rely on the reasonable representation of a Participant who has an enrollment opportunity for a Qualified Health Plan through a Marketplace that the Participant and related individuals have enrolled or intend to enroll in a Qualified Health Plan for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

ARTICLE VI HEALTH FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

- (1) one of the 5 highest paid officers;
- (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
- (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not

otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

6.3 FORFEITURES

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

(a) Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount of salary reductions that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is \$2,500, as adjusted for increases in the cost of living in accordance with Code Section 125(i)(2). The cost of living adjustment in effect for a calendar year applies to any Plan Year beginning with or within such calendar year. The dollar increase in effect on January 1 of any calendar year shall be effective for the Plan Year beginning with or within such calendar year. For any short Plan Year, the limit shall be an amount equal to the limit for the calendar year in which the Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).

(b) **Participation in Other Plans.** All employers that are treated as a single employer under Code Sections 414(b), (c), or (m), relating to controlled groups and affiliated service groups, are treated as a single employer for purposes of the statutory limit. If a Participant participates in multiple cafeteria plans offering health flexible spending accounts maintained by members of a controlled group or affiliated service group, the Participant's total Health Flexible Spending Account contributions under all of the cafeteria plans are limited to the statutory limit (as adjusted). However, a Participant employed by two or more employers that are not members of the same controlled group may elect up to the statutory limit (as adjusted) under each Employer's Health Flexible Spending Account.

(c) **Grace Period.** Payment of expenses from a previous year in the first months of the next Plan Year, the limit above applies to the Plan Year including the Grace Period. Amounts carried into the next Plan Year as part of the Grace Period shall not affect the limit for that next Plan Year.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions

which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year including the Grace Period shall be reimbursed during the Plan Year subject to Section 2.5, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Grace Period.** Notwithstanding anything in this Section to the contrary, Medical Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(e) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Grace Period, those Medical Expense claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment.

6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.

(c) **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator following IRS guidelines.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

- (1) Co-payments for doctor and other medical care;
- (2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
- (3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.

(f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VII DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

7.1 ESTABLISHMENT OF ACCOUNT

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant.

Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

- (1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;
 - (2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and
 - (3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.
- (d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,
- (1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;
 - (2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or
 - (3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).
- (e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year including the Grace Period and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;

- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.
- (i) **Grace Period.** Notwithstanding anything in this Section to the contrary, Employment-Related Dependent Care Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.
- (j) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Grace Period, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 90 days after termination of employment.

ARTICLE VIII BENEFITS AND RIGHTS

8.1 CLAIM FOR BENEFITS

- (a) **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.
- (b) **Dependent Care Flexible Spending Account or Health Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account or Health Flexible Spending Account Benefits shall be made to the Administrator. For the Health Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Grace Period, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Grace Period, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 90 days after termination of employment. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:
 - (1) specific references to the pertinent Plan provisions on which the denial is based;
 - (2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and

- (3) an explanation of the Plan's claim procedure.

(c) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:

- (1) request a review upon written notice to the Administrator;
- (2) review pertinent documents; and
- (3) submit issues and comments in writing.

(d) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of the Administrator shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

(e) **Forfeitures.** Any balance remaining in the Participant's Health Flexible Spending Account or Dependent Care Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year and Grace Period (if applicable) shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan. No amounts attributable to the Health Savings Account shall be subject to the benefit plan surplus.

ARTICLE IX ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. An Administrator may resign by delivering a resignation in writing (or such other form as acceptable to both parties) to the Employer or be removed by the Employer by delivery of notice of removal (in writing or such other form as acceptable to both parties), to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan.

The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;
- (f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;
- (g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (h) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.12.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 EMPLOYER'S PROTECTIVE CLAUSES

(a) **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in

question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

(b) **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

11.8 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.9 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.10 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.11 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of Illinois.

11.12 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.13 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.14 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

11.16 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.17 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including genetic information and information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Protected Health Information that consists of genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are designated and authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy official. The privacy official shall take appropriate action, including:

(i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;

(ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;

(iii) mitigation of any harm caused by the breach, to the extent practicable; and

(iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

(e) **Certification.** The Employer must provide certification to the Plan that it agrees to:

(1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;

(2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;

(3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;

- (4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
- (5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
- (6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
- (7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
- (8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
- (9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- (10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.18 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

- (a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- (b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- (c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.17.

11.19 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act.

11.20 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

11.21 WOMEN'S HEALTH AND CANCER RIGHTS ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.22 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this 15th day of March, 2017.

DeKalb County Government

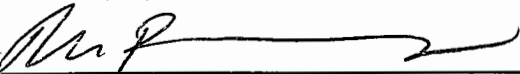
By 
EMPLOYER

EXHIBIT B

DEKALB COUNTY CAFETERIA PLAN

SUMMARY PLAN DESCRIPTION

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**DEKALB COUNTY
CAFETERIA PLAN****INTRODUCTION**

We have amended the "Flexible Benefits Plan" that we previously established for you and other eligible employees. Under this Plan, you will be able to choose among certain benefits that we make available. The benefits that you may choose are outlined in this Summary Plan Description. We will also tell you about other important information concerning the amended Plan, such as the rules you must satisfy before you can join and the laws that protect your rights.

One of the most important features of our Plan is that the benefits being offered are generally ones that you are already paying for, but normally with money that has first been subject to income and Social Security taxes. Under our Plan, these same expenses will be paid for with a portion of your pay before Federal income or Social Security taxes are withheld. This means that you will pay less tax and have more money to spend and save.

Read this Summary Plan Description carefully so that you understand the provisions of our amended Plan and the benefits you will receive. This SPD describes the Plan's benefits and obligations as contained in the legal Plan document, which governs the operation of the Plan. The Plan document is written in much more technical and precise language. If the non-technical language in this SPD and the technical, legal language of the Plan document conflict, the Plan document always governs. Also, if there is a conflict between an insurance contract and either the Plan document or this Summary Plan Description, the insurance contract will control. If you wish to receive a copy of the legal Plan document, please contact the Administrator.

This SPD describes the current provisions of the Plan which are designed to comply with applicable legal requirements. The Plan is subject to federal laws, such as the Internal Revenue Code and other federal and state laws which may affect your rights. The provisions of the Plan are subject to revision due to a change in laws or due to pronouncements by the Internal Revenue Service (IRS) or other federal agencies. We may also amend or terminate this Plan. If the provisions of the Plan that are described in this SPD change, we will notify you.

We have attempted to answer most of the questions you may have regarding your benefits in the Plan. If this SPD does not answer all of your questions, please contact the Administrator (or other plan representative). The name and address of the Administrator can be found in the Article of this SPD entitled "General Information About the Plan."

**I
ELIGIBILITY****1. When can I become a participant in the Plan?**

Before you become a Plan member (referred to in this Summary Plan Description as a "Participant"), there are certain rules which you must satisfy. First, you must meet the eligibility requirements and be an active employee. After that, the next step is to actually join the Plan on the "entry date" that we have established for all employees. The "entry date" is defined in Question 3 below. You will also be required to complete certain application forms before you can enroll in the Health Flexible Spending Account or Dependent Care Flexible Spending Account.

2. What are the eligibility requirements for our Plan?

You will be eligible to join the Plan once you have satisfied the conditions for coverage under our group medical plan. Of course, if you were already a participant before this amendment, you will remain a participant.

3. When is my entry date?

You can join the Plan on the same day you can enter our group medical plan.

4. What must I do to enroll in the Plan?

Before you can join the Plan, you must complete an application to participate in the Plan. The application includes your personal choices for each of the benefits which are being offered under the Plan. You must also authorize us to set some of your earnings aside in order to pay for the benefits you have elected.

However, if you are already covered under any of the insured benefits, you will automatically participate in this Plan to the extent of your premiums unless you elect not to participate in this Plan.

**II
OPERATION****1. How does this Plan operate?**

Before the start of each Plan Year, you will be able to elect to have some of your upcoming pay contributed to the Plan. These amounts will be used to pay for the benefits you have chosen. The portion of your pay that is paid to the Plan is not subject to Federal

income or Social Security taxes. In other words, this allows you to use tax-free dollars to pay for certain kinds of benefits and expenses which you normally pay for with out-of-pocket, taxable dollars. However, if you receive a reimbursement for an expense under the Plan, you cannot claim a Federal income tax credit or deduction on your return. (See the Article entitled "General Information About Our Plan" for the definition of "Plan Year.")

III CONTRIBUTIONS

1. How much of my pay may the Employer redirect?

Each year, we will automatically contribute on your behalf enough of your compensation to pay for the insurance coverage provided unless you elect not to receive any or all of such coverage. You may also elect to have us contribute on your behalf enough of your compensation to pay for any other benefits that you elect under the Plan. These amounts will be deducted from your pay over the course of the year.

2. What happens to contributions made to the Plan?

Before each Plan Year begins, you will select the benefits you want and how much of the contributions should go toward each benefit. It is very important that you make these choices carefully based on what you expect to spend on each covered benefit or expense during the Plan Year. Later, they will be used to pay for the expenses as they arise during the Plan Year.

3. When must I decide which accounts I want to use?

You are required by Federal law to decide before the Plan Year begins, during the election period (defined below). You must decide two things. First, which benefits you want and, second, how much should go toward each benefit.

If you are already covered by any of the insured benefits offered by this Plan, you will automatically become a Participant to the extent of the premiums for such insurance unless you elect, during the election period (defined below), not to participate in the Plan.

4. When is the election period for our Plan?

You will make your initial election on or before your entry date. (You should review Section I on Eligibility to better understand the eligibility requirements and entry date.) Then, for each following Plan Year, the election period is established by the Administrator and applied uniformly to all Participants. It will normally be a period of time prior to the beginning of each Plan Year. The Administrator will inform you each year about the election period. (See the Article entitled "General Information About Our Plan" for the definition of Plan Year.)

5. May I change my elections during the Plan Year?

Generally, you cannot change the elections you have made after the beginning of the Plan Year. However, there are certain limited situations when you can change your elections. You are permitted to change elections if you have a "change in status" and you make an election change that is consistent with the change in status. Currently, Federal law considers the following events to be a change in status:

- Marriage, divorce, death of a spouse, legal separation or annulment;
- Change in the number of dependents, including birth, adoption, placement for adoption, or death of a dependent;
- Any of the following events for you, your spouse or dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, a change in worksite, or any other change in employment status that affects eligibility for benefits;
- One of your dependents satisfies or ceases to satisfy the requirements for coverage due to change in age, student status, or any similar circumstance; and
- A change in the place of residence of you, your spouse or dependent that would lead to a change in status, such as moving out of a coverage area for insurance.

In addition, if you are participating in the Dependent Care Flexible Spending Account, then there is a change in status if your dependent no longer meets the qualifications to be eligible for dependent care.

However, with respect to the Health Savings Account, you may modify or revoke your elections without having to have a change in status.

There are detailed rules on when a change in election is deemed to be consistent with a change in status. In addition, there are laws that give you rights to change health coverage for you, your spouse, or your dependents. If you change coverage due to rights you have under the law, then you can make a corresponding change in your elections under the Plan. If any of these conditions apply to you, you should contact the Administrator.

If the cost of a benefit provided under the Plan increases or decreases during a Plan Year, then we will automatically increase or decrease, as the case may be, your salary redirection election. If the cost increases significantly, you will be permitted to either make corresponding changes in your payments or revoke your election and obtain coverage under another benefit package option with similar coverage, or revoke your election entirely.

If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, then you may revoke your elections and elect to receive on a prospective basis coverage under another plan with similar coverage. In addition, if we add a new coverage option or eliminate an existing option, you may elect the newly-added option (or elect another option if an option has been eliminated) and make corresponding election changes to other options providing similar coverage. If you are not a Participant, you may elect to join the Plan. There are also certain situations when you may be able to change your elections on account of a change under the plan of your spouse's, former spouse's or dependent's employer.

These rules on change due to cost or coverage do not apply to the Health Flexible Spending Account, and you may not change your election to the Health Flexible Spending Account if you make a change due to cost or coverage for insurance or if you decide to participate in the Health Savings Account.

You may not change your election under the Dependent Care Flexible Spending Account if the cost change is imposed by a dependent care provider who is your relative.

You may revoke your coverage under the employer's group health plan outside of our open enrollment period, if your employment status changes from working at least 30 hours per week to less than 30 hours. This is regardless of whether the reduction in hours has resulted in loss of eligibility. You must show intent to enroll in another health plan.

You may also revoke your coverage under our Employer sponsored group health plan if you are eligible to obtain coverage through the health exchanges.

6. May I make new elections in future Plan Years?

Yes, you may. For each new Plan Year, you may change the elections that you previously made. You may also choose not to participate in the Plan for the upcoming Plan Year. If you do not make new elections during the election period before a new Plan Year begins, we will assume you want your elections for insured benefits only to remain the same and you will not be considered a Participant for the non-insured benefit options under the Plan for the upcoming Plan Year.

IV BENEFITS

1. Health Flexible Spending Account

The Health Flexible Spending Account enables you to pay for expenses allowed under Sections 105 and 213(d) of the Internal Revenue Code which are not covered by our insured medical plan and save taxes at the same time. The Health Flexible Spending Account allows you to be reimbursed by the Employer for expenses incurred by you and your dependents.

Drug costs, including insulin, may be reimbursed.

You may be reimbursed for "over the counter" drugs only if those drugs are prescribed for you. You may not, however, be reimbursed for the cost of other health care coverage maintained outside of the Plan, or for long-term care expenses. A list of covered expenses is available from the Administrator.

The most that you can contribute to your Health Flexible Spending Account each Plan Year is \$2,600. After 2017, the dollar limit may increase for cost of living adjustments.

In order to be reimbursed for a health care expense, you must submit to the Administrator an itemized bill from the service provider. We will also provide you with a debit or credit card to use to pay for medical expenses. The Administrator will provide you with further details. Amounts reimbursed from the Plan may not be claimed as a deduction on your personal income tax return. Reimbursement from the fund shall be paid at least once a month. Expenses under this Plan are treated as being "incurred" when you are provided with the care that gives rise to the expenses, not when you are formally billed or charged, or you pay for the medical care.

You may be reimbursed for expenses for any child until the end of the calendar year in which the child reaches age 26. A child is a natural child, stepchild, foster child, adopted child, or a child placed with you for adoption. If a child gains or regains eligibility due to these new rules, that qualifies as a change in status to change coverage.

Newborns' and Mothers' Health Protection Act: Group health plans generally may not, under Federal law, restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a cesarean section. However, Federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under Federal law, require that a provider obtain authorization from the plan or the issuer for prescribing a length of stay not in excess of 48 hours (or 96 hours).

Women's Health and Cancer Rights Act: This plan, as required by the Women's Health and Cancer Rights Act of 1998, will reimburse up to plan limits for benefits for mastectomy-related services including reconstruction and surgery to achieve symmetry between the breasts, prostheses, and complications resulting from a mastectomy (including lymphedema). Contact your Plan Administrator for more information.

2. Dependent Care Flexible Spending Account

The Dependent Care Flexible Spending Account enables you to pay for out-of-pocket, work-related dependent day-care cost with pre-tax dollars. If you are married, you can use the account if you and your spouse both work or, in some situations, if your spouse goes to school full-time. Single employees can also use the account.

An eligible dependent is someone for whom you can claim expenses on Federal Income Tax Form 2441 "Credit for Child and Dependent Care Expenses." Children must be under age 13. Other dependents must be physically or mentally unable to care for themselves. Dependent Care arrangements which qualify include:

- (a) A Dependent (Day) Care Center, provided that if care is provided by the facility for more than six individuals, the facility complies with applicable state and local laws;
- (b) An Educational Institution for pre-school children. For older children, only expenses for non-school care are eligible; and
- (c) An "Individual" who provides care inside or outside your home: The "Individual" may not be a child of yours under age 19 or anyone you claim as a dependent for Federal tax purposes.

You should make sure that the dependent care expenses you are currently paying for qualify under our Plan.

The law places limits on the amount of money that can be paid to you in a calendar year from your Dependent Care Flexible Spending Account. Generally, your reimbursements may not exceed the lesser of: (a) \$5,000 (if you are married filing a joint return or you are head of a household) or \$2,500 (if you are married filing separate returns); (b) your taxable compensation; (c) your spouse's actual or deemed earned income (a spouse who is a full time student or incapable of caring for himself/herself has a monthly earned income of \$250 for one dependent or \$500 for two or more dependents).

Also, in order to have the reimbursements made to you from this account be excludable from your income, you must provide a statement from the service provider including the name, address, and in most cases, the taxpayer identification number of the service provider on your tax form for the year, as well as the amount of such expense as proof that the expense has been incurred. In addition, Federal tax laws permit a tax credit for certain dependent care expenses you may be paying for even if you are not a Participant in this Plan. You may save more money if you take advantage of this tax credit rather than using the Dependent Care Flexible Spending Account under our Plan. Ask your tax adviser which is better for you.

3. Premium Expense Account

A Premium Expense Account allows you to use tax-free dollars to pay for certain premium expenses under various insurance programs that we offer you. These premium expenses include:

- Health care premiums under our insured group medical plan.
- Dental insurance premiums.

Under our Plan, we will establish sub-accounts for you for each different type of insurance coverage that is available. Also, certain limits on the amount of coverage may apply.

The Administrator may terminate or modify Plan benefits at any time, subject to the provisions of any insurance contracts providing benefits described above. We will not be liable to you if an insurance company fails to provide any of the benefits described above. Also, your insurance will end when you leave employment, are no longer eligible under the terms of any insurance policies, or when insurance terminates.

Any benefits to be provided by insurance will be provided only after (1) you have provided the Administrator the necessary information to apply for insurance, and (2) the insurance is in effect for you.

If you cover your children up to age 26 under your insurance, you can pay for that coverage through the Plan.

4. May I direct Plan contributions to my Health Savings Account?

Yes. Any monies that you do not apply toward available benefits can be contributed to your Health Savings Account, which enables you to pay for expenses which are not covered by our insured medical plan and save taxes at the same time. Please see your Plan Administrator for further details.

V BENEFIT PAYMENTS

1. When will I receive payments from my accounts?

During the course of the Plan Year, you may submit requests for reimbursement of expenses you have incurred. Expenses are considered "incurred" when the service is performed, not necessarily when it is paid for. The Administrator will provide you with acceptable forms for submitting these requests for reimbursement. If the request qualifies as a benefit or expense that the Plan has agreed to pay, you will receive a reimbursement payment soon thereafter. Remember, these reimbursements which are made from the Plan are generally not subject to federal income tax or withholding. Nor are they subject to Social Security taxes. Requests for payment of insured benefits should be made directly to the insurer. You will only be reimbursed from the Dependent Care Flexible Spending Account to the extent that there are sufficient funds in the Account to cover your request.

2. What happens if I don't spend all Plan contributions during the Plan Year?

If you have not spent all the amounts in your Health Flexible Spending Account or Dependent Care Flexible Spending Account by the end of the Plan Year, you may continue to incur claims for expenses during the "Grace Period." The "Grace Period" extends 2 1/2 months after the end of the Plan Year, during which time you can continue to incur claims and use up all amounts remaining in your Health Flexible Spending Account or Dependent Care Flexible Spending Account.

Any monies left at the end of the Plan Year and the Grace Period will be forfeited, except for amounts contributed to your Health Savings Account. Obviously, qualifying expenses that you incur late in the Plan Year or during the Grace Period for which you seek reimbursement after the end of such Plan Year and Grace Period will be paid first before any amount is forfeited. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Grace Period. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Grace Period. Because it is possible that you might forfeit amounts in the Plan if you do not fully use the contributions that have been made, it is important that you decide how much to place in each account carefully and conservatively. Remember, you must decide which benefits you want to contribute to and how much to place in each account before the Plan Year begins. You want to be as certain as you can that the amount you decide to place in each account will be used up entirely.

3. Family and Medical Leave Act (FMLA)

If you take leave under the Family and Medical Leave Act, you may revoke or change your existing elections for health insurance and the Health Flexible Spending Account. If your coverage in these benefits terminates, due to your revocation of the benefit while on leave or due to your non-payment of contributions, you will be permitted to reinstate coverage for the remaining part of the Plan Year upon your return. For the Health Flexible Spending Account, you may continue your coverage or you may revoke your coverage and resume it when you return. You can resume your coverage at its original level and make payments for the time that you are on leave. For example, if you elect \$1,200 for the year and are out on leave for 3 months, then return and elect to resume your coverage at that level, your remaining payments will be increased to cover the difference - from \$100 per month to \$150 per month. Alternatively your maximum amount will be reduced proportionately for the time that you were gone. For example, if you elect \$1,200 for the year and are out on leave for 3 months, your amount will be reduced to \$900. The expenses you incur during the time you are not in the Health Flexible Spending Account are not reimbursable.

If you continue your coverage during your unpaid leave, you may pre-pay for the coverage, you may pay for your coverage on an after-tax basis while you are on leave, or you and your Employer may arrange a schedule for you to "catch up" your payments when you return.

4. Uniformed Services Employment and Reemployment Rights Act (USERRA)

If you are going into or returning from military service, you may have special rights to health care coverage under your Health Flexible Spending Account under the Uniformed Services Employment and Reemployment Rights Act of 1994. These rights can include extended health care coverage. If you may be affected by this law, ask your Administrator for further details.

5. What happens if I terminate employment?

If you terminate employment during the Plan Year, your right to benefits will be determined in the following manner:

- (a) You will remain covered by insurance, but only for the period for which premiums have been paid prior to your termination of employment.
- (b) You will still be able to request reimbursement for qualifying dependent care expenses incurred prior to your date of termination from the balance remaining in your dependent care account at the time of termination of employment. However, no further salary redirection contributions will be made on your behalf after you terminate. You must submit claims within 90 days after termination.
- (c) Your participation in the Health Flexible Spending Account will cease, and no further salary redirection contributions will be contributed on your behalf. However, you will be able to submit claims for health care expenses that were incurred before the end of the period for which payments to the Health Flexible Spending Account have already been made. You must submit claims within 90 days after termination.
- (d) Your Health Savings Account amounts will remain yours even after your termination of employment.

6. Will my Social Security benefits be affected?

Your Social Security benefits may be slightly reduced because when you receive tax-free benefits under our Plan, it reduces the amount of contributions that you make to the Federal Social Security system as well as our contribution to Social Security on your behalf.

**VI
HIGHLY COMPENSATED AND KEY EMPLOYEES**

1. Do limitations apply to highly compensated employees?

Under the Internal Revenue Code, highly compensated employees and key employees generally are Participants who are officers, shareholders or highly paid. You will be notified by the Administrator each Plan Year whether you are a highly compensated employee or a key employee.

If you are within these categories, the amount of contributions and benefits for you may be limited so that the Plan as a whole does not unfairly favor those who are highly paid, their spouses or their dependents. Federal tax laws state that a plan will be considered to unfairly favor the key employees if they as a group receive more than 25% of all of the nontaxable benefits provided for under our Plan.

Plan experience will dictate whether contribution limitations on highly compensated employees or key employees will apply. You will be notified of these limitations if you are affected.

**VII
PLAN ACCOUNTING**

1. Periodic Statements

The Administrator will provide you with a statement of your account periodically during the Plan Year that shows your account balance. It is important to read these statements carefully so you understand the balance remaining to pay for a benefit. Remember, you want to spend all the money you have designated for a particular benefit by the end of the Plan Year.

**VIII
GENERAL INFORMATION ABOUT OUR PLAN**

This Section contains certain general information which you may need to know about the Plan.

1. General Plan Information

DeKalb County Cafeteria Plan is the name of the Plan.

Your Employer has assigned Plan Number 502 to your Plan.

The provisions of your amended Plan become effective on December 1, 2016. Your Plan was originally effective on January 1, 1990.

Your Plan's records are maintained on a twelve-month period of time. This is known as the Plan Year. The Plan Year begins on January 1 and ends on December 31.

2. Employer Information

Your Employer's name, address, and identification number are:

DeKalb County Government
200 N. Main
Sycamore, Illinois 60178
36-6006548

The Plan allows other employers to adopt its provisions. You or your beneficiaries may examine or obtain a complete list of employers, if any, who have adopted your Plan by making a written request to the Administrator.

Another Employer who has adopted the provisions of the Plan is:

DeKalb County Forest Preserve District
200 N. Main
Sycamore, IL 60178
36-6009176

3. Plan Administrator Information

The name, address and business telephone number of your Plan's Administrator are:

DeKalb County Government
200 N. Main
Sycamore, Illinois 60178
(815) 895-1635

The Administrator keeps the records for the Plan and is responsible for the administration of the Plan. The Administrator will also answer any questions you may have about our Plan. You may contact the Administrator for any further information about the Plan.

4. Service of Legal Process

The name and address of the Plan's agent for service of legal process are:

DeKalb County Government
200 N. Main
Sycamore, Illinois 60178

5. Type of Administration

The type of Administration is Employer Administration.

6. Claims Submission

Claims for expenses should be submitted to:

DeKalb County Government
200 N. Main
Sycamore, Illinois 60178

IX ADDITIONAL PLAN INFORMATION

1. Claims Process

You should submit all reimbursement claims during the Plan Year. For the Health Flexible Spending Account, you must submit claims no later than 90 days after the end of the Grace Period. However, if you terminate employment during the Plan Year, you must submit your Health Flexible Spending Account claims within 90 days after your termination of employment. For the Dependent Care Flexible Spending Account, you must submit claims no later than 90 days after the end of the Grace Period. However, if you terminate employment during the Plan Year, you must submit your Dependent Care Flexible Spending Account claims within 90 days after your termination of employment. Any claims submitted after that time will not be considered.

Claims that are insured will be handled in accordance with procedures contained in the insurance policies. All other general requests should be directed to the Administrator of our Plan. If a dependent care or medical expense claim under the Plan is denied in whole or in part, you or your beneficiary will receive written notification. The notification will include the reasons for the denial, with reference to the specific provisions of the Plan on which the denial was based, a description of any additional information needed to process the claim and an explanation of the claims review procedure. Within 60 days after denial, you or your beneficiary may submit a written request for reconsideration of the denial to the Administrator.

Any such request should be accompanied by documents or records in support of your appeal. You or your beneficiary may review pertinent documents and submit issues and comments in writing. The Administrator will review the claim and provide, within 60 days, a written response to the appeal. (This period may be extended an additional 60 days under certain circumstances.) In this response, the Administrator will explain the reason for the decision, with specific reference to the provisions of the Plan on which the decision is based. The Administrator has the exclusive right to interpret the appropriate plan provisions. Decisions of the Administrator are conclusive and binding.

X SUMMARY

The money you earn is important to you and your family. You need it to pay your bills, enjoy recreational activities and save for the future. Our flexible benefits plan will help you keep more of the money you earn by lowering the amount of taxes you pay. The Plan is the result of our continuing efforts to find ways to help you get the most for your earnings.

If you have any questions, please contact the Administrator.

EXHIBIT C

DEKALB COUNTY CAFETERIA PLAN

SUPPLEMENTAL PARTICIPATION AGREEMENT

A Participation Agreement made and entered into this 1st day of December, 2016, between DeKalb County Forest Preserve District (hereinafter referred to as the "Participating Employer"), and DeKalb County Government (hereinafter referred to as the "Employer").

WHEREAS, there exists a Cafeteria Plan entered into on the 1st day of December, 2016, namely the DeKalb County Cafeteria Plan, called the "Plan," established by the Employer (a copy being attached hereto as Exhibit "A" and made a part hereof by reference); and

WHEREAS, the Plan provides that any other Participating Employer may, with the consent of the Employer, adopt the Plan and participate therein by a properly executed document evidencing said intent of said Participating Employer;

NOW, THEREFORE, the Participating Employer hereby becomes a party to the Plan, effective the 1st day of December, 2016, and the Employer hereby consents to such adoption and participation upon the following terms:

(1) Wherever a right or obligation is imposed upon the Employer by the terms of the Plan, the same shall extend to the Participating Employer as the "Employer" under the Plan and shall be separate and distinct from that imposed upon the Employer. It is the intention of the parties that the Participating Employer shall be a party to the Plan and treated in all respects as the Employer thereunder, with its employees to be considered as the Employees or Participants, as the case may be, thereunder. However, the participation of the Participating Employer in the Plan shall in no way diminish, augment, modify, or in any way affect the rights and duties of the Employer, its Employees, or Participants, under the Plan.

(2) The execution of this Agreement by this Participating Employer shall be construed as the adoption of the Plan in every respect as if said Plan had this date been executed by the Participating Employer, except as otherwise expressly provided herein or in any amendment that may subsequently be adopted hereto.

(3) All actions required by the Plan to be taken by the Employer shall be effective with respect to the Participating Employer if taken by the Employer, and the Participating Employer hereby irrevocably designates the Employer as its agent for such purposes.


IN WITNESS WHEREOF, the Participating Employer and the Employer have caused this Supplemental Participation Agreement to be executed in their respective names on the day and date first above written.

Signed, sealed, and delivered in the presence of:

DeKalb County Forest Preserve District

By  3/15/17
PARTICIPATING EMPLOYER DATE

DeKalb County Government

By  3/15/17
EMPLOYER DATE

RESOLUTION R2017-72

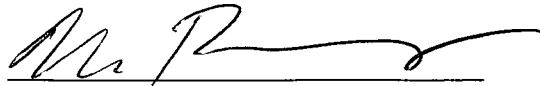
A RESOLUTION APPROVING EMERGENCY APPROPRIATIONS AND BUDGET TRANSFERS FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016

WHEREAS, several departments have reviewed their 2016 Fiscal Year Budget in relation to expenditures and have now identified a need for transfers and additional appropriations; and

WHEREAS, the Finance Committee has reviewed those requests and determined them to be necessary for the operation of said departments;

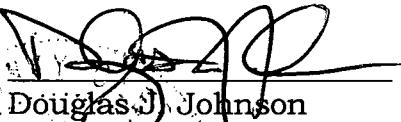
NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Board that it does hereby approve the emergency appropriations and budget transfers as set forth on Attachment A for the Fiscal Year ending December 31, 2016.

PASSED THIS 15TH DAY OF MARCH, 2017 A.D. IN SYCAMORE, ILLINOIS

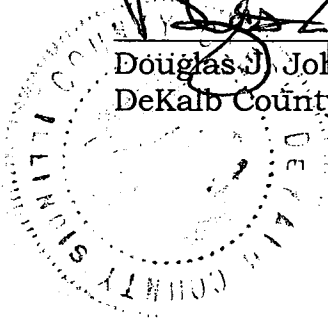


Mark Pietrowski, Jr.
DeKalb County Board Chairman

ATTEST:



Douglas J. Johnson
DeKalb County Clerk



DEKALB COUNTY GOVERNMENT
FY 2016 Year-End Budget Adjustments

A. Additional Appropriations

Item	Department	To Category	Amount	Funding Source / Reason
A-1	Elections	Salaries & Benefits	24,000	Fund Balance / Salaries, Overtime & Benefits-2016 Elections
A-2	Elections	Commodities & Services	8,000	Fund Balance / Salary Judges & Expenses-2016 Elections
A-3	Coroner	Commodities & Services	44,000	Fund Balance / Professional Services-Autopsies
A-4	Total - General Fund		76,000	
A-5	Public Health Fund	Salaries & Benefits	98,300	Fund Balance / Salaries & Retirement PHO Payouts
A-6	Public Health Fund	Capital Outlays	1,000	Fund Balance / Office Furniture & Small Equipment
A-7	Public Health Fund	Commodities & Services	40,900	Fund Balance / Vaccines & Professional Services & Supplies
A-8	Total - Public Health Fund		140,200	
A-9	Community Action Fund	Salaries & Benefits	37,000	Grants & Fund Balance / Juvenile Justice Council & JABG
A-10	Community Action Fund	Commodities & Services	35,000	Grants & Fund Balance / Juvenile Justice Council & JABG
A-11	Total - Community Action Fund		72,000	
A-12	Solid Waste Fund	Salaries & Benefits	300	Fund Balance / Additional Staffing Costs
A-13	Solid Waste Fund	Commodities & Services	24,100	Fund Balance / Commercial Services-Recycling Events
A-14	Total - Solid Waste Fund		24,400	
A-15	Drug Court Fund	Salaries & Benefits	26,000	Fund Balance / Additional Staffing Costs
A-16	Drug Court Fund	Capital Outlays	2,000	Fund Balance / Computer Equipment
A-17	Drug Court Fund	Commodities & Services	15,000	Fund Balance / Software Acquisition
A-18	Sober Living House	Capital Outlays	36,000	Insurance Funds & Fund Balance / Rehab & Water Damage
A-19	Sober Living House	Commodities & Services	38,000	Insurance Funds & Fund Balance / Rehab & Water Damage
A-20	Sober Living House	Fund Transfers	2,000	Fund Balance / Insurance Premium
A-21	Mental Health Court	Salaries & Benefits	33,000	Grant Revenue / Adult Redeploy Illinois Grant Staff
A-22	Mental Health Court	Commodities & Services	3,000	Grant Revenue / Adult Redeploy Illinois Grant Supplies
A-23	Total - Drug Court Fund		155,000	
A-24	Retirement Fund	Commodities & Services	10,000	Fund Balance / IMRF Accelerated Payments
A-25	Law Library Fund	Commodities & Services	9,000	General Fund Transfer / Reference Material & Supplies
A-26	Probation Services Fund	Fund Transfers	30,000	Grant Revenue / Juvenile Justice Council
A-27	Document Storage Fund	Commodities & Services	110,000	Fund Balance / Document Management System
A-28	Mental Health Fund	Commodities & Services	160,000	Fund Balance / Contribution to Agencies
A-29	DATA Fiber Optic Network Fund	Commodities & Services	60,000	Fund Balance / Fiber Duct Repairs
A-30	FEMA Grant-Evergreen Village	Capital Outlays	10,000	Grant Revenue / Replacement Housing Costs
A-31	Employee Health & Life Ins. Fund	Commodities & Services	100,000	Fund Balance / Pharmacy Benefit Claims
A-32	Drug Prosecution Program Fund	Commodities & Services	1,000	Fund Balance / Travel & Transcripts
A-33	Law Enforcement Projects Fund	Fund Transfers	13,000	Donations / To Asset Replacement Fund for K9 Unit
A-34	Total - Other Funds		503,000	
A-35	Total - All Funds		970,600	

DEKALB COUNTY GOVERNMENT
FY 2016 Year-End Budget Adjustments

B. Appropriation Transfers

Item	From Department	From Category	To Department	To Category	Amount	Reason
B-1	County Clerk & Recorder	Commodities & Services	County Clerk & Recorder	Capital Outlays	200	Office Furniture & Small Equipment
B-2	County Clerk & Recorder	Commodities & Services	Elections	Commodities & Services	12,000	Additional Salary Judges & Expenses in 2016
B-3	Planning & Zoning	Salaries & Benefits	Planning & Zoning	Capital Outlays	1,100	Computer Equipment
B-4	Planning & Zoning	Salaries & Benefits	Planning & Zoning	Commodities & Services	50,000	Contractual Labor During Recruitment Periods
B-5	Regional Office of Education	Salaries & Benefits	Regional Office of Education	Commodities & Services	800	Additional Supplies Required in 2016
B-6	Judiciary	Commodities & Services	Judiciary	Capital Outlays	1,600	Office Furniture & Small Equipment
B-7	Circuit Clerk	Commodities & Services	Circuit Clerk	Salaries & Benefits	15,000	Staffing Costs Covered by Commodities Savings
B-8	ESDA	Commodities & Services	ESDA	Capital Outlays	300	Equipment Purchases
B-9	Local Emergency Plan Comm.	Salaries & Benefits	Local Emergency Plan Comm.	Commodities & Services	1,500	Additional Supplies Required in 2016
B-10	Sheriff	Commodities & Services	Sheriff-Merit Commission	Commodities & Services	3,000	Additional Hearings Held in 2016
B-11	Sheriff-Communications	Salaries & Benefits	Sheriff-Communications	Capital Outlays	500	Equipment Purchases
B-12	Sheriff-Communications	Salaries & Benefits	Sheriff-Communications	Commodities & Services	500	Maintenance of Equipment
B-13	Sheriff-Corrections	Commodities & Services	Sheriff-Corrections	Capital Outlays	500	Office Furniture & Small Equipment
B-14	State's Attorney	Salaries & Benefits	State's Attorney	Capital Outlays	1,500	Office Furniture & Small Equipment
B-15	State's Attorney	Salaries & Benefits	State's Attorney	Commodities & Services	20,000	Additional Supplies/Legal Costs Required in 2016
B-16	Total - General Fund				108,500	
B-17	Rehab & Nursing Center Fund	Salaries & Benefits	Rehab & Nursing Center Fund	Fund Transfers	28,000	IMRF Accelerated Payments
B-18	Rehab & Nursing Center Fund	Capital Outlays	Rehab & Nursing Center Fund	Commodities & Services	30,000	Contractual Nursing/Therapy Consultants/Etc.
B-19	Total - Rehab & Nursing Center Fund				58,000	
B-20	Micrographics Fund	Commodities & Services	Micrographics Fund	Salaries & Benefits	14,000	Staffing Costs Covered by Commodities Savings
B-21	Court Automation Fund	Capital Outlays	Court Automation Fund	Commodities & Services	25,000	Maintenance of Software
B-22	Probation Services Fund	Commodities & Services	Probation Services Fund	Salaries & Benefits	20,000	Staffing Costs Covered by Commodities Savings
B-23	Tax Sale Automation Fund	Commodities & Services	Tax Sale Automation Fund	Fund Transfers	100	General Fund Salary Subsidy
B-24	Court Security Fund	Capital Outlays	Court Security Fund	Fund Transfers	900	General Fund Salary Subsidy
B-25	Veterans Assistance Fund	Commodities & Services	Veterans Assistance Fund	Capital Outlays	30,000	Vehicle
B-26	Landfill Host Benefit Fund	Fund Transfers	Landfill Host Benefit Fund	Capital Outlays	95,000	Interest Costs on Interfund Loan for Jail Expansion
B-27	County Farm Land Sale Fund	Commodities & Services	County Farm Land Sale Fund	Capital Outlays	22,000	Health Facility Parking Lot & Lighting
B-28	Employee Health & Life Ins. Fund	Commodities & Services	FEMA Grant-Evergreen Village	Commodities & Services	55,000	Consultant Services & Property Taxes
B-29	Total - Other Funds				262,000	
B-30	Total - All Funds				428,500	

**DEKALB COUNTY
FOREST PRESERVE DISTRICT
March 15, 2017**

AGENDA

1. Roll Call
2. Approval of Minutes
3. Approval of Agenda
4. Persons to be Heard from the Floor
5. Standing Committee Reports:
 - a. **Resolution FP-R2017-02:** FY 2016 Year-End Budget Transfers. *The DeKalb Forest Preserve District Commissioner hereby approve the appropriations, budget transfers and amendments as set forth on Attachment A for the Fiscal Year ending December 31, 2016. Committee Action:*
 - b. **Resolution FP-R2017-03:** Adopting the DeKalb County Cafeteria Plan as Amended and Restated. *The DeKalb County Forest Preserve District Commissioners approve that the District does hereby elect to participate in the amended and restated DeKalb County Cafeteria Plan effective December 1, 2016, and as it may be amended from time to time. Committee Action:*
 - c. **Resolution FP-R2017-04:** Bike Trail Easement. *The DeKalb County Forest Preserve District Commissioners hereby approve and accept the Land Transfer Agreement for the 20 ft. wide trail corridor and 8 ft. wide asphalt trail built by Stone Prairie Commercial LLC to make a trail connection from the western terminus of The Great Western Trail through Stone Prairie land and into the Sycamore Forest Preserve. Committee Action:*
 - d. **Claims to be Paid in March 2017:** Move to approve the payment of claims for this month, and the off cycle claims paid during the previous month, including all claims for travel, meals, and lodging, in the amount of \$97,615.13.
6. Old Business
7. New Business
8. Adjournment

RESOLUTION FP-R2017-02



WHEREAS, the DeKalb County Forest Preserve Superintendent and auditor has reviewed the 2016 Fiscal Year Budget and identified appropriations, transfers and amendments to balance the FY 2016 budget, and

WHEREAS, the DeKalb County Forest Preserve Committee has reviewed the appropriations, transfers and amendments and determined them to be necessary for the fiscal management and operation of the Forest Preserve District ;

NOW, THEREFORE, BE IT RESOLVED, the DeKalb County Forest Preserve District Commissioners hereby approve the appropriations, budget transfers and amendments as set forth on Attachment A for Fiscal Year ending December 31, 2016.

PASSED AT SYCAMORE, ILLINOIS, THIS 16TH DAY OF MARCH, 2017 A.D.

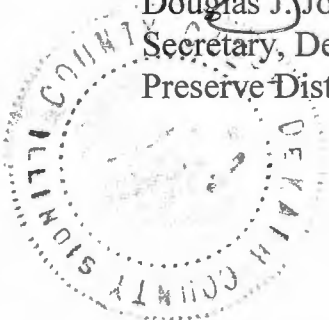
A handwritten signature in black ink, appearing to read "Mark P.", written over a horizontal line.

Mark Pietrowski, Jr.
President, DeKalb County Forest
Preserve District Commissioners

ATTEST:

A handwritten signature in black ink, appearing to read "DJ Johnson", written over a horizontal line.

Douglas J. Johnson
Secretary, DeKalb County Forest
Preserve District Commissioners



FY 2016 Year End Budget Amendments/Transfers:

DeKalb County Forest Preserve District

To:	Amount:	Funding Source:
1251 - 4210 General Fund Capital/Contractual Services:		
7253 Park Improvements	\$ 10,800	1251-4210-3041 TIF Surplus Revenue Shelter house and maintenance shop Improvements and Russell Woods trail
7258 Wetland Mitigation	\$ 90,000	1251-4210-4631 Wetland Bank Revenues Design, engineering, construction, repairs, and equipment. C.O.E required plant monitoring work, natural resource management work; planting, seeding, trees, invasive plant removal.
Commodities and Services:		
8024 Maintenance Buildings /Grounds	\$ 5,000	1251-4210- 3041 TIF Surplus Revenue Road and Trail improvements
4270 Tort/Liability Fund		
4270 - 6005 Salaries	\$ 16,000	1254-4270-7253 Park Improvements
4270 - 6501 FICA	\$ 1,200	Transfer funds for Safety Director as per
4270 - 6502 IMRF	\$ 1,500	PDRMA. These funds were eliminated from
4270 - 6511 Health Insurance	\$ 1,200	General Fund and moved to Tort/Liability
4270- 6081 Safety and Security	\$ 13,500	1254-4270-7253 Park Improvements Transfer funds for Sheriff safety patrols in forest preserves. These funds were eliminated from General Fund and moved to Tort/Liability
4270-9001 Supplies	\$ 3,000	1254-4270-7253 Park Improvements Transfer of funds for Risk Management supplies Fire safety equipment
4250 Land Acquisition	\$ 1,600	1252 -4250 – 7253 Park Improvements
4250 - 9001Supplies		Sycamore Forest Preserve

4280 Natural Resource and Environmental Education Fund

2016 was the first full year of the Landfill Host Benefit Funds (Waste Management Funds) so it was shown in 2016 budget book as a "Plan". Therefore as per Finance Director and Auditor all budget line items must be shown as transfer/amended

6005 Salaries	\$ 50,000	\$ 117,000	4280 - 5963 Landfill Host Benefit Fund
6061 Seasonal	\$ 18,500		and Natural Resource Mgmt. /Education
6501 F.I.C.A.	\$ 1,500		Fund balance
7252 Special Projects	\$ 29,500		
8332 Environmental Education	\$ 7,500		
9001 Supplies	\$ 10,000		

4260 IMRF

9196 I.M.R.F.	\$ 385,000	4260 - 2297 Payment made to IMRF from IMRF Fund Balance
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**RESOLUTION
FP-R2017-03**

**A RESOLUTION ADOPTING THE DEKALB COUNTY
CAFETERIA PLAN AS AMENDED AND RESTATED**

WHEREAS, DeKalb County Government of Sycamore, Illinois has adopted an amended and restated Cafeteria Plan, namely the DeKalb County Cafeteria Plan, called the "Plan", effective December 1, 2016; and

WHEREAS, the Plan was recently amended on April 15, 2015 to remove the Individual Insurance Policy provision under Health Insurance Benefit Section 4.4 with a retroactive effective date of January 1, 2014; and

WHEREAS, the Plan was further amended on October 21, 2015 to automatically allow for the Internal Revenue Service inflation indexed amount as the Health Flexible Spending Account annual maximum amount of salary reductions effective January 1, 2016; and

WHEREAS, the Plan was further amended on March 15, 2017 to allow for the inclusion of a Dental Insurance Benefit since dental benefits are a separate election employees can make rather than being included as part of the Health Insurance Benefit effective December 1, 2016 for 2017 Plan Year elections; and

WHEREAS, the Plan provides that any other Participating Employer may, with the consent of DeKalb County Government, adopt the Plan and participate therein by a properly executed document evidencing said intent of said Participating Employer; and

WHEREAS, the DeKalb County Forest Preserve District, a Participating Employer that had previously adopted the DeKalb County Cafeteria Plan, desires to adopt the amended and restated Plan effective December 1, 2016; and

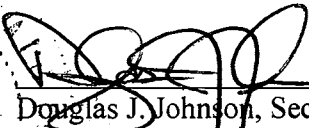
WHEREAS, the Forest Preserve Committee has reviewed the amended and restated Plan and recommends that it be adopted in its entirety;

NOW, THEREFORE, BE IT RESOLVED, by the DeKalb County Forest Preserve District Commissioners that the District does hereby elect to participate in the amended and restated DeKalb County Cafeteria Plan effective December 1, 2016, and as it may be amended from time to time. Further, the Superintendent of the Forest Preserve District is authorized to sign the attached Supplemental Participation Agreement, is authorized and directed to execute and deliver to the Administrator of the Plan any and all documents necessary to continue as a Participating Employer, and is directed to notify District employees of such action and provide the Plan Document and Summary Plan Description of the DeKalb County Cafeteria Plan to all employees as soon as possible.

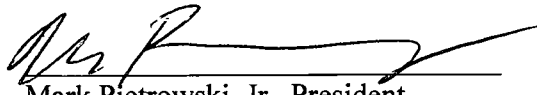
PASSED THIS 15TH DAY OF MARCH, 2017 AT SYCAMORE, ILLINOIS

ATTEST:

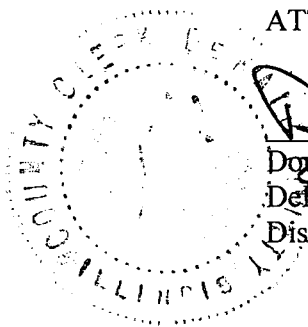
SIGNED:



Douglas J. Johnson, Secretary
DeKalb County Forest Preserve
District Commissioners



Mark Pietrowski, Jr., President
DeKalb County Forest Preserve
District Commissioners



**DEKALB COUNTY
CAFETERIA PLAN**

SUPPLEMENTAL PARTICIPATION AGREEMENT

A Participation Agreement made and entered into this 1st day of December, 2016, between DeKalb County Forest Preserve District (hereinafter referred to as the "Participating Employer"), and DeKalb County Government (hereinafter referred to as the "Employer").

WHEREAS, there exists a Cafeteria Plan entered into on the 1st day of December, 2016, namely the DeKalb County Cafeteria Plan, called the "Plan," established by the Employer (a copy being attached hereto as Exhibit "A" and made a part hereof by reference); and

WHEREAS, the Plan provides that any other Participating Employer may, with the consent of the Employer, adopt the Plan and participate therein by a properly executed document evidencing said intent of said Participating Employer;

NOW, THEREFORE, the Participating Employer hereby becomes a party to the Plan, effective the 1st day of December, 2016, and the Employer hereby consents to such adoption and participation upon the following terms:

(1) Wherever a right or obligation is imposed upon the Employer by the terms of the Plan, the same shall extend to the Participating Employer as the "Employer" under the Plan and shall be separate and distinct from that imposed upon the Employer. It is the intention of the parties that the Participating Employer shall be a party to the Plan and treated in all respects as the Employer thereunder, with its employees to be considered as the Employees or Participants, as the case may be, thereunder. However, the participation of the Participating Employer in the Plan shall in no way diminish, augment, modify, or in any way affect the rights and duties of the Employer, its Employees, or Participants, under the Plan.

(2) The execution of this Agreement by this Participating Employer shall be construed as the adoption of the Plan in every respect as if said Plan had this date been executed by the Participating Employer, except as otherwise expressly provided herein or in any amendment that may subsequently be adopted hereto.

(3) All actions required by the Plan to be taken by the Employer shall be effective with respect to the Participating Employer if taken by the Employer, and the Participating Employer hereby irrevocably designates the Employer as its agent for such purposes.

IN WITNESS WHEREOF, the Participating Employer and the Employer have caused this Supplemental Participation Agreement to be executed in their respective names on the day and date first above written.

Signed, sealed, and delivered in the presence of:

DeKalb County Forest Preserve District

By  _____
PARTICIPATING EMPLOYER DATE

DeKalb County Government

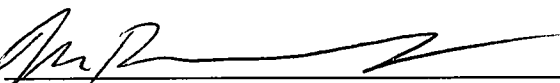
By  _____
EMPLOYER DATE

EXHIBIT A

DEKALB COUNTY CAFETERIA PLAN

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**DEKALB COUNTY
CAFETERIA PLAN****INTRODUCTION**

The Employer has amended this Plan effective December 1, 2016, to recognize the contribution made to the Employer by its Employees. Its purpose is to reward them by providing benefits for those Employees who shall qualify hereunder and their Dependents and beneficiaries. The concept of this Plan is to allow Employees to choose among different types of benefits based on their own particular goals, desires and needs. This Plan is a restatement of a Plan which was originally effective on January 1, 1990. The Plan shall be known as DeKalb County Cafeteria Plan (the "Plan").

The intention of the Employer is that the Plan qualify as a "Cafeteria Plan" within the meaning of Section 125 of the Internal Revenue Code of 1986, as amended, and that the benefits which an Employee elects to receive under the Plan be excludable from the Employee's income under Section 125(a) and other applicable sections of the Internal Revenue Code of 1986, as amended.

**ARTICLE I
DEFINITIONS**

1.1 **"Administrator"** means the Employer unless another person or entity has been designated by the Employer pursuant to Section 9.1 to administer the Plan on behalf of the Employer. If the Employer is the Administrator, the Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing written acceptance with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

1.2 **"Affiliated Employer"** means the Employer and any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Treasury regulations under Code Section 414(o).

1.3 **"Benefit" or "Benefit Options"** means any of the optional benefit choices available to a Participant as outlined in Section 4.1.

1.4 **"Cafeteria Plan Benefit Dollars"** means the amount available to Participants to purchase Benefit Options as provided under Section 4.1. Each dollar contributed to this Plan shall be converted into one Cafeteria Plan Benefit Dollar.

1.5 **"Code"** means the Internal Revenue Code of 1986, as amended or replaced from time to time.

1.6 **"Compensation"** means the amounts received by the Participant from the Employer during a Plan Year.

1.7 **"Dependent"** means any individual who qualifies as a dependent under an Insurance Contract for purposes of coverage under that Contract only or under Code Section 152 (as modified by Code Section 105(b)).

"Dependent" shall include any Child of a Participant who is covered under an Insurance Contract, as defined in the Contract, or under the Health Flexible Spending Account or as allowed by reason of the Affordable Care Act.

For purposes of the Health Flexible Spending Account, a Participant's "Child" includes his/her natural child, stepchild, foster child, adopted child, or a child placed with the Participant for adoption. A Participant's Child will be an eligible Dependent until reaching the limiting age of 26, without regard to student status, marital status, financial dependency or residency status with the Employee or any other person. When the child reaches the applicable limiting age, coverage will end at the end of the calendar year.

The phrase "placed for adoption" refers to a child whom the Participant intends to adopt, whether or not the adoption has become final, who has not attained the age of 18 as of the date of such placement for adoption. The term "placed" means the assumption and retention by such Employee of a legal obligation for total or partial support of the child in anticipation of adoption of the child. The child must be available for adoption and the legal process must have commenced.

1.8 **"Effective Date"** means January 1, 1990.

1.9 **"Election Period"** means the period immediately preceding the beginning of each Plan Year established by the Administrator, such period to be applied on a uniform and nondiscriminatory basis for all Employees and Participants. However, an Employee's initial Election Period shall be determined pursuant to Section 5.1.

1.10 **"Eligible Employee"** means any Employee who has satisfied the provisions of Section 2.1.

An individual shall not be an "Eligible Employee" if such individual is not reported on the payroll records of the Employer as a common law employee. In particular, it is expressly intended that individuals not treated as common law employees by the Employer on its payroll records are not "Eligible Employees" and are excluded from Plan participation even if a court or administrative agency determines that such individuals are common law employees and not independent contractors.

1.11 **"Employee"** means any person who is employed by the Employer. The term Employee shall include leased employees within the meaning of Code Section 414(n)(2).

1.12 **"Employer"** means DeKalb County Government and any other Employer (as defined in Section 1.2) which shall adopt this Plan; any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. DeKalb County Forest Preserve District is a Participating Employer who will adopt this Plan. In addition, where appropriate, the term Employer shall include any Participating, Affiliated or Adopting Employer.

1.13 **"Grace Period"** means, with respect to any Plan Year, the time period ending on the fifteenth day of the third calendar month after the end of such Plan Year, during which Medical Expenses and Employment-Related Dependent Care Expenses incurred by a Participant will be deemed to have been incurred during such Plan Year.

1.14 **"Insurance Contract"** means any contract issued by an Insurer underwriting a Benefit.

1.15 **"Insurance Premium Payment Plan"** means the plan of benefits contained in Section 4.1 of this Plan, which provides for the payment of Premium Expenses.

1.16 **"Insurer"** means any insurance company that underwrites a Benefit under this Plan.

1.17 **"Key Employee"** means an Employee described in Code Section 416(i)(1) and the Treasury regulations thereunder.

1.18 **"Participant"** means any Eligible Employee who elects to become a Participant pursuant to Section 2.3 and has not for any reason become ineligible to participate further in the Plan.

1.19 **"Plan"** means this instrument, including all amendments thereto.

1.20 **"Plan Year"** means the 12-month period beginning January 1 and ending December 31. The Plan Year shall be the coverage period for the Benefits provided for under this Plan. In the event a Participant commences participation during a Plan Year, then the initial coverage period shall be that portion of the Plan Year commencing on such Participant's date of entry and ending on the last day of such Plan Year.

1.21 **"Premium Expenses" or "Premiums"** mean the Participant's cost for the Benefits described in Section 4.1.

1.22 **"Premium Expense Reimbursement Account"** means the account established for a Participant pursuant to this Plan to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Premiums of the Participant shall be paid or reimbursed. If more than one type of insured Benefit is elected, sub-accounts shall be established for each type of insured Benefit.

1.23 **"Salary Redirection"** means the contributions made by the Employer on behalf of Participants pursuant to Section 3.1. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article V.

1.24 **"Salary Redirection Agreement"** means an agreement between the Participant and the Employer under which the Participant agrees to reduce his Compensation or to forego all or part of the increases in such Compensation and to have such amounts contributed by the Employer to the Plan on the Participant's behalf. The Salary Redirection Agreement shall apply only to Compensation that has not been actually or constructively received by the Participant as of the date of the agreement (after taking this Plan and Code Section 125 into account) and, subsequently does not become currently available to the Participant.

1.25 **"Spouse"** means spouse as determined under Federal law.

ARTICLE II PARTICIPATION

2.1 ELIGIBILITY

Any Eligible Employee shall be eligible to participate hereunder as of the date he satisfies the eligibility conditions for the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference. However, any Eligible Employee who was a Participant in the Plan on the effective date of this amendment shall continue to be eligible to participate in the Plan.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the entry date under the Employer's group medical plan, the provisions of which are specifically incorporated herein by reference.

2.3 APPLICATION TO PARTICIPATE

An Employee who is eligible to participate in this Plan shall, during the applicable Election Period, complete an application to participate in a manner set forth by the Administrator. The election shall be irrevocable until the end of the applicable Plan Year unless the Participant is entitled to change his Benefit elections pursuant to Section 5.4 hereof.

An Eligible Employee shall also be required to complete a Salary Redirection Agreement during the Election Period for the Plan Year during which he wishes to participate in this Plan. Any such Salary Redirection Agreement shall be effective for the first pay period beginning on or after the Employee's effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured Benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

2.4 TERMINATION OF PARTICIPATION

A Participant shall no longer participate in this Plan upon the occurrence of any of the following events:

- (a) **Termination of employment.** The Participant's termination of employment, subject to the provisions of Section 2.5;
- (b) **Death.** The Participant's death, subject to the provisions of Section 2.6; or
- (c) **Termination of the plan.** The termination of this Plan, subject to the provisions of Section 10.2.

2.5 TERMINATION OF EMPLOYMENT

If a Participant's employment with the Employer is terminated for any reason other than death, his participation in the Benefit Options provided under Section 4.1 shall be governed in accordance with the following:

- (a) **Insurance Benefit.** With regard to Benefits which are insured, the Participant's participation in the Plan shall cease, subject to the Participant's right to continue coverage under any Insurance Contract for which premiums have already been paid.
- (b) **Dependent Care FSA.** With regard to the Dependent Care Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for employment related Dependent Care Expense reimbursements for claims incurred up to the date of termination and submitted within 90 days after termination, based on the level of the Participant's Dependent Care Flexible Spending Account as of the date of termination.
- (c) **Health FSA.** With regard to the Health Flexible Spending Account, the Participant's participation in the Plan shall cease and no further Salary Redirection contributions shall be made. However, such Participant may submit claims for expenses that were incurred during the portion of the Plan Year before the end of the period for which payments to the Health Flexible Spending Account have already been made for claims incurred up to the date of termination and submitted within 90 days after termination.
- (d) **Health FSA treatment.** In the event a Participant terminates his participation in the Health Flexible Spending Account during the Plan Year, if Salary Redirections are made other than on a pro rata basis, upon termination the Participant shall be entitled to a reimbursement for any Salary Redirection previously paid for

coverage or benefits relating to the period after the date of the Participant's separation from service regardless of the Participant's claims or reimbursements as of such date.

2.6 DEATH

If a Participant dies, his participation in the Plan shall cease. However, such Participant's spouse or Dependents may submit claims for expenses or benefits for the remainder of the Plan Year or until the Cafeteria Plan Benefit Dollars allocated to each specific benefit are exhausted. In no event may reimbursements be paid to someone who is not a spouse or Dependent.

ARTICLE III CONTRIBUTIONS TO THE PLAN

3.1 SALARY REDIRECTION

Benefits under the Plan shall be financed by Salary Redirections sufficient to support Benefits that a Participant has elected hereunder and to pay the Participant's Premium Expenses. The salary administration program of the Employer shall be revised to allow each Participant to agree to reduce his pay during a Plan Year by an amount determined necessary to purchase the elected Benefit Options. The amount of such Salary Redirection shall be specified in the Salary Redirection Agreement and shall be applicable for a Plan Year. Notwithstanding the above, for new Participants, the Salary Redirection Agreement shall only be applicable from the first day of the pay period following the Employee's entry date up to and including the last day of the Plan Year. These contributions shall be converted to Cafeteria Plan Benefit Dollars and allocated to the funds or accounts established under the Plan pursuant to the Participants' elections made under Article IV.

Any Salary Redirection shall be determined prior to the beginning of a Plan Year (subject to initial elections pursuant to Section 5.1) and prior to the end of the Election Period and shall be irrevocable for such Plan Year. However, a Participant may revoke a Benefit election or a Salary Redirection Agreement after the Plan Year has commenced and make a new election with respect to the remainder of the Plan Year, if both the revocation and the new election are on account of and consistent with a change in status and such other permitted events as determined under Article V of the Plan and consistent with the rules and regulations of the Department of the Treasury. Salary Redirection amounts shall be contributed on a pro rata basis for each pay period during the Plan Year. All individual Salary Redirection Agreements are deemed to be part of this Plan and incorporated by reference hereunder.

3.2 APPLICATION OF CONTRIBUTIONS

As soon as reasonably practical after each payroll period, the Employer shall apply the Salary Redirection to provide the Benefits elected by the affected Participants. Any contribution made or withheld for the Health Flexible Spending Account or Dependent Care Flexible Spending Account shall be credited to such fund or account. Amounts designated for the Participant's Premium Expense Reimbursement Account shall likewise be credited to such account for the purpose of paying Premium Expenses.

3.3 PERIODIC CONTRIBUTIONS

Notwithstanding the requirement provided above and in other Articles of this Plan that Salary Redirections be contributed to the Plan by the Employer on behalf of an Employee on a level and pro rata basis for each payroll period, the Employer and Administrator may implement a procedure in which Salary Redirections are contributed throughout the Plan Year on a periodic basis that is not pro rata for each payroll period. However, with regard to the Health Flexible Spending Account, the payment schedule for the required contributions may not be based on the rate or amount of reimbursements during the Plan Year. In the event Salary Redirections to the Health Flexible Spending Account are not made on a pro rata basis, upon termination of participation, a Participant may be entitled to a refund of such Salary Redirections pursuant to Section 2.5.

ARTICLE IV BENEFITS

4.1 BENEFIT OPTIONS

Each Participant may elect any one or more of the following optional Benefits:

- (1) Health Flexible Spending Account
- (2) Dependent Care Flexible Spending Account

(3) Health Savings Account Benefit

In addition, except for the Health Savings Account Benefit, each Participant shall have a sufficient portion of his Salary Redirections applied to the following Benefits unless the Participant elects not to receive such Benefits:

(4) Health Insurance Benefit

(5) Dental Insurance Benefit

4.2 HEALTH FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Health Flexible Spending Account option, in which case Article VI shall apply.

4.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT BENEFIT

Each Participant may elect to participate in the Dependent Care Flexible Spending Account option, in which case Article VII shall apply.

4.4 HEALTH INSURANCE BENEFIT

(a) **Coverage for Participant and Dependents.** Each Participant may elect to be covered under a health Insurance Contract for the Participant, his or her Spouse, and his or her Dependents.

(b) **Employer selects contracts.** The Employer may select suitable health Insurance Contracts for use in providing this health insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such health Insurance Contract shall be determined therefrom, and such Insurance Contract shall be incorporated herein by reference.

4.5 DENTAL INSURANCE BENEFIT

(a) **Coverage for Participant and/or Dependents.** Each Participant may elect to be covered under the Employer's dental Insurance Contract. In addition, the Participant may elect either individual or family coverage under such Insurance Contract.

(b) **Employer selects contracts.** The Employer may select suitable dental Insurance Contracts for use in providing this dental insurance benefit, which policies will provide uniform benefits for all Participants electing this Benefit.

(c) **Contract incorporated by reference.** The rights and conditions with respect to the benefits payable from such dental Insurance Contract shall be determined therefrom, and such dental Insurance Contract shall be incorporated herein by reference.

4.6 HEALTH SAVINGS ACCOUNT BENEFIT

Each Participant may elect to have a portion of his Salary Redirections contributed to a Health Savings Account, as defined in Code Section 223. The amounts contributed shall be subject to the terms of the Health Savings Account as established.

4.7 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Plan to provide benefits to a classification of employees which the Secretary of the Treasury finds not to be discriminatory in favor of the group in whose favor discrimination may not occur under Code Section 125.

(b) **25% concentration test.** It is the intent of this Plan not to provide qualified benefits as defined under Code Section 125 to Key Employees in amounts that exceed 25% of the aggregate of such Benefits provided for all Eligible Employees under the Plan. For purposes of the preceding sentence, qualified benefits shall not include benefits which (without regard to this paragraph) are includible in gross income.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to Key Employees or a group of employees in whose favor discrimination may

not occur in violation of Code Section 125, it may, but shall not be required to, reduce contributions or non-taxable Benefits in order to assure compliance with the Code and regulations. Any act taken by the Administrator shall be carried out in a uniform and nondiscriminatory manner. With respect to any affected Participant who has had Benefits reduced pursuant to this Section, the reduction shall be made proportionately among Health Flexible Spending Account Benefits and Dependent Care Flexible Spending Account Benefits, and once all these Benefits are expended, proportionately among insured Benefits. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and deposited into the benefit plan surplus.

ARTICLE V PARTICIPANT ELECTIONS

5.1 INITIAL ELECTIONS

An Employee who meets the eligibility requirements of Section 2.1 on the first day of, or during, a Plan Year may elect to participate in this Plan for all or the remainder of such Plan Year, provided he elects to do so on or before his effective date of participation pursuant to Section 2.2.

Notwithstanding the foregoing, an Employee who is eligible to participate in this Plan and who is covered by the Employer's insured benefits under this Plan shall automatically become a Participant to the extent of the Premiums for such insurance unless the Employee elects, during the Election Period, not to participate in the Plan.

5.2 SUBSEQUENT ANNUAL ELECTIONS

During the Election Period prior to each subsequent Plan Year, each Participant shall be given the opportunity to elect, on an election of benefits form to be provided by the Administrator, which spending account Benefit options he wishes to select. Any such election shall be effective for any Benefit expenses incurred during the Plan Year which follows the end of the Election Period. With regard to subsequent annual elections, the following options shall apply:

- (a) A Participant or Employee who failed to initially elect to participate may elect different or new Benefits under the Plan during the Election Period;
- (b) A Participant may terminate his participation in the Plan by notifying the Administrator in writing during the Election Period that he does not want to participate in the Plan for the next Plan Year;
- (c) An Employee who elects not to participate for the Plan Year following the Election Period will have to wait until the next Election Period before again electing to participate in the Plan, except as provided for in Section 5.4.

5.3 FAILURE TO ELECT

With regard to Benefits available under the Plan for which no Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have elected not to participate in the Plan for the upcoming Plan Year. No further Salary Redirections shall therefore be authorized or made for the subsequent Plan Year for such Benefits.

With regard to Benefits available under the Plan for which Premium Expenses apply, any Participant who fails to complete a new benefit election form pursuant to Section 5.2 by the end of the applicable Election Period shall be deemed to have made the same Benefit elections as are then in effect for the current Plan Year. The Participant shall also be deemed to have elected Salary Redirection in an amount necessary to purchase such Benefit options.

5.4 CHANGE IN STATUS

- (a) **Change in status defined.** Any Participant may change a Benefit election after the Plan Year (to which such election relates) has commenced and make new elections with respect to the remainder of such Plan Year if, under the facts and circumstances, the changes are necessitated by and are consistent with a change in status which is acceptable under rules and regulations adopted by the Department of the Treasury, the provisions of which are incorporated by reference. Notwithstanding anything herein to the contrary, if the rules and regulations conflict, then such rules and regulations shall control.

In general, a change in election is not consistent if the change in status is the Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or Dependent, or a Dependent ceasing to satisfy the eligibility requirements for coverage, and the Participant's election under the Plan is to cancel accident or health insurance coverage for any individual other than the one involved in such event. In addition, if the Participant, Spouse or Dependent gains or loses eligibility for coverage, then a Participant's election under the Plan to cease or decrease

coverage for that individual under the Plan corresponds with that change in status only if coverage for that individual becomes applicable or is increased under the family member plan.

Regardless of the consistency requirement, if the individual, the individual's Spouse, or Dependent becomes eligible for continuation coverage under the Employer's group health plan as provided in Code Section 4980B or any similar state law, then the individual may elect to increase payments under this Plan in order to pay for the continuation coverage. However, this does not apply for COBRA eligibility due to divorce, annulment or legal separation.

Any new election shall be effective at such time as the Administrator shall prescribe, but not earlier than the first pay period beginning after the election form is completed and returned to the Administrator. For the purposes of this subsection, a change in status shall only include the following events or other events permitted by Treasury regulations:

- (1) **Legal Marital Status:** events that change a Participant's legal marital status, including marriage, divorce, death of a Spouse, legal separation or annulment;
- (2) **Number of Dependents:** Events that change a Participant's number of Dependents, including birth, adoption, placement for adoption, or death of a Dependent;
- (3) **Employment Status:** Any of the following events that change the employment status of the Participant, Spouse, or Dependent: termination or commencement of employment, a strike or lockout, commencement or return from an unpaid leave of absence, or a change in worksite. In addition, if the eligibility conditions of this Plan or other employee benefit plan of the Employer of the Participant, Spouse, or Dependent depend on the employment status of that individual and there is a change in that individual's employment status with the consequence that the individual becomes (or ceases to be) eligible under the plan, then that change constitutes a change in employment under this subsection;
- (4) **Dependent satisfies or ceases to satisfy the eligibility requirements:** An event that causes the Participant's Dependent to satisfy or cease to satisfy the requirements for coverage due to attainment of age, student status, or any similar circumstance; and
- (5) **Residency:** A change in the place of residence of the Participant, Spouse or Dependent, that would lead to a change in status (such as a loss of HMO coverage).

For the Dependent Care Flexible Spending Account, a Dependent becoming or ceasing to be a "Qualifying Dependent" as defined under Code Section 21(b) shall also qualify as a change in status.

Notwithstanding anything in this Section to the contrary, the gain of eligibility or change in eligibility of a child, as allowed under Code Sections 105(b) and 106, and guidance thereunder, shall qualify as a change in status.

(b) **Special enrollment rights.** Notwithstanding subsection (a), the Participants may change an election for group health coverage during a Plan Year and make a new election that corresponds with the special enrollment rights provided in Code Section 9801(f), including those authorized under the provisions of the Children's Health Insurance Program Reauthorization Act of 2009 (SCHIP); provided that such Participant meets the sixty (60) day notice requirement imposed by Code Section 9801(f) (or such longer period as may be permitted by the Plan and communicated to Participants). Such change shall take place on a prospective basis, unless otherwise required by Code Section 9801(f) to be retroactive.

(c) **Qualified Medical Support Order.** Notwithstanding subsection (a), in the event of a judgment, decree, or order (including approval of a property settlement) ("order") resulting from a divorce, legal separation, annulment, or change in legal custody which requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant):

- (1) The Plan may change an election to provide coverage for the child if the order requires coverage under the Participant's plan; or
- (2) The Participant shall be permitted to change an election to cancel coverage for the child if the order requires the former Spouse to provide coverage for such child, under that individual's plan and such coverage is actually provided.

(d) **Medicare or Medicaid.** Notwithstanding subsection (a), a Participant may change elections to cancel accident or health coverage for the Participant or the Participant's Spouse or Dependent if the Participant or the Participant's Spouse or Dependent is enrolled in the accident or health coverage of the Employer and becomes entitled to coverage (i.e., enrolled) under Part A or Part B of the Title XVIII of the Social Security Act (Medicare) or Title XIX of the Social Security Act (Medicaid), other than coverage consisting solely of benefits under Section 1928 of

the Social Security Act (the program for distribution of pediatric vaccines). If the Participant or the Participant's Spouse or Dependent who has been entitled to Medicaid or Medicare coverage loses eligibility, that individual may prospectively elect coverage under the Plan if a benefit package option under the Plan provides similar coverage.

(e) **Cost increase or decrease.** If the cost of a Benefit provided under the Plan increases or decreases during a Plan Year, then the Plan shall automatically increase or decrease, as the case may be, the Salary Redirections of all affected Participants for such Benefit. Alternatively, if the cost of a benefit package option increases significantly, the Administrator shall permit the affected Participants to either make corresponding changes in their payments or revoke their elections and, in lieu thereof, receive on a prospective basis coverage under another benefit package option with similar coverage, or drop coverage prospectively if there is no benefit package option with similar coverage.

A cost increase or decrease refers to an increase or decrease in the amount of elective contributions under the Plan, whether resulting from an action taken by the Participants or an action taken by the Employer.

(f) **Loss of coverage.** If the coverage under a Benefit is significantly curtailed or ceases during a Plan Year, affected Participants may revoke their elections of such Benefit and, in lieu thereof, elect to receive on a prospective basis coverage under another plan with similar coverage, or drop coverage prospectively if no similar coverage is offered.

(g) **Addition of a new benefit.** If, during the period of coverage, a new benefit package option or other coverage option is added, an existing benefit package option is significantly improved, or an existing benefit package option or other coverage option is eliminated, then the affected Participants may elect the newly-added option, or elect another option if an option has been eliminated prospectively and make corresponding election changes with respect to other benefit package options providing similar coverage. In addition, those Eligible Employees who are not participating in the Plan may opt to become Participants and elect the new or newly improved benefit package option.

(h) **Loss of coverage under certain other plans.** A Participant may make a prospective election change to add group health coverage for the Participant, the Participant's Spouse or Dependent if such individual loses group health coverage sponsored by a governmental or educational institution, including a state children's health insurance program under the Social Security Act, the Indian Health Service or a health program offered by an Indian tribal government, a state health benefits risk pool, or a foreign government group health plan.

(i) **Change of coverage due to change under certain other plans.** A Participant may make a prospective election change that is on account of and corresponds with a change made under the plan of a Spouse's, former Spouse's or Dependent's employer if (1) the cafeteria plan or other benefits plan of the Spouse's, former Spouse's or Dependent's employer permits its participants to make a change; or (2) the cafeteria plan permits participants to make an election for a period of coverage that is different from the period of coverage under the cafeteria plan of a Spouse's, former Spouse's or Dependent's employer.

(j) **Change in dependent care provider.** A Participant may make a prospective election change that is on account of and corresponds with a change by the Participant in the dependent care provider. The availability of dependent care services from a new childcare provider is similar to a new benefit package option becoming available. A cost change is allowable in the Dependent Care Flexible Spending Account only if the cost change is imposed by a dependent care provider who is not related to the Participant, as defined in Code Section 152(a)(1) through (8).

(k) **Health FSA cannot change due to insurance change.** A Participant shall not be permitted to change an election to the Health Flexible Spending Account as a result of a cost or coverage change under any health insurance benefits.

(l) **Health Savings Account changes.** With regard to the Health Savings Account Benefit specified in Section 4.6, a Participant who has elected to make elective contributions under such arrangement may modify or revoke the election prospectively, provided such change is consistent with Code Section 223 and the Treasury regulations thereunder.

(m) **Changes due to reduction in hours or enrollment in an Exchange Plan.** A Participant may prospectively revoke coverage under the group health plan (that is not a health Flexible Spending Account) which provides minimum essential coverage (as defined in Code §5000A(f)(1)) provided the following conditions are met:

Conditions for revocation due to reduction in hours of service:

- (1) The Participant has been reasonably expected to average at least 30 hours of service per week and there is a change in that Participant's status so that the Participant will reasonably be expected to

average less than 30 hours of service per week after the change, even if that reduction does not result in the Participant ceasing to be eligible under the group health plan; and

- (2) The revocation of coverage under the group health plan corresponds to the intended enrollment of the Participant, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

The Administrator may rely on the reasonable representation of the Participant who is reasonably expected to have an average of less than 30 hours of service per week for future periods that the Participant and related individuals have enrolled or intend to enroll in another plan that provides minimum essential coverage for new coverage that is effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.

Conditions for revocation due to enrollment in a Qualified Health Plan:

- (1) The Participant is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace (federal or state exchange) pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the Participant seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period; and
- (2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the Participant and any related individuals who cease coverage due to the revocation in a Qualified Health Plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

The Administrator may rely on the reasonable representation of a Participant who has an enrollment opportunity for a Qualified Health Plan through a Marketplace that the Participant and related individuals have enrolled or intend to enroll in a Qualified Health Plan for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

ARTICLE VI HEALTH FLEXIBLE SPENDING ACCOUNT

6.1 ESTABLISHMENT OF PLAN

This Health Flexible Spending Account is intended to qualify as a medical reimbursement plan under Code Section 105 and shall be interpreted in a manner consistent with such Code Section and the Treasury regulations thereunder. Participants who elect to participate in this Health Flexible Spending Account may submit claims for the reimbursement of Medical Expenses. All amounts reimbursed shall be periodically paid from amounts allocated to the Health Flexible Spending Account. Periodic payments reimbursing Participants from the Health Flexible Spending Account shall in no event occur less frequently than monthly.

6.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan, the terms below have the following meaning:

(a) **"Health Flexible Spending Account"** means the account established for Participants pursuant to this Plan to which part of their Cafeteria Plan Benefit Dollars may be allocated and from which all allowable Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents may be reimbursed.

(b) **"Highly Compensated Participant"** means, for the purposes of this Article and determining discrimination under Code Section 105(h), a participant who is:

- (1) one of the 5 highest paid officers;
- (2) a shareholder who owns (or is considered to own applying the rules of Code Section 318) more than 10 percent in value of the stock of the Employer; or
- (3) among the highest paid 25 percent of all Employees (other than exclusions permitted by Code Section 105(h)(3)(B) for those individuals who are not Participants).

(c) **"Medical Expenses"** means any expense for medical care within the meaning of the term "medical care" as defined in Code Section 213(d) and the rulings and Treasury regulations thereunder, and not

otherwise used by the Participant as a deduction in determining his tax liability under the Code. "Medical Expenses" can be incurred by the Participant, his or her Spouse and his or her Dependents. "Incurred" means, with regard to Medical Expenses, when the Participant is provided with the medical care that gives rise to the Medical Expense and not when the Participant is formally billed or charged for, or pays for, the medical care.

A Participant may not be reimbursed for the cost of any medicine or drug that is not "prescribed" within the meaning of Code Section 106(f) or is not insulin.

A Participant may not be reimbursed for the cost of other health coverage such as premiums paid under plans maintained by the employer of the Participant's Spouse or individual policies maintained by the Participant or his Spouse or Dependent.

A Participant may not be reimbursed for "qualified long-term care services" as defined in Code Section 7702B(c).

(d) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Health Flexible Spending Account.

6.3 FORFEITURES

The amount in the Health Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 6.7 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason, subject to Section 8.2.

6.4 LIMITATION ON ALLOCATIONS

(a) Notwithstanding any provision contained in this Health Flexible Spending Account to the contrary, the maximum amount of salary reductions that may be allocated to the Health Flexible Spending Account by a Participant in or on account of any Plan Year is \$2,500, as adjusted for increases in the cost of living in accordance with Code Section 125(i)(2). The cost of living adjustment in effect for a calendar year applies to any Plan Year beginning with or within such calendar year. The dollar increase in effect on January 1 of any calendar year shall be effective for the Plan Year beginning with or within such calendar year. For any short Plan Year, the limit shall be an amount equal to the limit for the calendar year in which the Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).

(b) **Participation in Other Plans.** All employers that are treated as a single employer under Code Sections 414(b), (c), or (m), relating to controlled groups and affiliated service groups, are treated as a single employer for purposes of the statutory limit. If a Participant participates in multiple cafeteria plans offering health flexible spending accounts maintained by members of a controlled group or affiliated service group, the Participant's total Health Flexible Spending Account contributions under all of the cafeteria plans are limited to the statutory limit (as adjusted). However, a Participant employed by two or more employers that are not members of the same controlled group may elect up to the statutory limit (as adjusted) under each Employer's Health Flexible Spending Account.

(c) **Grace Period.** Payment of expenses from a previous year in the first months of the next Plan Year, the limit above applies to the Plan Year including the Grace Period. Amounts carried into the next Plan Year as part of the Grace Period shall not affect the limit for that next Plan Year.

6.5 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Health Flexible Spending Account not to discriminate in violation of the Code and the Treasury regulations thereunder.

(b) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination under this Health Flexible Spending Account, it may, but shall not be required to, reject any elections or reduce contributions or Benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Health Flexible Spending Account by the member of the group in whose favor discrimination may not occur pursuant to Code Section 105 that elected to contribute the highest amount to the fund for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section or the Code are satisfied, or until the amount designated for the fund equals the amount designated for the fund by the next member of the group in whose favor discrimination may not occur pursuant to Code Section 105 who has elected the second highest contribution to the Health Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section or the Code are satisfied. Contributions

which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited and credited to the benefit plan surplus.

6.6 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Health Flexible Spending Account. The enrollment under the Cafeteria Plan shall constitute enrollment under this Health Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

6.7 HEALTH FLEXIBLE SPENDING ACCOUNT CLAIMS

(a) **Expenses must be incurred during Plan Year.** All Medical Expenses incurred by a Participant, his or her Spouse and his or her Dependents during the Plan Year including the Grace Period shall be reimbursed during the Plan Year subject to Section 2.5, even though the submission of such a claim occurs after his participation hereunder ceases; but provided that the Medical Expenses were incurred during the applicable Plan Year. Medical Expenses are treated as having been incurred when the Participant is provided with the medical care that gives rise to the medical expenses, not when the Participant is formally billed or charged for, or pays for the medical care.

(b) **Reimbursement available throughout Plan Year.** The Administrator shall direct the reimbursement to each eligible Participant for all allowable Medical Expenses, up to a maximum of the amount designated by the Participant for the Health Flexible Spending Account for the Plan Year. Reimbursements shall be made available to the Participant throughout the year without regard to the level of Cafeteria Plan Benefit Dollars which have been allocated to the fund at any given point in time. Furthermore, a Participant shall be entitled to reimbursements only for amounts in excess of any payments or other reimbursements under any health care plan covering the Participant and/or his Spouse or Dependents.

(c) **Payments.** Reimbursement payments under this Plan shall be made directly to the Participant. However, in the Administrator's discretion, payments may be made directly to the service provider. The application for payment or reimbursement shall be made to the Administrator on an acceptable form within a reasonable time of incurring the debt or paying for the service. The application shall include a written statement from an independent third party stating that the Medical Expense has been incurred and the amount of such expense. Furthermore, the Participant shall provide a written statement that the Medical Expense has not been reimbursed or is not reimbursable under any other health plan coverage and, if reimbursed from the Health Flexible Spending Account, such amount will not be claimed as a tax deduction. The Administrator shall retain a file of all such applications.

(d) **Grace Period.** Notwithstanding anything in this Section to the contrary, Medical Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.

(e) **Claims for reimbursement.** Claims for the reimbursement of Medical Expenses incurred in any Plan Year shall be paid as soon after a claim has been filed as is administratively practicable; provided however, that if a Participant fails to submit a claim within 90 days after the end of the Grace Period, those Medical Expense claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment.

6.8 DEBIT AND CREDIT CARDS

Participants may, subject to a procedure established by the Administrator and applied in a uniform nondiscriminatory manner, use debit and/or credit (stored value) cards ("cards") provided by the Administrator and the Plan for payment of Medical Expenses, subject to the following terms:

(a) **Card only for medical expenses.** Each Participant issued a card shall certify that such card shall only be used for Medical Expenses. The Participant shall also certify that any Medical Expense paid with the card has not already been reimbursed by any other plan covering health benefits and that the Participant will not seek reimbursement from any other plan covering health benefits.

(b) **Card issuance.** Such card shall be issued upon the Participant's Effective Date of Participation and reissued for each Plan Year the Participant remains a Participant in the Health Flexible Spending Account. Such card shall be automatically cancelled upon the Participant's death or termination of employment, or if such Participant has a change in status that results in the Participant's withdrawal from the Health Flexible Spending Account.

(c) **Maximum dollar amount available.** The dollar amount of coverage available on the card shall be the amount elected by the Participant for the Plan Year. The maximum dollar amount of coverage available shall be the maximum amount for the Plan Year as set forth in Section 6.4.

(d) **Only available for use with certain service providers.** The cards shall only be accepted by such merchants and service providers as have been approved by the Administrator following IRS guidelines.

(e) **Card use.** The cards shall only be used for Medical Expense purchases at these providers, including, but not limited to, the following:

- (1) Co-payments for doctor and other medical care;
- (2) Purchase of drugs prescribed by a health care provider, including, if permitted by the Administrator, over-the-counter medications as allowed under IRS regulations;
- (3) Purchase of medical items such as eyeglasses, syringes, crutches, etc.

(f) **Substantiation.** Such purchases by the cards shall be subject to substantiation by the Administrator, usually by submission of a receipt from a service provider describing the service, the date and the amount. The Administrator shall also follow the requirements set forth in Revenue Ruling 2003-43 and Notice 2006-69. All charges shall be conditional pending confirmation and substantiation.

(g) **Correction methods.** If such purchase is later determined by the Administrator to not qualify as a Medical Expense, the Administrator, in its discretion, shall use one of the following correction methods to make the Plan whole. Until the amount is repaid, the Administrator shall take further action to ensure that further violations of the terms of the card do not occur, up to and including denial of access to the card.

- (1) Repayment of the improper amount by the Participant;
- (2) Withholding the improper payment from the Participant's wages or other compensation to the extent consistent with applicable federal or state law;
- (3) Claims substitution or offset of future claims until the amount is repaid; and
- (4) if subsections (1) through (3) fail to recover the amount, consistent with the Employer's business practices, the Employer may treat the amount as any other business indebtedness.

ARTICLE VII DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT

7.1 ESTABLISHMENT OF ACCOUNT

This Dependent Care Flexible Spending Account is intended to qualify as a program under Code Section 129 and shall be interpreted in a manner consistent with such Code Section. Participants who elect to participate in this program may submit claims for the reimbursement of Employment-Related Dependent Care Expenses. All amounts reimbursed shall be paid from amounts allocated to the Participant's Dependent Care Flexible Spending Account.

7.2 DEFINITIONS

For the purposes of this Article and the Cafeteria Plan the terms below shall have the following meaning:

(a) **"Dependent Care Flexible Spending Account"** means the account established for a Participant pursuant to this Article to which part of his Cafeteria Plan Benefit Dollars may be allocated and from which Employment-Related Dependent Care Expenses of the Participant may be reimbursed for the care of the Qualifying Dependents of Participants.

(b) **"Earned Income"** means earned income as defined under Code Section 32(c)(2), but excluding such amounts paid or incurred by the Employer for dependent care assistance to the Participant.

(c) **"Employment-Related Dependent Care Expenses"** means the amounts paid for expenses of a Participant for those services which if paid by the Participant would be considered employment related expenses under Code Section 21(b)(2). Generally, they shall include expenses for household services and for the care of a Qualifying Dependent, to the extent that such expenses are incurred to enable the Participant to be gainfully employed for any period for which there are one or more Qualifying Dependents with respect to such Participant.

Employment-Related Dependent Care Expenses are treated as having been incurred when the Participant's Qualifying Dependents are provided with the dependent care that gives rise to the Employment-Related Dependent Care Expenses, not when the Participant is formally billed or charged for, or pays for the dependent care. The determination of whether an amount qualifies as an Employment-Related Dependent Care Expense shall be made subject to the following rules:

- (1) If such amounts are paid for expenses incurred outside the Participant's household, they shall constitute Employment-Related Dependent Care Expenses only if incurred for a Qualifying Dependent as defined in Section 7.2(d)(1) (or deemed to be, as described in Section 7.2(d)(1) pursuant to Section 7.2(d)(3)), or for a Qualifying Dependent as defined in Section 7.2(d)(2) (or deemed to be, as described in Section 7.2(d)(2) pursuant to Section 7.2(d)(3)) who regularly spends at least 8 hours per day in the Participant's household;
- (2) If the expense is incurred outside the Participant's home at a facility that provides care for a fee, payment, or grant for more than 6 individuals who do not regularly reside at the facility, the facility must comply with all applicable state and local laws and regulations, including licensing requirements, if any; and
- (3) Employment-Related Dependent Care Expenses of a Participant shall not include amounts paid or incurred to a child of such Participant who is under the age of 19 or to an individual who is a Dependent of such Participant or such Participant's Spouse.
- (d) **"Qualifying Dependent"** means, for Dependent Care Flexible Spending Account purposes,
 - (1) a Participant's Dependent (as defined in Code Section 152(a)(1)) who has not attained age 13;
 - (2) a Dependent or the Spouse of a Participant who is physically or mentally incapable of caring for himself or herself and has the same principal place of abode as the Participant for more than one-half of such taxable year; or
 - (3) a child that is deemed to be a Qualifying Dependent described in paragraph (1) or (2) above, whichever is appropriate, pursuant to Code Section 21(e)(5).
- (e) The definitions of Article I are hereby incorporated by reference to the extent necessary to interpret and apply the provisions of this Dependent Care Flexible Spending Account.

7.3 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

The Administrator shall establish a Dependent Care Flexible Spending Account for each Participant who elects to apply Cafeteria Plan Benefit Dollars to Dependent Care Flexible Spending Account benefits.

7.4 INCREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be increased each pay period by the portion of Cafeteria Plan Benefit Dollars that he has elected to apply toward his Dependent Care Flexible Spending Account pursuant to elections made under Article V hereof.

7.5 DECREASES IN DEPENDENT CARE FLEXIBLE SPENDING ACCOUNTS

A Participant's Dependent Care Flexible Spending Account shall be reduced by the amount of any Employment-Related Dependent Care Expense reimbursements paid or incurred on behalf of a Participant pursuant to Section 7.12 hereof.

7.6 ALLOWABLE DEPENDENT CARE REIMBURSEMENT

Subject to limitations contained in Section 7.9 of this Program, and to the extent of the amount contained in the Participant's Dependent Care Flexible Spending Account, a Participant who incurs Employment-Related Dependent Care Expenses shall be entitled to receive from the Employer full reimbursement for the entire amount of such expenses incurred during the Plan Year or portion thereof during which he is a Participant.

7.7 ANNUAL STATEMENT OF BENEFITS

On or before January 31st of each calendar year, the Employer shall furnish to each Employee who was a Participant and received benefits under Section 7.6 during the prior calendar year, a statement of all such benefits paid to or on behalf of such Participant during the prior calendar year. This statement is set forth on the Participant's Form W-2.

7.8 FORFEITURES

The amount in a Participant's Dependent Care Flexible Spending Account as of the end of any Plan Year (and after the processing of all claims for such Plan Year pursuant to Section 7.12 hereof) shall be forfeited and credited to the benefit plan surplus. In such event, the Participant shall have no further claim to such amount for any reason.

7.9 LIMITATION ON PAYMENTS

(a) **Code limits.** Notwithstanding any provision contained in this Article to the contrary, amounts paid from a Participant's Dependent Care Flexible Spending Account in or on account of any taxable year of the Participant shall not exceed the lesser of the Earned Income limitation described in Code Section 129(b) or \$5,000 (\$2,500 if a separate tax return is filed by a Participant who is married as determined under the rules of paragraphs (3) and (4) of Code Section 21(e)).

7.10 NONDISCRIMINATION REQUIREMENTS

(a) **Intent to be nondiscriminatory.** It is the intent of this Dependent Care Flexible Spending Account that contributions or benefits not discriminate in favor of the group of employees in whose favor discrimination may not occur under Code Section 129(d).

(b) **25% test for shareholders.** It is the intent of this Dependent Care Flexible Spending Account that not more than 25 percent of the amounts paid by the Employer for dependent care assistance during the Plan Year will be provided for the class of individuals who are shareholders or owners (or their Spouses or Dependents), each of whom (on any day of the Plan Year) owns more than 5 percent of the stock or of the capital or profits interest in the Employer.

(c) **Adjustment to avoid test failure.** If the Administrator deems it necessary to avoid discrimination or possible taxation to a group of employees in whose favor discrimination may not occur in violation of Code Section 129 it may, but shall not be required to, reject any elections or reduce contributions or non-taxable benefits in order to assure compliance with this Section. Any act taken by the Administrator under this Section shall be carried out in a uniform and nondiscriminatory manner. If the Administrator decides to reject any elections or reduce contributions or Benefits, it shall be done in the following manner. First, the Benefits designated for the Dependent Care Flexible Spending Account by the affected Participant that elected to contribute the highest amount to such account for the Plan Year shall be reduced until the nondiscrimination tests set forth in this Section are satisfied, or until the amount designated for the account equals the amount designated for the account of the affected Participant who has elected the second highest contribution to the Dependent Care Flexible Spending Account for the Plan Year. This process shall continue until the nondiscrimination tests set forth in this Section are satisfied. Contributions which are not utilized to provide Benefits to any Participant by virtue of any administrative act under this paragraph shall be forfeited.

7.11 COORDINATION WITH CAFETERIA PLAN

All Participants under the Cafeteria Plan are eligible to receive Benefits under this Dependent Care Flexible Spending Account. The enrollment and termination of participation under the Cafeteria Plan shall constitute enrollment and termination of participation under this Dependent Care Flexible Spending Account. In addition, other matters concerning contributions, elections and the like shall be governed by the general provisions of the Cafeteria Plan.

7.12 DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT CLAIMS

The Administrator shall direct the payment of all such Dependent Care claims to the Participant upon the presentation to the Administrator of documentation of such expenses in a form satisfactory to the Administrator. However, in the Administrator's discretion, payments may be made directly to the service provider. In its discretion in administering the Plan, the Administrator may utilize forms and require documentation of costs as may be necessary to verify the claims submitted. At a minimum, the form shall include a statement from an independent third party as proof that the expense has been incurred during the Plan Year including the Grace Period and the amount of such expense. In addition, the Administrator may require that each Participant who desires to receive reimbursement under this Program for Employment-Related Dependent Care Expenses submit a statement which may contain some or all of the following information:

- (a) The Dependent or Dependents for whom the services were performed;
- (b) The nature of the services performed for the Participant, the cost of which he wishes reimbursement;
- (c) The relationship, if any, of the person performing the services to the Participant;

- (d) If the services are being performed by a child of the Participant, the age of the child;
- (e) A statement as to where the services were performed;
- (f) If any of the services were performed outside the home, a statement as to whether the Dependent for whom such services were performed spends at least 8 hours a day in the Participant's household;
- (g) If the services were being performed in a day care center, a statement:
 - (1) that the day care center complies with all applicable laws and regulations of the state of residence,
 - (2) that the day care center provides care for more than 6 individuals (other than individuals residing at the center), and
 - (3) of the amount of fee paid to the provider.
- (h) If the Participant is married, a statement containing the following:
 - (1) the Spouse's salary or wages if he or she is employed, or
 - (2) if the Participant's Spouse is not employed, that
 - (i) he or she is incapacitated, or
 - (ii) he or she is a full-time student attending an educational institution and the months during the year which he or she attended such institution.
- (i) **Grace Period.** Notwithstanding anything in this Section to the contrary, Employment-Related Dependent Care Expenses incurred during the Grace Period, up to the remaining account balance, shall also be deemed to have been incurred during the Plan Year to which the Grace Period relates.
- (j) **Claims for reimbursement.** If a Participant fails to submit a claim within 90 days after the end of the Grace Period, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 90 days after termination of employment.

ARTICLE VIII BENEFITS AND RIGHTS

8.1 CLAIM FOR BENEFITS

- (a) **Insurance claims.** Any claim for Benefits underwritten by Insurance Contract(s) shall be made to the Insurer. If the Insurer denies any claim, the Participant or beneficiary shall follow the Insurer's claims review procedure.
- (b) **Dependent Care Flexible Spending Account or Health Flexible Spending Account claims.** Any claim for Dependent Care Flexible Spending Account or Health Flexible Spending Account Benefits shall be made to the Administrator. For the Health Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Grace Period, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for the reimbursement of Medical Expenses must be submitted within 90 days after termination of employment. For the Dependent Care Flexible Spending Account, if a Participant fails to submit a claim within 90 days after the end of the Grace Period, those claims shall not be considered for reimbursement by the Administrator. However, if a Participant terminates employment during the Plan Year, claims for reimbursement must be submitted within 90 days after termination of employment. If the Administrator denies a claim, the Administrator may provide notice to the Participant or beneficiary, in writing, within 90 days after the claim is filed unless special circumstances require an extension of time for processing the claim. The notice of a denial of a claim shall be written in a manner calculated to be understood by the claimant and shall set forth:
 - (1) specific references to the pertinent Plan provisions on which the denial is based;
 - (2) a description of any additional material or information necessary for the claimant to perfect the claim and an explanation as to why such information is necessary; and

- (3) an explanation of the Plan's claim procedure.

(c) **Appeal.** Within 60 days after receipt of the above material, the claimant shall have a reasonable opportunity to appeal the claim denial to the Administrator for a full and fair review. The claimant or his duly authorized representative may:

- (1) request a review upon written notice to the Administrator;
- (2) review pertinent documents; and
- (3) submit issues and comments in writing.

(d) **Review of appeal.** A decision on the review by the Administrator will be made not later than 60 days after receipt of a request for review, unless special circumstances require an extension of time for processing (such as the need to hold a hearing), in which event a decision should be rendered as soon as possible, but in no event later than 120 days after such receipt. The decision of the Administrator shall be written and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, with specific references to the pertinent Plan provisions on which the decision is based.

(e) **Forfeitures.** Any balance remaining in the Participant's Health Flexible Spending Account or Dependent Care Flexible Spending Account as of the end of the time for claims reimbursement for each Plan Year and Grace Period (if applicable) shall be forfeited and deposited in the benefit plan surplus of the Employer pursuant to Section 6.3 or Section 7.8, whichever is applicable, unless the Participant had made a claim for such Plan Year, in writing, which has been denied or is pending; in which event the amount of the claim shall be held in his account until the claim appeal procedures set forth above have been satisfied or the claim is paid. If any such claim is denied on appeal, the amount held beyond the end of the Plan Year shall be forfeited and credited to the benefit plan surplus.

8.2 APPLICATION OF BENEFIT PLAN SURPLUS

Any forfeited amounts credited to the benefit plan surplus by virtue of the failure of a Participant to incur a qualified expense or seek reimbursement in a timely manner may, but need not be, separately accounted for after the close of the Plan Year (or after such further time specified herein for the filing of claims) in which such forfeitures arose. In no event shall such amounts be carried over to reimburse a Participant for expenses incurred during a subsequent Plan Year for the same or any other Benefit available under the Plan; nor shall amounts forfeited by a particular Participant be made available to such Participant in any other form or manner, except as permitted by Treasury regulations. Amounts in the benefit plan surplus shall be used to defray any administrative costs and experience losses or used to provide additional benefits under the Plan. No amounts attributable to the Health Savings Account shall be subject to the benefit plan surplus.

ARTICLE IX ADMINISTRATION

9.1 PLAN ADMINISTRATION

The Employer shall be the Administrator, unless the Employer elects otherwise. The Employer may appoint any person, including, but not limited to, the Employees of the Employer, to perform the duties of the Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. Upon the resignation or removal of any individual performing the duties of the Administrator, the Employer may designate a successor.

If the Employer elects, the Employer shall appoint one or more Administrators. Any person, including, but not limited to, the Employees of the Employer, shall be eligible to serve as an Administrator. Any person so appointed shall signify acceptance by filing acceptance in writing (or such other form as acceptable to both parties) with the Employer. An Administrator may resign by delivering a resignation in writing (or such other form as acceptable to both parties) to the Employer or be removed by the Employer by delivery of notice of removal (in writing or such other form as acceptable to both parties), to take effect at a date specified therein, or upon delivery to the Administrator if no date is specified. The Employer shall be empowered to appoint and remove the Administrator from time to time as it deems necessary for the proper administration of the Plan to ensure that the Plan is being operated for the exclusive benefit of the Employees entitled to participate in the Plan in accordance with the terms of the Plan and the Code.

The operation of the Plan shall be under the supervision of the Administrator. It shall be a principal duty of the Administrator to see that the Plan is carried out in accordance with its terms, and for the exclusive benefit of Employees entitled to participate in the Plan. The Administrator shall have full power and discretion to administer the Plan in all of its details and determine all questions arising in connection with the administration, interpretation, and application of the Plan.

The Administrator may establish procedures, correct any defect, supply any information, or reconcile any inconsistency in such manner and to such extent as shall be deemed necessary or advisable to carry out the purpose of the Plan. The Administrator shall have all powers necessary or appropriate to accomplish the Administrator's duties under the Plan. The Administrator shall be charged with the duties of the general administration of the Plan as set forth under the Plan, including, but not limited to, in addition to all other powers provided by this Plan:

- (a) To make and enforce such procedures, rules and regulations as the Administrator deems necessary or proper for the efficient administration of the Plan;
- (b) To interpret the provisions of the Plan, the Administrator's interpretations thereof in good faith to be final and conclusive on all persons claiming benefits by operation of the Plan;
- (c) To decide all questions concerning the Plan and the eligibility of any person to participate in the Plan and to receive benefits provided by operation of the Plan;
- (d) To reject elections or to limit contributions or Benefits for certain highly compensated participants if it deems such to be desirable in order to avoid discrimination under the Plan in violation of applicable provisions of the Code;
- (e) To provide Employees with a reasonable notification of their benefits available by operation of the Plan and to assist any Participant regarding the Participant's rights, benefits or elections under the Plan;
- (f) To keep and maintain the Plan documents and all other records pertaining to and necessary for the administration of the Plan;
- (g) To review and settle all claims against the Plan, to approve reimbursement requests, and to authorize the payment of benefits if the Administrator determines such shall be paid if the Administrator decides in its discretion that the applicant is entitled to them. This authority specifically permits the Administrator to settle disputed claims for benefits and any other disputed claims made against the Plan;
- (h) To appoint such agents, counsel, accountants, consultants, and other persons or entities as may be required to assist in administering the Plan.

Any procedure, discretionary act, interpretation or construction taken by the Administrator shall be done in a nondiscriminatory manner based upon uniform principles consistently applied and shall be consistent with the intent that the Plan shall continue to comply with the terms of Code Section 125 and the Treasury regulations thereunder.

9.2 EXAMINATION OF RECORDS

The Administrator shall make available to each Participant, Eligible Employee and any other Employee of the Employer such records as pertain to their interest under the Plan for examination at reasonable times during normal business hours.

9.3 PAYMENT OF EXPENSES

Any reasonable administrative expenses shall be paid by the Employer unless the Employer determines that administrative costs shall be borne by the Participants under the Plan or by any Trust Fund which may be established hereunder. The Administrator may impose reasonable conditions for payments, provided that such conditions shall not discriminate in favor of highly compensated employees.

9.4 INSURANCE CONTROL CLAUSE

In the event of a conflict between the terms of this Plan and the terms of an Insurance Contract of an independent third party Insurer whose product is then being used in conjunction with this Plan, the terms of the Insurance Contract shall control as to those Participants receiving coverage under such Insurance Contract. For this purpose, the Insurance Contract shall control in defining the persons eligible for insurance, the dates of their eligibility, the conditions which must be satisfied to become insured, if any, the benefits Participants are entitled to and the circumstances under which insurance terminates.

9.5 INDEMNIFICATION OF ADMINISTRATOR

The Employer agrees to indemnify and to defend to the fullest extent permitted by law any Employee serving as the Administrator or as a member of a committee designated as Administrator (including any Employee or former Employee who previously served as Administrator or as a member of such committee) against all liabilities, damages, costs and expenses (including attorney's fees and amounts paid in settlement of any claims approved by the Employer) occasioned by any act or omission to act in connection with the Plan, if such act or omission is in good faith.

ARTICLE X AMENDMENT OR TERMINATION OF PLAN

10.1 AMENDMENT

The Employer, at any time or from time to time, may amend any or all of the provisions of the Plan without the consent of any Employee or Participant. No amendment shall have the effect of modifying any benefit election of any Participant in effect at the time of such amendment, unless such amendment is made to comply with Federal, state or local laws, statutes or regulations.

10.2 TERMINATION

The Employer reserves the right to terminate this Plan, in whole or in part, at any time. In the event the Plan is terminated, no further contributions shall be made. Benefits under any Insurance Contract shall be paid in accordance with the terms of the Insurance Contract.

No further additions shall be made to the Health Flexible Spending Account or Dependent Care Flexible Spending Account, but all payments from such fund shall continue to be made according to the elections in effect until 90 days after the termination date of the Plan. Any amounts remaining in any such fund or account as of the end of such period shall be forfeited and deposited in the benefit plan surplus after the expiration of the filing period.

ARTICLE XI MISCELLANEOUS

11.1 PLAN INTERPRETATION

All provisions of this Plan shall be interpreted and applied in a uniform, nondiscriminatory manner. This Plan shall be read in its entirety and not severed except as provided in Section 11.12.

11.2 GENDER AND NUMBER

Wherever any words are used herein in the masculine, feminine or neuter gender, they shall be construed as though they were also used in another gender in all cases where they would so apply, and whenever any words are used herein in the singular or plural form, they shall be construed as though they were also used in the other form in all cases where they would so apply.

11.3 WRITTEN DOCUMENT

This Plan, in conjunction with any separate written document which may be required by law, is intended to satisfy the written Plan requirement of Code Section 125 and any Treasury regulations thereunder relating to cafeteria plans.

11.4 EXCLUSIVE BENEFIT

This Plan shall be maintained for the exclusive benefit of the Employees who participate in the Plan.

11.5 PARTICIPANT'S RIGHTS

This Plan shall not be deemed to constitute an employment contract between the Employer and any Participant or to be a consideration or an inducement for the employment of any Participant or Employee. Nothing contained in this Plan shall be deemed to give any Participant or Employee the right to be retained in the service of the Employer or to interfere with the right of the Employer to discharge any Participant or Employee at any time regardless of the effect which such discharge shall have upon him as a Participant of this Plan.

11.6 ACTION BY THE EMPLOYER

Whenever the Employer under the terms of the Plan is permitted or required to do or perform any act or matter or thing, it shall be done and performed by a person duly authorized by its legally constituted authority.

11.7 EMPLOYER'S PROTECTIVE CLAUSES

(a) **Insurance purchase.** Upon the failure of either the Participant or the Employer to obtain the insurance contemplated by this Plan (whether as a result of negligence, gross neglect or otherwise), the Participant's Benefits shall be limited to the insurance premium(s), if any, that remained unpaid for the period in

question and the actual insurance proceeds, if any, received by the Employer or the Participant as a result of the Participant's claim.

(b) **Validity of insurance contract.** The Employer shall not be responsible for the validity of any Insurance Contract issued hereunder or for the failure on the part of the Insurer to make payments provided for under any Insurance Contract. Once insurance is applied for or obtained, the Employer shall not be liable for any loss which may result from the failure to pay Premiums to the extent Premium notices are not received by the Employer.

11.8 NO GUARANTEE OF TAX CONSEQUENCES

Neither the Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under the Plan will be excludable from the Participant's gross income for federal or state income tax purposes, or that any other federal or state tax treatment will apply to or be available to any Participant. It shall be the obligation of each Participant to determine whether each payment under the Plan is excludable from the Participant's gross income for federal and state income tax purposes, and to notify the Employer if the Participant has reason to believe that any such payment is not so excludable. Notwithstanding the foregoing, the rights of Participants under this Plan shall be legally enforceable.

11.9 INDEMNIFICATION OF EMPLOYER BY PARTICIPANTS

If any Participant receives one or more payments or reimbursements under the Plan that are not for a permitted Benefit, such Participant shall indemnify and reimburse the Employer for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from such payments or reimbursements. However, such indemnification and reimbursement shall not exceed the amount of additional federal and state income tax (plus any penalties) that the Participant would have owed if the payments or reimbursements had been made to the Participant as regular cash compensation, plus the Participant's share of any Social Security tax that would have been paid on such compensation, less any such additional income and Social Security tax actually paid by the Participant.

11.10 FUNDING

Unless otherwise required by law, contributions to the Plan need not be placed in trust or dedicated to a specific Benefit, but may instead be considered general assets of the Employer. Furthermore, and unless otherwise required by law, nothing herein shall be construed to require the Employer or the Administrator to maintain any fund or segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in, any fund, account or asset of the Employer from which any payment under the Plan may be made.

11.11 GOVERNING LAW

This Plan is governed by the Code and the Treasury regulations issued thereunder (as they might be amended from time to time). In no event shall the Employer guarantee the favorable tax treatment sought by this Plan. To the extent not preempted by Federal law, the provisions of this Plan shall be construed, enforced and administered according to the laws of the State of Illinois.

11.12 SEVERABILITY

If any provision of the Plan is held invalid or unenforceable, its invalidity or unenforceability shall not affect any other provisions of the Plan, and the Plan shall be construed and enforced as if such provision had not been included herein.

11.13 CAPTIONS

The captions contained herein are inserted only as a matter of convenience and for reference, and in no way define, limit, enlarge or describe the scope or intent of the Plan, nor in any way shall affect the Plan or the construction of any provision thereof.

11.14 FAMILY AND MEDICAL LEAVE ACT (FMLA)

Notwithstanding anything in the Plan to the contrary, in the event any benefit under this Plan becomes subject to the requirements of the Family and Medical Leave Act and regulations thereunder, this Plan shall be operated in accordance with Regulation 1.125-3.

11.15 HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA)

Notwithstanding anything in this Plan to the contrary, this Plan shall be operated in accordance with HIPAA and regulations thereunder.

11.16 UNIFORMED SERVICES EMPLOYMENT AND REEMPLOYMENT RIGHTS ACT (USERRA)

Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service shall be provided in accordance with the Uniform Services Employment And Reemployment Rights Act (USERRA) and the regulations thereunder.

11.17 COMPLIANCE WITH HIPAA PRIVACY STANDARDS

(a) **Application.** If any benefits under this Cafeteria Plan are subject to the Standards for Privacy of Individually Identifiable Health Information (45 CFR Part 164, the "Privacy Standards"), then this Section shall apply.

(b) **Disclosure of PHI.** The Plan shall not disclose Protected Health Information to any member of the Employer's workforce unless each of the conditions set out in this Section are met. "Protected Health Information" shall have the same definition as set forth in the Privacy Standards but generally shall mean individually identifiable information about the past, present or future physical or mental health or condition of an individual, including genetic information and information about treatment or payment for treatment.

(c) **PHI disclosed for administrative purposes.** Protected Health Information disclosed to members of the Employer's workforce shall be used or disclosed by them only for purposes of Plan administrative functions. The Plan's administrative functions shall include all Plan payment functions and health care operations. The terms "payment" and "health care operations" shall have the same definitions as set out in the Privacy Standards, but the term "payment" generally shall mean activities taken to determine or fulfill Plan responsibilities with respect to eligibility, coverage, provision of benefits, or reimbursement for health care. Protected Health Information that consists of genetic information will not be used or disclosed for underwriting purposes.

(d) **PHI disclosed to certain workforce members.** The Plan shall disclose Protected Health Information only to members of the Employer's workforce who are designated and authorized to receive such Protected Health Information, and only to the extent and in the minimum amount necessary for that person to perform his or her duties with respect to the Plan. "Members of the Employer's workforce" shall refer to all employees and other persons under the control of the Employer. The Employer shall keep an updated list of those authorized to receive Protected Health Information.

(1) An authorized member of the Employer's workforce who receives Protected Health Information shall use or disclose the Protected Health Information only to the extent necessary to perform his or her duties with respect to the Plan.

(2) In the event that any member of the Employer's workforce uses or discloses Protected Health Information other than as permitted by this Section and the Privacy Standards, the incident shall be reported to the Plan's privacy official. The privacy official shall take appropriate action, including:

(i) investigation of the incident to determine whether the breach occurred inadvertently, through negligence or deliberately; whether there is a pattern of breaches; and the degree of harm caused by the breach;

(ii) appropriate sanctions against the persons causing the breach which, depending upon the nature of the breach, may include oral or written reprimand, additional training, or termination of employment;

(iii) mitigation of any harm caused by the breach, to the extent practicable; and

(iv) documentation of the incident and all actions taken to resolve the issue and mitigate any damages.

(e) **Certification.** The Employer must provide certification to the Plan that it agrees to:

(1) Not use or further disclose the information other than as permitted or required by the Plan documents or as required by law;

(2) Ensure that any agent or subcontractor, to whom it provides Protected Health Information received from the Plan, agrees to the same restrictions and conditions that apply to the Employer with respect to such information;

(3) Not use or disclose Protected Health Information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employer;

- (4) Report to the Plan any use or disclosure of the Protected Health Information of which it becomes aware that is inconsistent with the uses or disclosures permitted by this Section, or required by law;
- (5) Make available Protected Health Information to individual Plan members in accordance with Section 164.524 of the Privacy Standards;
- (6) Make available Protected Health Information for amendment by individual Plan members and incorporate any amendments to Protected Health Information in accordance with Section 164.526 of the Privacy Standards;
- (7) Make available the Protected Health Information required to provide an accounting of disclosures to individual Plan members in accordance with Section 164.528 of the Privacy Standards;
- (8) Make its internal practices, books and records relating to the use and disclosure of Protected Health Information received from the Plan available to the Department of Health and Human Services for purposes of determining compliance by the Plan with the Privacy Standards;
- (9) If feasible, return or destroy all Protected Health Information received from the Plan that the Employer still maintains in any form, and retain no copies of such information when no longer needed for the purpose for which disclosure was made, except that, if such return or destruction is not feasible, limit further uses and disclosures to those purposes that make the return or destruction of the information infeasible; and
- (10) Ensure the adequate separation between the Plan and members of the Employer's workforce, as required by Section 164.504(f)(2)(iii) of the Privacy Standards and set out in (d) above.

11.18 COMPLIANCE WITH HIPAA ELECTRONIC SECURITY STANDARDS

Under the Security Standards for the Protection of Electronic Protected Health Information (45 CFR Part 164.300 et. seq., the "Security Standards"):

- (a) **Implementation.** The Employer agrees to implement reasonable and appropriate administrative, physical and technical safeguards to protect the confidentiality, integrity and availability of Electronic Protected Health Information that the Employer creates, maintains or transmits on behalf of the Plan. "Electronic Protected Health Information" shall have the same definition as set out in the Security Standards, but generally shall mean Protected Health Information that is transmitted by or maintained in electronic media.
- (b) **Agents or subcontractors shall meet security standards.** The Employer shall ensure that any agent or subcontractor to whom it provides Electronic Protected Health Information shall agree, in writing, to implement reasonable and appropriate security measures to protect the Electronic Protected Health Information.
- (c) **Employer shall ensure security standards.** The Employer shall ensure that reasonable and appropriate security measures are implemented to comply with the conditions and requirements set forth in Section 11.17.

11.19 MENTAL HEALTH PARITY AND ADDICTION EQUITY ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Mental Health Parity and Addiction Equity Act.

11.20 GENETIC INFORMATION NONDISCRIMINATION ACT (GINA)

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Genetic Information Nondiscrimination Act.

11.21 WOMEN'S HEALTH AND CANCER RIGHTS ACT

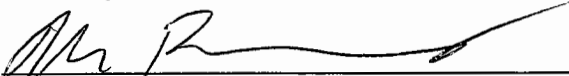
Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Women's Health and Cancer Rights Act of 1998.

11.22 NEWBORNS' AND MOTHERS' HEALTH PROTECTION ACT

Notwithstanding anything in the Plan to the contrary, the Plan will comply with the Newborns' and Mothers' Health Protection Act.

IN WITNESS WHEREOF, this Plan document is hereby executed this 15th day of March, 2017.

DeKalb County Government

By 
EMPLOYER

RESOLUTION
FP-R2017-04



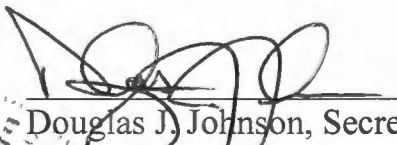
WHEREAS, the DeKalb County Forest Preserve Superintendent, Forest Preserve Committee and DeKalb County State's Attorney's Office have reviewed the Permanent "Bike Trail Easement" (Land Transfer Agreement) from Stone Prairie Commercial LLC to the DeKalb County Forest Preserve District, and

WHEREAS, the Land Transfer Agreement for the 20 ft. wide trail corridor and 8 ft. wide asphalt trail (see attached photo) built by Stone Prairie Commercial LLC will make a trail connection from the western terminus of The Great Western Trail through Strone Prairie land and into Sycamore Forest Preserve (see attached map), and

NOW, THEREFORE, BE IT RESOLVED the DeKalb County Forest Preserve District Commissioners hereby approve and accept the Land Transfer Agreement for the 20 ft. wide trail corridor and 8 ft. wide asphalt trail built by Stone Prairie Commercial LLC to make a trail connection from the western terminus of The Great Western Trail through Stone Prairie land and into the Sycamore Forest Preserve and to the City of Sycamore.


PASSED THIS 15TH DAY OF MARCH, 2017 AT SYCAMORE, ILLINOIS

ATTEST:



Douglas J. Johnson, Secretary
DeKalb County Forest Preserve
District Commissioners

SIGNED:



Mark Pietrowski, Jr., President
DeKalb County Forest Preserve
District Commissioners



Prepared by and return to:

Theodore R. Timm
Timm & Garfinkel, LLC
770 Lake Cook Road, Suite 150
Deerfield, IL 60015

BIKE TRAIL EASEMENT

THIS BIKE TRAIL EASEMENT is made and entered into this 18th day of February, 2017, by and between STONE PRAIRIE COMMERCIAL, LLC, an Illinois limited liability company, whose address is 701 Lucinda Avenue, DeKalb, Illinois 60115 ("GRANTOR"), and the DEKALB COUNTY FOREST PRESERVE DISTRICT, whose address is 200 North Main Street, Sycamore, Illinois 60178 ("GRANTEE")

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, GRANTOR does hereby grant and convey to GRANTEE and its assigns, a permanent easement for the purpose of constructing, installing, maintaining, repairing and taking other necessary and expedient actions relative to the placement of a bike trail, at such dimensions as the GRANTEE may determine desirable, within the easement area, such rights including, but not limited to, the right of the GRANTEE to access and enter, at any time that the GRANTEE may see fit, upon the following-described property situated in the County of DeKalb, State of Illinois, to wit:

See attached Exhibit "A"

TO HAVE AND TO HOLD said easement unto said GRANTEE and its assigns forever.

GRANTEE and its assigns shall have the right to clear, keep clear and remove from said easement area all trees, undergrowth, and other obstructions that may interfere with location, installation, operation or maintenance of the bike trail installed thereon and GRANTOR, its successors and assigns, agree not to build, construct or create, or permit others to build, construct or create any buildings or other structures on the said easement area that may interfere with the bike trail installed thereon as determined by the GRANTEE.

GRANTOR does hereby covenant with the GRANTEE, that it is lawfully seized and possessed of the real estate above-described, that it has a good and lawful right to convey the said easement and that it is free from any encumbrances that shall interfere with the rights granted hereunder.

GRANTEE, as part of the consideration from the GRANTEE to the GRANTOR for this grant of easement, to the extent and limits permitted by State law, GRANTEE agrees to hold harmless, indemnify and defend GRANTOR and GRANTOR's successors and assigns against any claims, losses, damages or lawsuits for damages, arising from, allegedly arising from or related to the negligent construction, maintenance or use of the bike trail within said easement area by the GRANTEE.

IN WITNESS WHEREOF, GRANTOR and GRANTEE have hereunto set its hand and seal, the day and year first above written.

GRANTOR:

STONE PRAIRIE COMMERCIAL, LLC
an Illinois limited liability company

By Kathleen J. Laing
Kathleen J. Laing, Manager

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Kathleen J. Laing, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she signed, sealed and delivered the said instrument as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and official seal, this 18th day of February, 2017.



Patricia Bahen (Notary Public)

Signature Page Follows

GRANTEE:

DEKALB COUNTY FOREST PRESERVE DISTRICT

By: *MP*

Name: Mark Pietrowski Jr.

Title: DeKalb County Forest Preserve President

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Mark Pietrowski, Jr., personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as its free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 15th day of March, 2017.



Tasha Sims (Notary Public)

Exhibit "A"

(Lot 6) + STONE PRAIRIE COMMERCIAL



BIKE TRAIL EASEMENT
A 20' WIDE BIKE TRAIL, ALONG PART OF LOT 6 OF STONE PRAIRIE P.L.D., A SUBDIVISION OF PART OF SECTION 29 AND 34, TOWNSHIP 41 NORTH, RANGE 5 EAST OF THE THIRD PRINCIPAL MERIDIAN, DEKALB COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED IN CARNET NUMBER 10, PAGE 117 AT SLIDE "C" AND AMENDED PLAT RECORDED IN CARNET NUMBER 10, PAGE 120 AT SLIDE "D" AS DOCUMENT NO. 2013010748 IN DEKALB COUNTY, ILLINOIS, COMMENCING AT THE SOUTHEASTERN CORNER OF SAID LOT 6, THENCE NORTH 89 DEGREES 11 MINUTES 11 SECONDS WEST, 8.85 FEET FOR A POINT OF BEGINNING OF SAID 20' WIDE BIKE TRAIL EASEMENT; THENCE CONTINUING NORTH 87 DEGREES 53 MINUTES 11 SECONDS WEST, ALONG THE SOUTH LINE OF SAID LOT 6, 684.00 FEET TO A POINT OF CURVATURE; THENCE NORTHWESTERLY ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS 325.80 FEET AND AN ARC DISTANCE OF 10.04 FEET TO A POINT OF TANGENCY; THENCE NORTH 89 DEGREES 53 MINUTES 11 SECONDS WEST, 174.80 FEET; THENCE NORTH 89 DEGREES 43 MINUTES 11 SECONDS WEST, ALONG THE SOUTH LINE OF SAID LOT 6, 324.30 FEET; THENCE NORTHEASTERLY ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 184.99 FEET, AND AN ARC DISTANCE OF 14.10 FEET; THENCE SOUTH 78 DEGREES 45 MINUTES 45 SECONDS EAST, 16.11 FEET; THENCE SOUTH 89 DEGREES 51 MINUTES 21 SECONDS EAST, 16.42 FEET TO A POINT OF CURVATURE; THENCE SOUTHEASTERLY, ALONG AN ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 304.80 FEET, AND AN ARC DISTANCE OF 85.77 FEET TO A POINT OF TANGENCY; THENCE 87 DEGREES 53 MINUTES 11 SECONDS EAST, 607.30 FEET; THENCE SOUTH 35 DEGREES 06 MINUTES 21 SECONDS WEST, 30.00 FEET TO THE POINT OF BEGINNING.

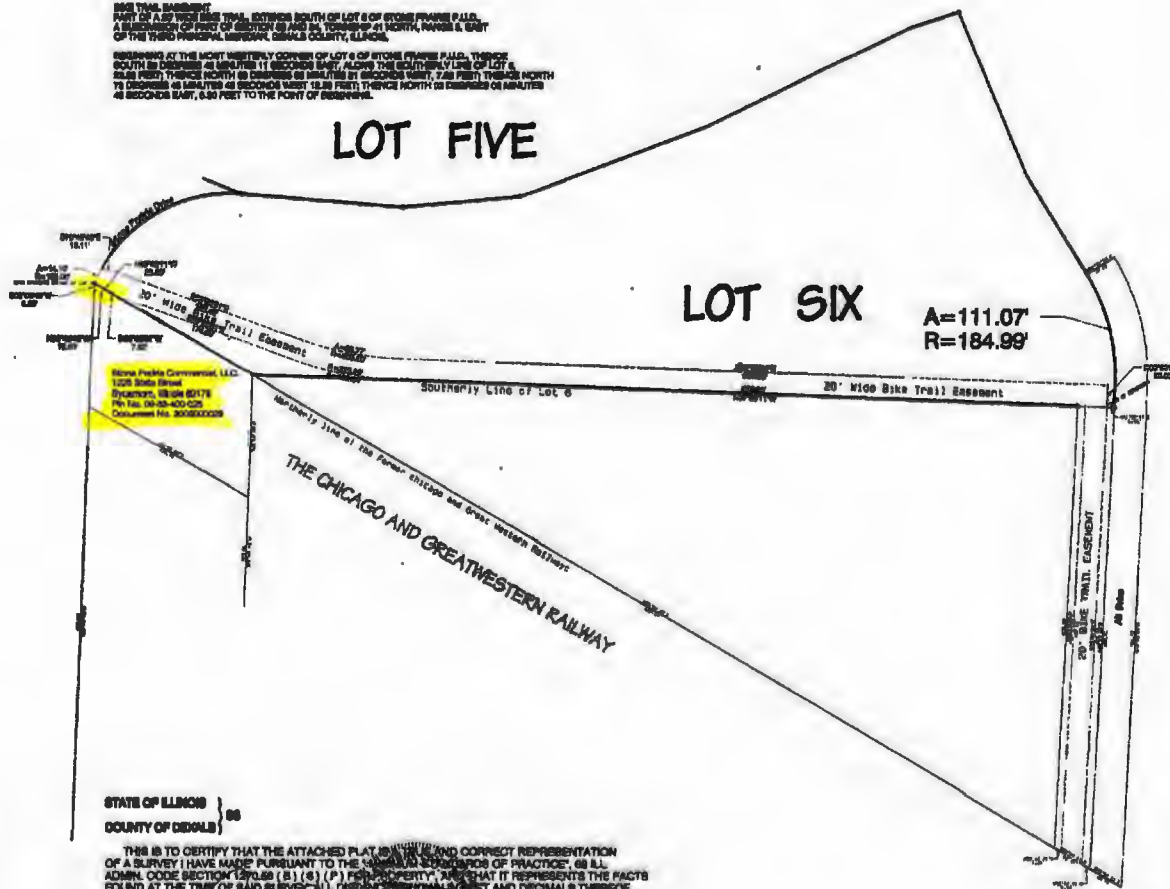
BIKE TRAIL EASEMENT
PART OF A 20' WIDE BIKE TRAIL, EXTENDING SOUTH OF LOT 6 OF STONE PRAIRIE P.L.D., A SUBDIVISION OF PART OF SECTION 29 AND 34, TOWNSHIP 41 NORTH, RANGE 5 EAST OF THE THIRD PRINCIPAL MERIDIAN, DEKALB COUNTY, ILLINOIS.

BEGINNING AT THE NORTH WESTERLY CORNER OF LOT 6 OF STONE PRAIRIE P.L.D., THENCE SOUTH 89 DEGREES 45 MINUTES 11 SECONDS EAST, ALONG THE SOUTHERLY LINE OF LOT 6, 304.80 FEET; THENCE NORTH 89 DEGREES 53 MINUTES 11 SECONDS WEST, 7.85 FEET; THENCE NORTH 78 DEGREES 45 MINUTES 45 SECONDS WEST, 16.42 FEET; THENCE NORTH 89 DEGREES 51 MINUTES 21 SECONDS EAST, 16.42 FEET; THENCE NORTH 89 DEGREES 43 MINUTES 11 SECONDS EAST, 607.30 FEET TO THE POINT OF BEGINNING.

LOT FIVE

LOT SIX

A=111.07'
R=184.99'



GRAPHIC SCALE 1"=66'
0 50 100 150

STATE OF ILLINOIS } ss
COUNTY OF DEKALB }

THIS IS TO CERTIFY THAT THE ATTACHED PLAT IS A TRUE AND CORRECT REPRESENTATION OF A SURVEY I HAVE MADE PURSUANT TO THE CANONICAL STATUTES OF PRACTICE, OR ALL APPLICABLE CODE SECTIONS 120.05 (B) (3) (P) FOR PROPERTY, AND THAT IT REPRESENTS THE FACTS FOUND AT THE TIME OF SAID SURVEY. ALL DISTANCES ARE IN FEET AND DECIMALS THEREOF.

DATED AT DEKALB, ILLINOIS, THIS 1ST DAY OF NOVEMBER, 2013.

ROBERT L. BECKER
ILLINOIS PROFESSIONAL LAND SURVEYOR
LICENSE EXPIRATION DATE OF NOVEMBER, 2016

BECKER AND ASSOCIATES
ILLINOIS PROFESSIONAL LAND SURVEYOR
3011 SOUTH FOURTH STREET
DEKALB, ILLINOIS 60115
815-756-1787
RBECKERPLS@GMAIL.COM

Prepared by and return to:

Theodore R. Timm
Timm & Garfinkel, LLC
770 Lake Cook Road, Suite 150
Deerfield, IL 60015

BIKE TRAIL EASEMENT

THIS BIKE TRAIL EASEMENT is made and entered into this 18TH day of February, 2017, by and between STONE PRAIRIE RENTAL COMMUNITY, LLC, an Illinois limited liability company, whose address is 701 Lucinda Avenue, DeKalb, Illinois 60115 ("GRANTOR"), and the DEKALB COUNTY FOREST PRESERVE DISTRICT, whose address is 200 North Main Street, Sycamore, Illinois 60178 ("GRANTEE")

W I T N E S S E T H:

FOR AND IN CONSIDERATION of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, GRANTOR does hereby grant and convey to GRANTEE and its assigns, a permanent easement for the purpose of constructing, installing, maintaining, repairing and taking other necessary and expedient actions relative to the placement of a bike trail, at such dimensions as the GRANTEE may determine desirable, within the easement area, such rights including, but not limited to, the right of the GRANTEE to access and enter, at any time that the GRANTEE may see fit, upon the following-described property situated in the County of DeKalb, State of Illinois, to wit:

See attached Exhibit "A"

TO HAVE AND TO HOLD said easement unto said GRANTEE and its assigns forever.

GRANTEE and its assigns shall have the right to clear, keep clear and remove from said easement area all trees, undergrowth, and other obstructions that may interfere with location, installation, operation or maintenance of the bike trail installed thereon and GRANTOR, its successors and assigns, agree not to build, construct or create, or permit others to build, construct or create any buildings or other structures on the said easement area that may interfere with the bike trail installed thereon as determined by the GRANTEE.

GRANTOR does hereby covenant with the GRANTEE, that it is lawfully seized and possessed of the real estate above-described, that it has a good and lawful right to convey the said easement and that it is free from any encumbrances that shall interfere with the rights granted hereunder.

GRANTEE, as part of the consideration from the GRANTEE to the GRANTOR for this grant of easement, to the extent and limits permitted by State law, GRANTEE agrees to hold harmless, indemnify and defend GRANTOR and GRANTOR's successors and assigns against any claims, losses, damages or lawsuits for damages, arising from, allegedly arising from or related to the negligent construction, maintenance or use of the bike trail within said easement area by the GRANTEE.

IN WITNESS WHEREOF, GRANTOR and GRANTEE have hereunto set its hand and seal, the day and year first above written.

GRANTOR:

STONE PRAIRIE RENTAL COMMUNITY, LLC
an Illinois limited liability company

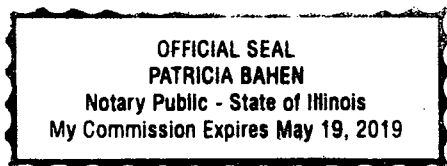
By: Kathleen J. Laing
Kathleen J. Laing, Manager

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Kathleen J. Laing, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she signed, sealed and delivered the said instrument as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth

Given under my hand and official seal, this 18th day of February, 2017.

Patricia Bahen (Notary Public)



Signature Page Follows

GRANTEE:

DEKALB COUNTY FOREST PRESERVE DISTRICT

By: *Mark Pietrowski Jr.*

Name: Mark Pietrowski Jr.

Title: DeKalb County Forest Preserve Resident

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Mark Pietrowski, Jr., personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as its free and voluntary act, for the uses and purposes therein set forth.

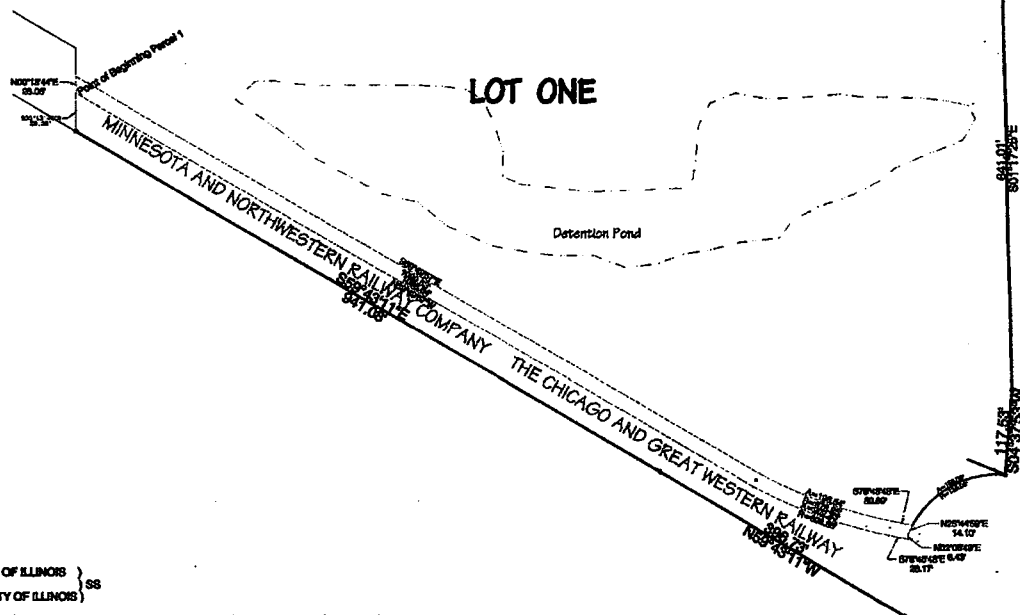
Given under my hand and official seal, this 15th day of March, 2017.



Tasha Sims (Notary Public)

Exhibit "A"
(Lot 1)

Bike Trail Easement
 A 20' WIDE BIKE TRAIL EASEMENT, ALONG PART OF LOT 1 OF STONE PRAIRIE P.L.D., A SUBDIVISION OF PART OF SECTION 33 AND 34, TOWNSHIP 41 NORTH, RANGE 6, EAST OF THE THIRD PRINCIPAL MERIDIAN, DEKALB COUNTY, ILLINOIS, ACCORDING TO THE PLAT THEREOF RECORDED IN CABINET NUMBER 10, PAGE 117 AT SLIDE "C" AND AMENDED PLAT RECORDED IN CABINET 10 PAGE 120 AT SLIDE "D", AS DOCUMENT NO. 2013010749 IN DEKALB COUNTY, ILLINOIS, COMMENCING AT THE SOUTHWESTLY CORNER OF LOT 1 OF STONE PRAIRIE P.L.D., THENCE NORTH 00 DEGREES, 19 MINUTES 44 SECONDS EAST, ALONG THE WESTERLY LINE OF SAID LOT 1, 92.28 FEET FOR A POINT OF BEGINNING OF SAID 20' WIDE EASEMENT; THENCE CONTINUING NORTH 00 DEGREES, 13 MINUTES 44 SECONDS EAST, ALONG SAID WEST LINE, 33.06 FEET; THENCE SOUTH 69 DEGREES, 49 MINUTES, 57 SECONDS EAST, 1099.63 FEET; THENCE EASTERLY ALONG AN ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 678.85 FEET, AND AN ARC LENGTH OF 189.84 FEET TO A POINT OF TANGENCY; THENCE SOUTH 78 DEGREES, 48 MINUTES, 48 SECONDS EAST 30.89 FEET TO A POINT; THENCE SOUTHERLY ALONG AN ARC OR A CURVE TO THE LEFT, HAVING A RADIUS OF 185.25 FEET AND AN ARC LENGTH OF 14.10 FEET TO A POINT; THENCE SOUTH 02 DEGREES, 04 MINUTES, 49 SECONDS WEST, 8.48 FEET; THENCE NORTH 78 DEGREES 48 MINUTES 48 SECONDS WEST, 23.17 FEET TO A POINT OF CURVATURE; THENCE CONTINUING NORTHWESTERLY, ALONG AN ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 696.85 FEET AND AN ARC LENGTH OF 202.33 FEET TO OF TANGENCY; THENCE NORTH 69 DEGREES, 49 MINUTES, 57 SECONDS WEST 1099.84 FEET TO THE POINT OF BEGINNING.



STATE OF ILLINOIS }
 COUNTY OF DEKALB }

THIS IS TO CERTIFY THAT THE ATTACHED PLAT IS A TRUE AND CORRECT REPRESENTATION OF A SURVEY I HAVE MADE PURSUANT TO THE MINIMUM STANDARDS OF PRACTICE, 65 ILL. ADMIN CODE SECTION 120.05 (B) (1) (P) FOR PROPERTY, AND THAT IT REPRESENTS THE FACTS FOUND AT THE TIME OF SAID SURVEY. ALL DISTANCES SHOWN ARE FEET AND DECIMALS THEREOF. DATED AT DEKALB, ILLINOIS ON THIS 15TH DAY OF NOVEMBER, 2013.

ROBERT L. BECKER
 ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 00993
 LICENSE EXPIRATION DATE OF NOVEMBER 30, 2016

BECKER AND ASSOCIATES

ILLINOIS PROFESSIONAL LAND SURVEYOR
 3011 SOUTH FOURTH STREET
 DEKALB, ILLINOIS 60115
 815-756-1797
 RBECKERPLS@GMAIL.COM

Prepared by and return to:

Theodore R. Timm
Timm & Garfinkel, LLC
770 Lake Cook Road, Suite 150
Deerfield, IL 60015

BIKE TRAIL EASEMENT

THIS BIKE TRAIL EASEMENT is made and entered into this 18th day of February, 2017 by and between KAJ STONE PRAIRIE, LLC, an Illinois limited liability company, whose address is 701 Lucinda Avenue, DeKalb, Illinois 60115 and TIMOTHY ROYER, an individual residing in Sycamore, Illinois (collectively, "GRANTOR"), and the DEKALB COUNTY FOREST PRESERVE DISTRICT, whose address is 200 North Main Street, Sycamore, Illinois 60178 ("GRANTEE")

WITNESSETH:

FOR AND IN CONSIDERATION of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, GRANTOR does hereby grant and convey to GRANTEE and its assigns, a permanent easement for the purpose of constructing, installing, maintaining, repairing and taking other necessary and expedient actions relative to the placement of a bike trail, at such dimensions as the GRANTEE may determine desirable, within the easement area, such rights including, but not limited to, the right of the GRANTEE to access and enter, at any time that the GRANTEE may see fit, upon the following-described property situated in the County of DeKalb, State of Illinois, to wit:

See attached Exhibit "A"

TO HAVE AND TO HOLD said easement unto said GRANTEE and its assigns forever.

GRANTEE and its assigns shall have the right to clear, keep clear and remove from said easement area all trees, undergrowth, and other obstructions that may interfere with location, installation, operation or maintenance of the bike trail installed thereon and GRANTOR, its successors and assigns, agree not to build, construct or create, or permit others to build, construct or create any buildings or other structures on the said easement area that may interfere with the bike trail installed thereon as determined by the GRANTEE.

GRANTOR does hereby covenant with the GRANTEE, that it is lawfully seized and possessed of the real estate above-described, that it has a good and lawful right to convey the said easement and that it is free from any encumbrances that shall interfere with the rights granted hereunder.

GRANTEE, as part of the consideration from the GRANTEE to the GRANTOR for this grant of easement, to the extent and limits permitted by State law, GRANTEE agrees to hold harmless, indemnify and defend GRANTOR and GRANTOR's successors and assigns against any claims, losses, damages or lawsuits for damages, arising from, allegedly arising from or related to the negligent construction, maintenance or use of the bike trail within said easement area by the GRANTEE.

IN WITNESS WHEREOF, GRANTOR and GRANTEE have hereunto set its hand and seal, the day and year first above written.

GRANTOR:

KAJ STONE PRAIRIE, LLC
an Illinois limited liability company

By:

Kathleen J. Laing
Kathleen J. Laing, Manager

TIMOTHY ROYER

Timothy Royer
Timothy Royer

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Kathleen J. Laing, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that she signed, sealed and delivered the said instrument as the free and voluntary act of said limited liability company, for the uses and purposes therein set forth.

Given under my hand and official seal, this 18th day of February, 2017

Patricia Bahen (Notary Public)

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)



I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Timothy Royer, personally known to me to be the same persons whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and official seal, this 18th day of February, 2017.

Patricia Bahen (Notary Public)



GRANTEE:

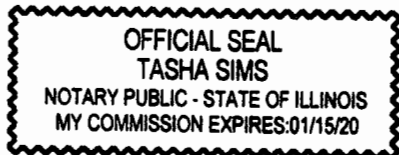
DEKALB COUNTY FOREST PRESERVE DISTRICT

By: [Signature]
Name: Mark Pietrowski Jr.
Title: DeKalb County Forest Preserve President

STATE OF ILLINOIS)
)ss.
COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, certify that Mark Pietrowski, Jr., personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as its free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and official seal, this 15th day of March, 2017.



[Signature] (Notary Public)



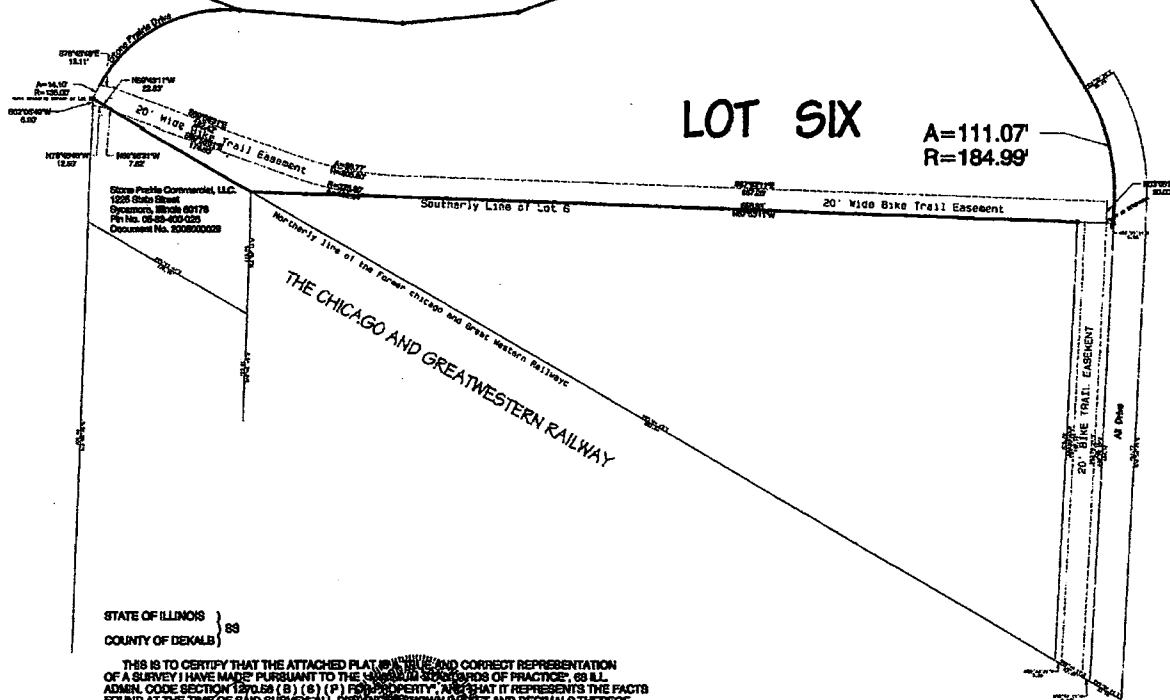
Bike Trail Easement
PART OF A 20' WIDE BIKE TRAIL, EXTENDS SOUTH OF LOT 6 OF STONE PRairie PLAZA,
A SUBDIVISION OF PART OF SECTION 33 AND 34, TOWNSHIP 41 NORTH, RANGE 6 EAST
OF THE THIRD PRINCIPAL MERIDIAN, DEKALB COUNTY, ILLINOIS.

BEGINNING AT THE MOST WESTERLY CORNER OF LOT 6 OF STONE PRairie PLAZA, THENCE
SOUTH 89 DEGREES 45 MINUTES 11 SECONDS EAST, ALONG THE SOUTHERLY LINE OF LOT 6,
24.61 FEET; THENCE NORTH 49 DEGREES 05 MINUTES 41 SECONDS WEST, 7.40 FEET; THENCE NORTH
78 DEGREES 45 MINUTES 48 SECONDS WEST, 12.58 FEET; THENCE NORTH 03 DEGREES 05 MINUTES
46 SECONDS EAST, 6.30 FEET TO THE POINT OF BEGINNING.

LOT FIVE

LOT SIX

A=111.07'
R=184.99'



STATE OF ILLINOIS } ss
COUNTY OF DEKALB }

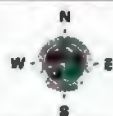
THIS IS TO CERTIFY THAT THE ATTACHED PLAT IS A TRUE AND CORRECT REPRESENTATION
OF A SURVEY I HAVE MADE PURSUANT TO THE HIGHEST STANDARDS OF PRACTICE: OF ILL.
ADMIN. CODE SECTION 120.05 (8) (9) (P) FOR "PROPERTY", AND THAT IT REPRESENTS THE FACTS
FOUND AT THE TIME OF SAID SURVEY, ALL DISTANCES IN FEET AND DECIMALS THEREOF.

DATED AT DEKALB, ILLINOIS, THIS 11TH DAY OF NOVEMBER, 2001.

ROBERT L. BECKER
ILLINOIS PROFESSIONAL LAND SURVEYOR
LICENSE EXPIRATION DATE OF NOVEMBER, 2006

BECKER AND ASSOCIATES

ILLINOIS PROFESSIONAL LAND SURVEYOR
3011 SOUTH FOURTH STREET
DEKALB, ILLINOIS 60115
815-756-1797
RBECKERPLS@GMAIL.COM



DeKalb County Government
Information Management Office
200 North Main Street
Sycamore, IL 60178

2016 Sycamore Forest Preserve and GWT Connection

Proposed Trail Connection from The Great Western Trail to Evergreen Village

0 250 500
Feet

Created: January 28, 2015 BH
Printed: March 30, 2016 BH

Aerials: Google Earth





