



CITY COUNCIL COMMUNICATION

April 28, 2009

SUBJECT: Post-Employment Benefits Trust Agreement (PEB Trust)

SUBMITTED BY: Vicki Rodriguez, Director of Finance

REFERENCE NO:

ACTION REQUESTED:

Authorize the City Manager to execute agreements necessary to establish a Post-Employment Benefits Trust, including, but not limited to, signing the adoption agreement to adopt and establish the PEB Trust, signing the administrative services agreement with Alerus Financial, and signing the application for an Employer Identification Number for the Trust.

ALTERNATIVES:

- Do not authorize, research other alternatives

SUMMARY OF SUBJECT:

The City of Euless partnered with First Southwest Company to submit a PEB Trust to the Internal Revenue Service for review. The Trust has recently received a favorable private letter ruling ("PLR") from the Internal Revenue Service regarding the exemption from Federal income taxes of income earned on City contributions to the PEB Trust. Therefore, staff recommends the City Council authorize the City Manager to sign the necessary documents to formally establish a trust for City of Euless Post Employment Benefits.

SUPPORTING DOCUMENTS:

- Trust Documents

APPROVED BY:

_____ **LG** _____

City Manager's Office

_____ **SC** _____

City Secretary's Office