



**AGENDA
SPECIAL MEETING
FREEPORT CITY COUNCIL
MONDAY, SEPTEMBER 9, 2019 at 6:00 P.M.**

Mayor:
Troy Brimage

Council Members:
Ken Green
Brooks Bass
Sandra Loeza
Roy Yates

City Manager:
Timothy Kelty

THE CITY COUNCIL OF THE CITY OF FREEPORT, TEXAS, WILL MEET ON MONDAY, THE 9th DAY OF SEPTEMBER 2019, AT 6:00 P.M., AT THE FREEPORT POLICE DEPARTMENT, MUNICIPAL COURT ROOM, 430 NORTH BRAZOSPORT BOULEVARD, FREEPORT TEXAS FOR THE FOLLOWING PURPOSES:

CALL TO ORDER: *The Mayor will call the meeting to order, declare a quorum if present, and declare notices legally posted pursuant to Open Meetings Act.*

COUNCIL BUSINESS – REGULAR SESSION:

1. Second Public Hearing Regarding Proposed Property Tax Rate for the 2019 Tax Year **(Russell)**
2. Consideration of a Resolution Authorizing Representation in IRS Matter and Delegating Authority to Execute Form 2848 IRS Power of Attorney **(Russell)**

ADJOURNMENT:

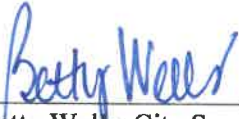
3. Adjourn.
-

Items not necessarily discussed in the order they appear on the agenda. The Council at its discretion may take action on any or all of the items as listed. This notice is posted pursuant to the Texas Open Meeting Act. (Chapter 551, Government Code).

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Sections 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices) and 551.087 (Economic Development).

ACCESSIBILITY STATEMENT This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Secretary's Office at (979) 233-3526.

CERTIFICATE I certify the foregoing notice was posted in the official glass case at the rear door of the City Hall, with 24 hours a day public access, 200 West 2nd Street, Freeport Texas, before 6:00 p.m. on this the 6th day of September, 2019.



Betty Wells, City Secretary
City of Freeport, Texas



City Council Agenda Item #1

Title: Public Hearing Regarding Proposed Property Tax Rate for the 2019 Tax Year

Date: September 9, 2019

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

N/A

Item Summary:

A tax rate of \$0.628005 per \$100 valuation has been proposed for adoption. This hearing is the first of two. This is the second of two hearings.

Background Information:

During the August 19, 2019 Council proposed a tax rate of \$0.628005 per \$100, which is a tax increase of 1.6% above the Effective Tax Rate. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

Tax Rate	M&O Rate	Debt Rate*	Total Rate	M&O Tax Levy	M&O Tax Levy Increase	% Tax Increase
Proposed	0.517972	0.110033	\$0.628005	\$2,602,864	\$235,981	1.6%
Preceding Year	0.517972	0.110033	\$0.628005	\$2,602,864	\$235,981	1.6%
Effective	0.508059	0.110033	\$0.618092	\$2,553,050	\$186,167	0%
Rollback	0.535546	0.110033	\$0.645579	\$2,691,175	\$324,292	4.45%

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for City from the same properties in both the 2018 tax year and the 2019 tax year. The rollback tax rate is the highest tax rate that City may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

Special Considerations: N/A

Financial Impact:

Taxes owed under any of the above rates can be calculated as follows:

$$\text{Property Tax Amount} = (\text{Rate}) \times (\text{Taxable Value of Property}) / 100$$

Board or 3rd Party recommendation: N/A

Supporting Documentation:

- Notice of 2019 Tax Year Proposed Property Tax Rate for the City of Freeport
- Worksheet for Determination of Steps Required for Adoption of Tax Rate

Section 26.05(b) of Property Tax Code
Worksheet for Determination of Steps Required for Adoption of Tax Rate
CITY OF FREEPORT

M&O Tax Increase in Current Year	
1. Last year's taxable value, adjusted for court-ordered reductions. Enter Line 6 of the Effective Tax Rate Worksheet.	\$468,129,990
2. Last year's M&O tax rate. Enter Line 26 of the Rollback Tax Rate Worksheet.	\$0.503854/\$100
3. M&O taxes refunded for years preceding tax year 2018. Enter Line 28E of the Rollback Tax Rate Worksheet.	\$8,192
4. Last year's M&O tax levy. Multiply line 1 times line 2 and divide by 100. To the result, add line 3.	\$2,366,883
5. This year's total taxable value. Enter line 19 of the Effective Tax Rate Worksheet.	\$502,510,591
6. This year's proposed M&O tax rate Enter the proposed M&O tax rate approved by the Governing Body.	\$0.517972/\$100
7. This year's M&O tax levy. Multiply line 5 times line 6 and divide by 100.	\$2,602,864
8. M&O Tax Increase (Decrease). Subtract line 4 from line 7.	\$235,981
Comparison of Total Tax Rates	
9. Effective Total Tax Rate.	\$0.618092/\$100
10. This year's proposed total tax rate.	\$0.628005/\$100
11. This year's rate minus effective rate. Subtract line 9 from line 10.	\$0.009913
12. Percentage change in total tax rate. Divide Line 11 by line 9.	1.60%
Comparison of M&O Tax Rates	
13. Effective M&O Tax Rate. Enter line 30 of the Rollback Tax Rate Worksheet. Adjust for Sales Tax using Line 44 of the Sales Tax Worksheet, if necessary.	\$0.495876/\$100
14. This year's proposed M&O tax rate.	\$0.517972/\$100
15. This year's rate minus effective rate. Subtract line 13 from line 14.	\$0.022096
16. Percentage change in M&O tax rate. Divide line 15 by line 13.	4.46%
Raised M&O Taxes on a \$100,000 Home	
17. This year's taxable value on a \$100,000 home.	\$100,000
18. Last year's M&O tax rate.	\$0.503854/\$100
19. This year's proposed M&O tax rate.	\$0.517972/\$100
20. This year's raised M&O taxes. Subtract line 18 from line 19 and multiply result by line 17. Divide by 100.	\$14.12

NOTICE OF 2019 TAX YEAR PROPOSED PROPERTY TAX RATE FOR CITY OF FREEPORT

A tax rate of \$0.628005 per \$100 valuation has been proposed for adoption by the governing body of CITY OF FREEPORT. This rate exceeds the lower of the effective or rollback tax rate, and state law requires that two public hearings be held by the governing body before adopting the proposed tax rate.

The governing body of CITY OF FREEPORT proposes to use revenue attributable to the tax rate increase for the purpose of funding street and drainage rehabilitation projects..

PROPOSED TAX RATE	\$0.628005 per \$100
PRECEDING YEAR'S TAX RATE	\$0.628005 per \$100
EFFECTIVE TAX RATE	\$0.618092 per \$100
ROLLBACK TAX RATE	\$0.645579 per \$100

The effective tax rate is the total tax rate needed to raise the same amount of property tax revenue for CITY OF FREEPORT from the same properties in both the 2018 tax year and the 2019 tax year.

The rollback tax rate is the highest tax rate that CITY OF FREEPORT may adopt before voters are entitled to petition for an election to limit the rate that may be approved to the rollback rate.

YOUR TAXES OWED UNDER ANY OF THE ABOVE RATES CAN BE CALCULATED AS
FOLLOWS:

$$\text{property tax amount} = (\text{rate}) \times (\text{taxable value of your property}) / 100$$

For assistance or detailed information about tax calculations, please contact:

Ro'Vin Garrett, PCC
Brazoria County Tax Assessor-Collector
451 N Velasco Rm 150 in Angleton, Texas 77515
979-388-1320
roving@brazoria-county.com
<https://brazoriacountytx.gov/departments/tax-office>

You are urged to attend and express your views at the following public hearings on the proposed tax rate:

First Hearing: September 3, 2019 at 6:00pm at the Freeport Police Department, Municipal Court Room, 430 N Brazosport Blvd in Freeport TX 77541.

Second Hearing: September 9, 2019 at 6:00pm at the Freeport Police Department, Municipal Court Room, 430 N Brazosport Blvd in Freeport TX 77541.



City Council Agenda Item #2

Title: Consideration of a Resolution Authorizing Representation in IRS Matter and Delegating Authority to Execute Form 2848 IRS Power of Attorney

Date: September 9, 2019

From: Stephanie Russell, Assistant City Manager/Finance Director

Staff Recommendation:

Staff recommends approval of the resolution.

Item Summary:

TML MultiState IEBP (the “Pool”) may have failed to timely file IRS Forms 1094-C and 1095-C (the “Tax Forms”) for the 2016 and 2017 federal tax years on behalf of [organization], related to [organization’s] provision of minimum essential health coverage to its employees. The Board of Trustees of the Pool have agreed to resolve any proposed imposition of penalties and fines by the IRS for the late filing of the Tax Forms (the “Penalties”) on behalf of all affected members of the Pool, including [organization]. The Pool has engaged the law firm of Mitchell, Williams, Selig, Gates & Woodyard, PLLC (“Mitchell Williams”) to represent the Pool and its members before the IRS with respect to any such Penalties, and the Pool shall be solely responsible for all communication with and payment of Mitchell Williams with regard to such matter. In order for Mitchell Williams and its attorneys to communicate with the IRS regarding any Penalties proposed to be assessed against [organization], an authorized official of [organization] must execute a Form 2848 IRS Power of Attorney authorizing the attorneys to represent [organization] before the IRS.

The proposed resolution authorizes the City of Freeport to:

1. Engage Mitchell Williams to represent the City before the IRS with respect to resolving the proposed IRS Penalties that have been or may in the future be asserted against the City of Freeport; and
2. Delegate the City Manager to execute a Form 2848 IRS Power of Attorney for the purpose of granting the attorneys listed therein the authority to represent the City of Freeport before the IRS solely with respect any such proposed Penalties for tax years 2016 and 2017.

Background Information:

In summary, TML IEBP was required to file forms 1094-B, 1095-B, with the IRS regarding health insurance coverage provided to Pool group employees. Forms 1094-B and 1095-B (the “B’ Forms”) are required to be filed by health insurance issuers and carriers to report information to the IRS and employees regarding provision of minimum essential coverage under the Affordable Care Act. A separate 1095-B is filed for each employee with the IRS, and a copy

is provided to the employee. Form 1094-B reports summary information for the issuer/carrier and transmits the Forms 1095-B to the IRS. TML IEBP has timely filed "B" Forms as an "issuer" of coverage each year since 2015 and provided copies to all Pool groups' employees.

Forms 1094-C and 1095-C (the "C" Forms") are required to be filed by employers with more than 50 full-time employees (Applicable Large Employers, or ALEs) to report information to the IRS about the ALE's offer of health coverage to its employees. As with the "B" Forms, a separate 1095-C is filed for each Pool ALE Member employee with the IRS, and a copy is provided to the employee. Form 1094-C reports summary information for the ALE and transmits the Forms 1095-C to the IRS. The "C" Forms are used to determine if the employer is required to make the employer shared responsibility payment under § 4980H of A.C.A., and the eligibility of employees for a "premium tax credit." TML IEBP filed "C" Forms for 2015 for all Pool ALE Members it identified as an ALE based on the number of employees enrolled in the benefit plan. However, due to an administrative error, TML IEBP did not file the forms for tax years 2016 or 2017 until the fall of 2018.

Several Pool ALE groups received IRS notices in August 2018 stating that the group was required to file the "C" Forms for 2016. TML filed "C" Forms for each Pool ALE group for 2016 on October 29, 2018, and for tax year 2017 on November 13, 2018. ALE groups have started receiving letters proposing to issue a penalty for failure to timely file the "C" Forms for tax year 2017. No letters proposing penalties have been received to date for tax year 2016.

Special Considerations: N/A

Financial Impact: N/A

Board or 3rd Party recommendation: N/A

Supporting Documentation:

- TML Letter to Members dated September 4, 2019
- IRS Form 2848
- TML Resolutions 19-05,19-06 and 19-07
- Freeport Resolution

RESOLUTION NO. 2019-2605

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FREEPORT,
TEXAS AUTHORIZING REPRESENTATION IN IRS MATTER AND
DELEGATING AUTHORITY TO EXECUTE FORM 2848 IRS POWER
OF ATTORNEY**

WHEREAS, the TML MultiState Intergovernmental Employee Benefits Pool (the "Pool") may have failed to timely file IRS Forms 1094-C and 1095-C (the "Tax Forms") for the 2016 and 2017 federal tax years on behalf of the City of Freeport, related to the City of Freeport's provision of minimum essential health coverage to its employees; and

WHEREAS, the Pool has agreed to resolve any proposed imposition of penalties and fines by the IRS for the late filing of the Tax Forms (the "Penalties") on behalf of all affected members of the Pool, including City of Freeport; and

WHEREAS, the Pool has engaged the law firm of Mitchell, Williams, Selig, Gates & Woodyard, PLLC ("Mitchell Williams") to represent the Pool and its members before the IRS with respect to any such Penalties, and the Pool shall be solely responsible for all communication with and payment of Mitchell Williams with regard to such matter; and

WHEREAS, in order for Mitchell Williams and its attorneys to communicate with the IRS regarding any Penalties proposed to be assessed against the City of Freeport, an authorized official of the City of Freeport must execute a Form 2848 IRS Power of Attorney authorizing the attorneys to represent the City of Freeport before the IRS; and

WHEREAS, Council finds it necessary and proper to authorize the City Manager to execute a Form 2848 on behalf of the City of Freeport for such purpose;

NOW THEREFORE, IT IS HEREBY RESOLVED:

1. The City of Freeport is hereby authorized to engage Mitchell Williams to represent the City of Freeport before the IRS with respect to resolving the proposed IRS Penalties that have been or may in the future be asserted against the City of Freeport.

2. The City Manager is hereby authorized to execute a Form 2848 IRS Power of Attorney, in the form attached hereto as Exhibit A, for the purpose of granting the attorneys listed therein the authority to represent the City of Freeport before the IRS solely with respect any such proposed Penalties for tax years 2016 and 2017.

PASSED AND APPROVED this ____ day of September 2019

ATTEST:

APPROVED:

Betty Wells, City Secretary

Troy Brimage, Mayor



September 4, 2019

Via email address

ATTN: Stephanie Russell
City of Freeport
srussell@freeport.tx.us

RE: Resend - Update on Status of TML Health's Review of IRS Notices of Penalty Proposed for 2017 Information Returns

Dear Stephanie Russell:

This letter is to provide another update on the status of our efforts to resolve the proposed IRS penalty notices arising from an administrative error in filing the 1095-C forms on your behalf. The TML Health Board of Trustees conducted a special meeting on Saturday, August 10, 2019. The Trustees voted to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members (or ASO Members) of IRS Form 1095-C for the 2017 federal tax year and 2016 tax year, if applicable. These actions demonstrate our commitment to you to resolve this matter and to relative penalties on your behalf, if in fact a penalty is assessed. I have enclosed a copy of the approved resolutions for your records.

This means that TML Health will be working with tax attorneys at the law firm Mitchell, Williams, Selig, Gates & Woodward, P.L.L.C. (Mitchell Williams) to communicate with the IRS on your behalf to resolve the proposed IRS penalty notices relating to the late filing of the 2017 IRS Form 1095-C.

In order to facilitate a unified and timely resolution for all affected IEBP Member groups, your prompt support in this matter is very important. We believe that the unified approach will provide the best opportunity for the most favorable results for all affected Member organizations.

Enclosed is an IRS Power of Attorney (Form 2848) giving our attorneys the ability to communicate directly with the IRS about the matter on behalf of your group. We ask that you complete the enclosed Power of Attorney form even if you have not yet received a penalty notice from the IRS. Although we will only respond to the IRS on behalf of the Member groups that have received penalty notices, we want to have a Power of Attorney on file from each Member group so that we can assist immediately when and if you do receive a notice.

In section 1 of the enclosed Power of Attorney Form, please type or write in your organization's name address, taxpayer identification number (EIN), and telephone number. On page 2, section 7, please have an authorized official within your organization sign and date the form, and either write or type in the signor's title, printed name and the name of your organization. Once the Power of Attorney form has been signed, please email or fax the signed form back to me.

Follow us:
[@TMLHealth](#)



1821 Rutherford Lane, Suite 300
Austin, Texas 78754-5151
(512) 719-6500 • (800) 282-5385

For more information, visit us at
tmlhealthbenefits.org

Please note that this Power of Attorney is limited only to discussing the penalties proposed for late filing of Forms 1094-C and 1095-C for tax years 2016 and 2017. It does not override or revoke any other IRS Power of Attorney you may have on file for any other matters. Further, your group will have the ability to approve any resolution or settlement negotiated with the IRS on your behalf.

I also understand that you may need to seek approval from your group's governing body in order to designate an authorized official within your organization to execute the enclosed Power of Attorney. With that in mind, I have enclosed a model memo explaining the issue and purpose of the resolution, and a model resolution to be adopted for this purpose.

The deadline to respond to the IRS for many Member groups is **September 12, 2019**, so your prompt attention to this matter is very important. If you receive any correspondence from the IRS concerning the 1095-C forms in the coming days, please send my office a copy via email to General.Counsel@tmlhb.org. For questions about the enclosed Form or the penalty matter in general, please feel free to contact my office at (512) 719-8349.

Sincerely,



Leah Simon
General Counsel

Enclosures: TML Health Board Resolutions 19-05, 19-06 and 19-07;
Power of Attorney Form (IRS Form 2848);
Model Memo for Consideration of Resolution Agenda Item
Model Resolution Authorizing Power of Attorney

Follow us:
[@TMLHealth](#)



1821 Rutherford Lane, Suite 300
Austin, Texas 78754-5151
(512) 719-6500 • (800) 282-5385

For more information, visit us at
tmlhealthbenefits.org

**TML MULTISTATE
INTERGOVERNMENTAL
EMPLOYEE BENEFITS POOL
BOARD OF TRUSTEES
RESOLUTION NO. 19-05**

RESOLUTION NO. 19-05

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE TML
MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL
RELATING TO IRS COMPLIANCE MATTERS**

WHEREAS, the TML MultiState Intergovernmental Employee Benefits Pool ("Pool") is a political subdivision of the State of Texas with all the powers and duties set out in Chapter 172 of the Texas Local Government Code, Chapter 791 of the Government Code, the Texas Trust Act, and its own Trust Agreement Establishing the TML MultiState Intergovernmental Employee Benefits Pool ("Trust Agreement");

WHEREAS, the Board of Trustees of the Pool (the "Board") must carry out all of the duties required under the Trust Agreement to accomplish the purpose of the Pool solely in the interest of the officials, employees and retirees of Employer Members, and the dependents of such individuals, and for the exclusive purpose of providing benefits, as well as related services, and performing operations in furtherance thereof, to such persons, and defraying reasonable expenses of administering the Pool; and

WHEREAS, the Board finds that it is necessary and proper to the furtherance and accomplishment of the primary purpose and objectives of the TML MultiState Intergovernmental Employee Benefits Pool, as defined in the Trust Agreement (the "Primary Purpose") to ensure that the Pool is compliant with all Internal Revenue Service (IRS) requirements relating to the administration and providing of benefit services to Employer Members and Non-Risk Employer Members.

NOW, THEREFORE, it is hereby:

RESOLVED,

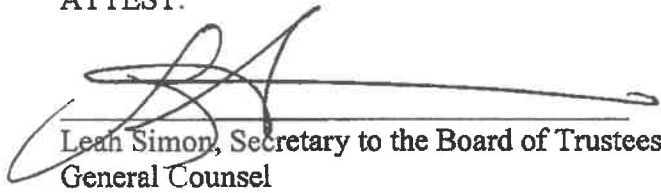
1. That the Board of Trustees finds and determines that it accomplishes the Primary Purpose of the Pool to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.
2. That the Board of Trustees will resolve on behalf of the affected Employer Members and Non-Risk Employer Members the proposed imposition of penalties for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.

Dated: August 10, 2019



Eddie Edwards, Chairman
Board of Trustees
TML MultiState Intergovernmental
Employee Benefits Pool

ATTEST:



Leah Simon, Secretary to the Board of Trustees
General Counsel
TML MultiState Intergovernmental
Employee Benefits Pool

**TML MULTISTATE
INTERGOVERNMENTAL
EMPLOYEE BENEFITS POOL
BOARD OF TRUSTEES
RESOLUTION NO. 19-06**

RESOLUTION NO. 19-06

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE TML
MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL
DELEGATING AUTHORITY TO THE EXECUTIVE DIRECTOR THE
POWER TO NEGOTIATE AND ENGAGE IN SETTLEMENT
DISCUSSIONS WITH THE INTERNAL REVENUE SERVICE**

WHEREAS, the TML MultiState Intergovernmental Employee Benefits Pool (“Pool”) is a political subdivision of the State of Texas with all the powers and duties set out in Chapter 172 of the Texas Local Government Code, Chapter 791 of the Government Code, the Texas Trust Act, and its own Trust Agreement Establishing the TML MultiState Intergovernmental Employee Benefits Pool (“Trust Agreement”);

WHEREAS, the Board of Trustees of the Pool (the “Board”) must carry out all of the duties required under the Trust Agreement to accomplish the purpose of the Pool solely in the interest of the officials, employees and retirees of Employer Members, and the dependents of such individuals, and for the exclusive purpose of providing benefits, as well as related services, and performing operations in furtherance thereof, to such persons, and defraying reasonable expenses of administering the Pool; and;

WHEREAS, the Executive Director is the chief executive and administrative officer of the Pool and is charged with the responsibility of overseeing the day-to-day operations of the Pool, implementing and administering the decisions of the Board, supervising the staff of the Pool, and fulfilling any other obligations devolving to the Executive Director by resolution of the Board or as imposed by the Trust Agreement; and

WHEREAS, the Board finds that it is necessary and proper to the furtherance and accomplishment of the primary purpose and objectives of the TML MultiState Intergovernmental Employee Benefits Pool, as defined in the Trust Agreement (the “Primary Purpose”) to delegate to the Executive Director the power to negotiate and engage in settlement discussions with the IRS to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.

NOW, THEREFORE, it is hereby:

RESOLVED,

1. That the Board of Trustees finds and determines that it accomplishes the Primary Purpose of the Pool to delegate to the Executive Director the power to negotiate and engage in settlement discussions with the IRS to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf

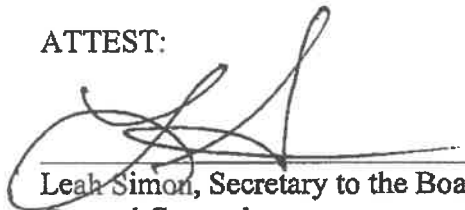
- of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.
2. That the Board of Trustees delegates to the Executive Director the power to negotiate and engage in settlement discussions with the IRS relating to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.

Dated: August 10, 2019



Eddie Edwards, Chairman
Board of Trustees
TML MultiState Intergovernmental
Employee Benefits Pool

ATTEST:



Leah Simon, Secretary to the Board of Trustees
General Counsel
TML MultiState Intergovernmental
Employee Benefits Pool

**TML MULTISTATE
INTERGOVERNMENTAL
EMPLOYEE BENEFITS POOL
BOARD OF TRUSTEES
RESOLUTION NO. 19-07**

RESOLUTION NO. 19-07

**RESOLUTION OF THE BOARD OF TRUSTEES OF THE TML
MULTISTATE INTERGOVERNMENTAL EMPLOYEE BENEFITS POOL
DELEGATING AUTHORITY TO THE EXECUTIVE COMMITTEE THE
POWER TO APPROVE SETTLEMENT DISPOSITIONS OF ACCOUNTS
WITH THE INTERNAL REVENUE SERVICE**

WHEREAS, the TML MultiState Intergovernmental Employee Benefits Pool ("Pool") is a political subdivision of the State of Texas with all the powers and duties set out in Chapter 172 of the Texas Local Government Code, Chapter 791 of the Government Code, the Texas Trust Act, and its own Trust Agreement Establishing the TML MultiState Intergovernmental Employee Benefits Pool ("Trust Agreement");

WHEREAS, the Board of Trustees of the Pool (the "Board") must carry out all of the duties required under the Trust Agreement to accomplish the purpose of the Pool solely in the interest of the officials, employees and retirees of Employer Members, and the dependents of such individuals, and for the exclusive purpose of providing benefits, as well as related services, and performing operations in furtherance thereof, to such persons, and defraying reasonable expenses of administering the Pool; and;

WHEREAS, the Executive Committee by authority granted under the Trust Agreement studies and recommends to the full Board all matters referred to it by the Board when the Board is not in session, and has such other authority as is delegated to it by the Board; and

WHEREAS, the Board finds that it is necessary and proper to the furtherance and accomplishment of the primary purpose and objectives of the TML MultiState Intergovernmental Employee Benefits Pool, as defined in the Trust Agreement (the "Primary Purpose") to delegate to the Executive Committee the power to approve settlement dispositions of accounts with the IRS to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.

NOW, THEREFORE, it is hereby:

RESOLVED,

1. That the Board of Trustees finds and determines that it accomplishes the Primary Purpose of the Pool to delegate to the Executive Committee the power to approve settlement dispositions of accounts with the IRS to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.

2. That the Board of Trustees delegates to the Executive Committee the power to approve settlement dispositions of accounts with the IRS relating to resolve the proposed imposition of penalties and fines by the IRS for the late filing by the Pool on behalf of the Pool and the affected Employer Members and Non-Risk Employer Members of IRS Form 1095-C for the 2017 federal tax year and any other tax year.

Dated: August 10, 2019



Eddie Edwards, Chairman
Board of Trustees
TML MultiState Intergovernmental
Employee Benefits Pool

ATTEST:



Leah Simon, Secretary to the Board of Trustees
General Counsel
TML MultiState Intergovernmental
Employee Benefits Pool