



Huntsville, Alabama

308 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 10/26/2023

File ID: TMP-3410

Department: Human Resources

Subject:

Type of Action: Approval/Action

Resolution authorizing the Mayor to execute Amendment No. 7 between the City of Huntsville and WageWorks for provision of flexible spending arrangement (FSA) administration services.

Resolution No.

Finance Information:

Account Number: 1005-00-00000-517020-000000000

City Cost Amount: \$17,000

Total Cost: \$17,000

Special Circumstances:

Grant Funded: N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location: (list below)

Address:

District: District 1 ☐ District 2 ☐ District 3 ☐ District 4 ☐ District 5 ☐

Additional Comments:

This contract renewal is needed to continue administrative services on the City's voluntary flexible spending arrangement (FSA).

RESOLUTION NO. 23-_____

WHEREAS the City of Huntsville previously adopted by Resolution No. 92-719 a City of Huntsville Flexible Benefit Plan (Cafeteria Plan) for the benefit of its employees which was effective January 1, 1993 and the City desires to continue to provide a Flexible Benefit Plan (Cafeteria Plan); and;

WHEREAS the City of Huntsville previously appointed WageWorks to provide flexible spending arrangement (FSA) administration services by Resolution No. 12-937 and modified by Resolutions No. 15-810, 16-784, 18-1149, 19-742, 20-881, and 21-1155; and;

WHEREAS the City of Huntsville wishes to renew the FSA administration services provided by WageWorks for unreimbursed medical expense reimbursement and dependent day care reimbursement effective January 01, 2024; and;

WHEREAS the City of Huntsville, does hereby declare in accordance with Code of Alabama (1975) that the Mayor be, and he is hereby authorized to execute a modification to the agreement between the City of Huntsville and WageWorks, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as Amendment No. 7 to the Reimbursement Services Agreement Between the City of Huntsville, Alabama and WageWorks, Inc. as approved by Resolution No. 12-937, and modified by Resolutions No. 15-810, 16-784, 18-1149, 19-742, 20-881, and 21-1155 consisting of two (2) pages and related documents consisting of five (5) pages and the effective date of January 1, 2024 and the date of October 26, 2023 appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk of the City of Huntsville, Alabama.

ADOPTED this the 26th day of October, 2023.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 26th day of October, 2023.

Mayor of the City of
Huntsville, Alabama

Amendment No 7 to the Reimbursement
Services Agreement Between the
City of Huntsville, Alabama, and
WageWorks, Inc. as approved
by Resolution No. 12-937
and modified by Resolutions
No. 15-810, 16-784, 18-1149,
19-742, 20-881, and 21-1155

STATE OF ALABAMA

COUNTY OF MADISON

AMENDMENT NO. 7 TO REIMBURSEMENT SERVICES AGREEMENT

THIS AMENDMENT TO REIMBURSEMENT SERVICES AGREEMENT (this “**Amendment**”) is made and entered into effective as of the 1st day of January, 2024, by and between **THE CITY OF HUNTSVILLE**, a municipal corporation organized and existing under the laws of the State of Alabama (herein referred to as the “**City**”) and **WageWorks, Inc.**, a Delaware corporation (hereinafter referred to as “**WageWorks**”) and amends as follows, that certain Reimbursement Services Agreement entered into on the 25th day of October, 2012, as authorized by Resolution No. 12-937 of the Huntsville City Council, and modified by Resolutions No. 15-810, 16-784, 18-1149, 19-742, 20-881, and 21-1155.

WHEREAS, the City and WageWorks previously entered into an agreement for WageWorks to provide administration services for the City’s flexible benefit plan; and

WHEREAS, the parties mutually desire to renew the term of the Agreement; and

NOW, THEREFORE, BE IT AGREED, in consideration of the mutual covenants set forth herein, the City and WageWorks agree to amend the Agreement as follows:

1. The term of the Agreement shall be renewed for three (3) years, effective January 1, 2024 through December 31, 2026.
2. Unless otherwise modified herein, all other fees as set forth in the Agreement shall remain unchanged.
3. Unless otherwise modified herein, all other terms and conditions set forth in the Agreement shall remain in full force and effect.
4. This Amendment may be executed in counterparts and exchanged by facsimile or electronically scanned copy. Each such counterpart shall be deemed to be an original and all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Amendment to be executed by their respective duly authorized representatives.

[Signature follow on next page]

ATTEST

THE CITY OF HUNTSVILLE, ALABAMA,

Shaundrika Edwards, City Clerk

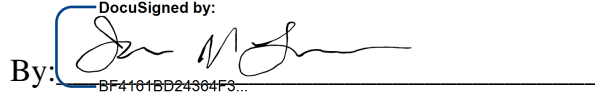
By: _____
Tommy Battle, Mayor

ATTEST

WAGEWORKS, INC.

DocuSigned by:

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By: _____
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Name: Edward Taffet _____

Name: James Lucania _____

Title: VP and Associate GC _____

Title: EVP & CFO _____

Amendment No. 6 to the Reimbursement
Services Agreement Between the
City of Huntsville, Alabama, and
WageWorks, Inc. as approved
by Resolution No. 12-937
and modified by Resolutions
No. 15-810 16-784, 18-1149,
19-742, and 20-881

STATE OF ALABAMA

COUNTY OF MADISON

AMENDMENT NO. 6 TO REIMBURSEMENT SERVICES AGREEMENT

THIS AMENDMENT TO REIMBURSEMENT SERVICES AGREEMENT (this "Amendment") is made and entered into effective as of the 18th day of November, 2021, by and between **THE CITY OF HUNTSVILLE**, a municipal corporation organized and existing under the laws of the State of Alabama (hereinafter referred to as the "City") and **WageWorks, Inc.**, a Delaware corporation (hereinafter referred to as "WageWorks"), and amends as follows, that certain Reimbursement Services Agreement entered into on the 25th day of October, 2012, as authorized by Resolution No. 12-937 of the Huntsville City Council, and modified by Resolutions No. 15-810, 16-784, 18-1149, 19-742, and 20-881

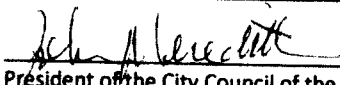
WITNESSETH

WHEREAS, the City and WageWorks previously entered into an agreement for WageWorks to provide administration services for the City's flexible benefit plan and

WHEREAS, the parties mutually desire to renew the Agreement effective January 1, 2022 through December 31 2023, and

NOW THEREFORE, in consideration of the mutual covenants set forth herein, the City and WageWorks agree as follows:

- 1 Appendix C "Fee Schedule" is deleted in its entirety and replaced with the following:
 - 1 Monthly Service Fee. \$3 00 per Participant, per month (PPPM), subject to a Monthly Minimum Fee of \$0 00
 - 2 Compliance Services. A Compliance Fee of \$0.00 per month shall apply
 - 3 Additional Service Fees. The following Service Fees shall apply, as applicable.


President of the City Council of the
City of Huntsville, Alabama
Date: 11/18/2021

- a. *Enrollment Meetings (optional) Enrollment meetings will be billed in four (4)-hour increments at \$250 each, plus travel expenses for on-site meetings.*
 - b. *Eligibility Adjustments. A \$25 Fee will be charged for each participant account that requires an adjustment due to an eligibility change that is not received by WageWorks at least five (5) business days prior to the due date.*
 - c. *Late File Submission. A \$125 Fee will be billed per each late file submission.*
 - d. *Special Research and Reports (optional) A \$50 per hour Fee will be charged for all research performed and non-standard reports prepared at your request, which included, but is not limited to, special reconciliations. A Cost quote will be provided after requirements are mutually defined by the parties.*
- 4 Service Charge *A service charge of 2% per month shall be applied to any overdue amounts.*
- 5 Service Fee Changes *All Service Fees are subject to change upon thirty (30) days' prior written notice to the Employer*
6. Billing and Collection of Fees.
- a. *Public Sector* Employers. Service Fees will be invoiced on the 15th of each month and due within thirty (30) days. Except as otherwise agreed to by the parties, WageWorks is not authorized to withdraw the Service Fee from the Account.*
 - b. *Private Employers. Service Fees will be invoiced each month and collected by WageWorks with initiated ACH debit on the 15th day of each month.*

2. Subsection (1) Notices of Section VII. Miscellaneous of the RSA shall be amended to updated WageWorks address to:


"c/o HealthEquity at 15 W Scenic Pointe Dr., Suite 100, Draper, UT 84020, Attn. General Counsel, Legal Department"

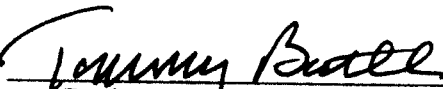
3 The term of this renewal Agreement shall commence on January 1, 2022 and shall continue until December 31, 2023 and shall incorporate the Funding Profile as provided in Exhibit A.

4 All other terms and conditions of the Agreement remain unchanged and in full force and effect.

ATTEST

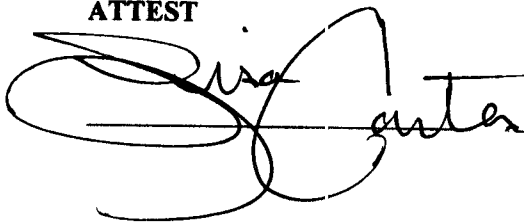
THE CITY OF HUNTSVILLE, ALABAMA



Ken Benion
City Clerk-Treasurer

By: 
Tommy Battle, Mayor

ATTEST

WAGEWORKS


Lisa Carter

By: 
Its: Tyson Murdock, EPHFO

HealthEquity

EXHIBIT A

Funding Profile

Effective Date: 01/1/2022

Employer

City Of Huntsville, AL
PO Box 308
Huntsville, AL 35804

Additional Terms of Service

- You have engaged HealthEquity, Inc. or one of its subsidiaries, including WageWorks, Inc. (collectively, "HQY"), for the provision of certain benefits administrative services to you. In connection with such services, you are required to provide all benefits claims funding amounts ("Funding") directly to HQY. You shall be responsible for all costs incurred by HQY in its collection of any Funding due (including reasonable attorneys' fees and costs). HQY will not be obligated to provide services if you fail to provide Funding.
- Plan Administrator, Fiduciary. You acknowledge and agree that you are the "plan administrator" and "fiduciary" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") (to the extent such law applies) of any and all employee benefit plans or programs (each a "Plan" or, collectively, the "Plans") sponsored by you, and that HQY is an independent contractor engaged by your service provider to perform the agreed upon services.
- Benefit Claims Funding. Client acknowledges and agrees that any Funding submitted by Client to HQY under this Funding Profile: (i) is not subject to any restrictions; and (ii) shall not be segregated or set aside in a trust or escrow account by HQY. Client further agrees to pay HQY the entire amount delivered or deliverable to Participants in any Plan, regardless of whether Client collects sufficient payroll deductions from the Participants.
- Insufficient Funding. If notified by HQY of insufficient Funding, you shall provide additional Funding to HQY within one (1) business day via electronic funds transfer.
- Service Charge. A service charge of 2% per month shall be applied to any overdue amounts.
- Any Service Delivery Standards shall be waived during the period of time that payment of Funding is delayed.

FSA Funding

- Funding Payment Method: Wire / ACH Credit
- Ongoing Funding: Client shall initiate an ACH credit, electronic funds transfer or wire to HQY's designated account to ensure that HQY receives the full amount withheld by Client from all participants' salaries in connection with the Plan within three (3) business days after each payroll date. On the first business day of each week, HQY shall notify Client via email that an on-line report that contains the prior week's Plan transaction history is available for download via HQY's web site. The notice and report are for the Client's informational purposes only.
- Reconciliation. At the completion of each Plan year, the remaining Funding shall be reconciled and returned to Employer (less any amounts owed to HQY) as soon as administratively practicable, but in no event later than ninety (90) days after the completion of any Run-out Period and any ancillary manual claims settlement.
- Reporting: A comprehensive suite of funding reports is available for download via HQY's website.

HealthEquity®

Signature Tommy Battle

Name (print): Tommy Battle

Title: Mayor, City of Huntsville, Alabama

Employer: City of Huntsville

Date: 11/18/2021