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INTRODUCTION

CREATION AND TITLE

City of Bowling Green hereby establishes this Plan under the terms and conditions set forth in this document. The Plan is to be known as City of Bowling Green Dependent Care Flexible Spending Account Plan.

EFFECTIVE DATE

The provisions of the Plan, as amended, shall be effective as of January 1, 2004. The Plan was originally effective January 1, 2001.

PURPOSE

The purpose of the Plan is to allow participating employees to use pretax dollars to pay for certain dependent care expenses incurred by them and not otherwise covered by insurance or by the employer. The employer intends that the Plan qualify as a nondiscriminatory flexible spending arrangement under Section 125 of the code (and applicable regulation) and a nondiscriminatory dependent care assistance program under Section 129 of the code.
DEFINITIONS

Certain words and terms used herein shall be defined as follows and are shown in bold and italics throughout the document.

Benefits Account

The administrative account established by the plan administrator under the Plan for each participant based on which dependent care reimbursement benefits shall be paid.

Claims Processor

CoreSource, Inc.

Code

The Internal Revenue Code of 1986, as amended from time to time.

Compensation

All the earned income, salary, wages, and other earnings paid by the employer to a participant, including any amounts contributed by the employer pursuant to a salary reduction agreement which are not includable in gross income under Sections 125, 402(g)(3), 402(h), 403(b) or 457(b) of the code.

Dependent

An individual who is a “qualifying individual” as defined in Section 21(b)(1) of the code with respect to whom the participant incurs any dependent care expenses.

Dependent Care Expenses

Expenses incurred by a participant for the care of a dependent or spouse of the participant or for related household services which would be considered employment-related expenses under Section 21(b)(2) of the code.

Dependent Care Reimbursement Benefits

For any plan year, the amount available to a participant as benefits in the form of reimbursements of dependent care expenses.

Effective Date

The provisions of the Plan, as amended, shall be effective as of January 1, 2004. The Plan was originally effective January 1, 2001.

Eligible Employee

An employee who has met the eligibility requirements of the Plan as set forth herein.

Employee

All full-time and part-time employees regularly scheduled to work at least forty (40) hours per work week for full-time or at least twenty (20) hours, but less than forty (40) hours per work week for permanent part-time shall be eligible to enroll for coverage under this Plan. This does not include temporary or seasonal employees.
Employer

City of Bowling Green or any successor by merger, consolidation, or purchase of substantially all of its assets and shall also include any of its affiliates, successors or assignors which adopt the Plan with the approval of City of Bowling Green.

Entry Date

For each employee, the first day of the month coincident with or next following the day that the employee becomes eligible to participate in the Plan.

Incurred or Incurred Date

For purposes of the Plan, a dependent care expense is incurred on the date when the underlying services giving rise to the dependent care expenses are performed and not on the date that the services are billed by the service provider or paid by the participant.

Participant

Any employee who has met the eligibility requirements of the Plan and has elected to participate in the Plan by providing the plan administrator with a completed participation agreement.

Participation Agreement

The agreement by an eligible employee that sets forth the employee’s: (i) election to participate in the Plan, (ii) election of the amount of dependent care reimbursement benefits to be made available to the participant for a plan year as reimbursement for dependent care expenses, and (iii) authorization of the employer to reduce the employee’s compensation while a participant during the plan year and to credit the participant’s benefits account by such amount under the Plan.

Plan

City of Bowling Green Dependent Care Flexible Spending Account Plan, as described herein.

Plan Administrator

The employer or such other person or committee as may be appointed by the employer to administer the Plan.

Plan Year

The twelve (12) consecutive month period beginning on January 1st and ending on December 31st.

Spouse

An individual who is legally married to a participant, but shall not include an individual separated from a participant under a decree of legal separation.
PARTICIPATION

ELIGIBILITY

Each employee, as defined herein, shall be eligible to participate in the Plan.

COMMENCEMENT OF PARTICIPATION

An eligible employee shall become a participant in the Plan after providing the plan administrator with a completed participation agreement setting forth the benefits to be made available to the eligible employee for the immediately following plan year or remaining portion of the plan year. As part of the participation agreement, the participant shall authorize the employer to reduce the participant's compensation for the plan year (or the remaining portion thereof) by an amount the participant elects to have credited to his or her benefits account under the Plan, subject to the maximum amount described in the section below entitled Benefits. The participant must, before the end of the first plan year of participation and, before the end of each subsequent plan year, provide the plan administrator with a newly executed participation agreement. Each new participation agreement shall specify the amount of dependent care reimbursement benefits to be made available to the participant for the immediately following plan year or remaining portion of the plan year.

TERM OF PARTICIPATION

Each participant shall be a participant in the Plan for the entire plan year or the portion of the plan year remaining after the participant's entry date, if later than the first day of the plan year. A participant shall cease to be a participant in the Plan on the earliest of:

(a) the date the participant dies, resigns or terminates employment with the employer, subject to the provisions in the section below entitled Participation By Rehired Employees;

(b) the date the participant fails to make required contributions under the Plan;

(c) the date the participant ceases to be an employee or otherwise becomes no longer eligible to participate under the terms of the Plan; or

(d) the date the Plan terminates.

PARTICIPATION BY REHIRED EMPLOYEES

Each participant in the Plan who separates from service with the employer shall suspend participation under this Plan for the period from the date of termination to the last day of the plan year in which termination occurred. During such period of suspension, any contributions pursuant to a participation agreement shall cease. Participation in the Plan shall terminate on the first day of the next plan year, provided the terminated employee has not been rehired by the employer on such date. If a terminated employee should later be rehired by the employer in the same plan year as the plan year in which he or she separated from service, such employee may elect to resume participation in the Plan under the terms of the participation agreement in effect on the date of termination of employment.
BENEFITS

PROVISION OF BENEFITS

Benefits under the Plan shall take the form of reimbursement of dependent care expenses incurred by a participant during the plan year. Benefits under the Plan shall be available solely for qualified expenses incurred during the participant's participation in the Plan.

AMOUNT OF REIMBURSEMENT

A participant shall be entitled to benefits under the Plan for a plan year in an amount that does not exceed the participant's dependent care reimbursement benefits. Notwithstanding any other provisions of this Plan, no participant shall, for any plan year, receive dependent care reimbursement benefits in excess of five thousand dollars ($5,000) (or two thousand five hundred dollars ($2,500) in the case of a married participant filing a separate Federal income tax return) and not less than one hundred dollars ($100). The amount of a participant's dependent care reimbursement benefits at any given time shall not exceed the amount of the participant's compensation for the plan year that has already been reduced pursuant to the participation agreement and not yet used as reimbursement under this Plan.

CHANGE IN PARTICIPANT ELECTION

A participant may not change the amount of dependent care reimbursement benefits to be made available for a plan year during that plan year, except in accordance with the rules for changes in elections as set forth in the section below entitled Election Changes.

FAMILY AND MEDICAL LEAVE ACT

For any leave, and solely to the extent the provisions of the Family and Medical Leave Act of 1993 ("FMLA") apply and such leave qualifies as a FMLA leave, a participant whose dependent care reimbursement benefits terminated while on an FMLA leave (either by revocation or for nonpayment of premiums) may have such dependent care reimbursement benefits reinstated on return from the FMLA leave on the same terms as prior to taking the FMLA leave, subject to any changes in benefit levels that may have taken place during the period of FMLA leave.

NONDISCRIMINATORY BENEFITS

The Plan, in accordance with applicable provisions of the code, is intended to not discriminate in favor of highly compensated individuals as to eligibility to participate, contributions and/or benefits. The plan administrator may take such actions as it deems appropriate or necessary to ensure that the Plan is not deemed a discriminatory plan under applicable provisions of the code, which actions may include excluding certain highly compensated individuals from participation in the Plan.
FUNDING AND PAYMENT OF BENEFITS

PARTICIPANTS' ACCOUNTS

The plan administrator shall establish a separate benefits account for each participant in the Plan. The plan administrator shall credit a participant's benefits account with the amount of dependent care reimbursement benefits to be made available to the participant pursuant to the participant's participation agreement. The plan administrator shall charge a participant's benefits account in the amount of any reimbursement made to the participant. The plan administrator may also establish a minimum reimbursement amount below which requests for reimbursement shall not be made during the plan year, but which must be made by the end of the plan year (including the period set forth in Forfeiture of Benefits).

PAYMENT OF BENEFITS

Reimbursement shall only be made under the Plan on the basis of dependent care expenses incurred by the participant, as presented to the plan administrator on a written form specified by the plan administrator and as evidenced by a written statement from a third party. It shall be the duty of the plan administrator to determine whether or not an expense constitutes a dependent care expense. To make the determination that a dependent care expense subject to reimbursement has been incurred, the plan administrator may require proper evidence of any or all of the following:

(a) the name of the person or persons for whom the expenses have been incurred;
(b) the nature of the expenses incurred;
(c) the incurred date;
(d) the amount of the requested reimbursement; and/or
(e) that the expenses have not been otherwise paid or reimbursed from another source.

If the plan administrator determines that an expense is a dependent care expense subject to reimbursement, the plan administrator shall reimburse the participant for the dependent care expense within a reasonable time. The plan administrator shall be the sole arbiter of what constitutes a dependent care expense subject to reimbursement under the Plan. In the event of the death of the participant prior to the payment of any claims, payment shall be made to the participant's spouse, or, in the absence of a spouse, to the executor of the participant's estate.

FORFEITURE OF BENEFITS

A participant forfeits any amount of dependent care reimbursement benefits under the Plan for a plan year if a claim for reimbursement is not provided to the plan administrator within ninety (90) days after the last day of the plan year. Upon such forfeiture, the participant's benefits account shall be reduced to zero. At the direction of the employer, forfeitures of benefits under the Plan may be reallocated to participants in any reasonable manner. Forfeitures of benefits may also be applied towards the cost of administering the Plan. In no event shall any forfeitures be subject to the claim of any current or former participant, spouse or dependent or any of their successors or assigns.
ELECTION CHANGES

No participant in the Plan shall be allowed to alter or discontinue the participant’s elected benefits under the Plan during a plan year except as follows:

1. An election change that is on account of and corresponds with any of the following status change that affects eligibility for coverage under the Plan:
   a. Change in employee’s legal marital status;
   b. Change in number of dependents;
   c. Termination or commencement of employment by the employee, spouse or dependent;
   d. Change in employment status for the employee, spouse or dependent that results in change of eligibility under the Plan or other employee benefit plan of the employer of the employee, spouse or dependent;
   e. An event that causes an individual to satisfy (or cease to satisfy) dependent eligibility requirements on account of age, student status or any similar circumstance; or

2. An election change in connection with taking or returning from a leave of absence under the Family and Medical Leave Act of 1993 (FMLA) or the Uniformed Services Employment and Reemployment Rights Act (USERRA).

3. An election change that is pursuant to a judgment, decree or order resulting from a divorce, legal separation, annulment, or change in legal custody that requires coverage for an employee’s child or for a foster child who is a dependent of the employee.

A mid-year election change as permitted above can only be effectuated by the participant filing a new participation agreement, which will serve to revoke the participant’s previous participation agreement. The new participation agreement, if determined by the plan administrator to be timely submitted and consistent with other requirements of this Plan, shall only be effective prospectively and after the effective date of the new participation agreement.
CLAIMS PROCEDURE

GENERAL

No benefit shall be paid hereunder unless the claims processor has received from the participant a written claim for benefits in accordance with the provisions of this section.

FILING A CLAIM

Claims for benefits under this Plan must be submitted to the claims processor at the following address:

CoreSource, Inc.
229 Huber Village Blvd.
Westerville, Ohio 43081

All claims for benefits under this Plan must be submitted on an approved form and include such evidence as the claims processor may deem reasonably necessary to administer the claim, including such evidence that substantiates the nature, the amount, and timeliness of any expenses that may be reimbursed.

Claims for benefits under this Plan must be received by the claims processor within ninety (90) days of the close of the plan year in which the relevant expense was incurred. All claims that are not timely received shall be denied.

BENEFIT DETERMINATION

After receipt by the claims processor of a completed claim for benefits under this Plan, the claims processor shall complete its determination of the claim within a reasonable period of time. If a claim for benefits under this Plan is denied, the claims processor shall provide the participant with a written notice of benefit denial.

APPEALING A DENIED CLAIM

If a claim for benefits under this Plan is denied, the participant may request a review of the denied claim by making written request to the claims processor within ninety (90) days from receipt of notification of the denial and stating the reasons the participant feels the claim should not have been denied. The claims processor shall provide the participant with a written notice of the appeal decision within a reasonable period of time. The appeal decision of the claims processor shall be final under the Plan and binding on the participant.
PLAN ADMINISTRATION

PLAN ADMINISTRATOR

The plan administrator shall be responsible for the administration of the Plan.

PLAN ADMINISTRATOR’S DUTIES

In addition to any rights, duties or powers specified throughout the Plan, the plan administrator shall have the following rights, duties and powers:

(a) to interpret the Plan, to determine the amount, manner and time for payment of any benefits under the Plan, and to construe or remedy any ambiguities, inconsistencies or omissions under the Plan;

(b) to adopt and apply any rules or procedures to ensure the orderly and efficient administration of the Plan;

(c) to determine the rights of any participant to benefits under the Plan;

(d) to develop appellate and review procedures for any participant with regard to denied benefits under the Plan;

(e) to provide the employer with such tax or other information it may require in connection with the Plan;

(f) to employ any agents, attorneys, accountants or other parties (who may also be employed by the employer) and to allocate or delegate to them such powers or duties as are necessary to assist in the proper and efficient administration of the Plan, provided that such allocation or delegation and the acceptance thereof are in writing;

(g) to report to the employer, or any party designated by the employer, after the end of each plan year, regarding the administration of the Plan, and to report any significant problems as to the administration of the Plan and to make recommendations for modifications as to procedures and benefits, or any other change which might ensure the efficient administration of the Plan.

However, nothing in this section is meant to confer upon the plan administrator any powers to amend the Plan or change any material administrative procedure or adopt any other material procedure involving the Plan without the express written approval of the employer. Notwithstanding the preceding sentence, the plan administrator is empowered to take any actions he sees fit to assure that the Plan complies with the nondiscrimination requirements of Sections 129 and/or 125 of the code.

INFORMATION TO BE PROVIDED TO PLAN ADMINISTRATOR

The employer, or any of its agents, shall provide to the plan administrator any employment records of any employee eligible to participate under the Plan. Such records shall include, but will not be limited to, any information regarding period of employment, leaves of absence, salary history, termination of employment, or any other information the plan administrator may need for the proper administration of the Plan. Any participant entitled to benefits under the Plan shall furnish to the plan administrator his correct post office address, his date of birth, the names, correct addresses and dates of birth of any designated beneficiaries, with proper proof thereof, or any other data the plan administrator might reasonably request to ensure the proper and efficient administration of the Plan.
DECISION OF PLAN ADMINISTRATOR FINAL

Subject to applicable State or Federal law and the provisions of this Plan, any interpretation of any provision of this Plan made in good faith by the plan administrator as to any rights or benefits of a participant under this Plan is final and shall be binding upon the parties. Any misstatement or other mistake of fact shall be corrected as soon as reasonably possible upon notification to the plan administrator and any adjustment or correction attributable to such misstatement or mistake of fact shall be made by the plan administrator as he considers equitable and practicable.

RULES TO APPLY UNIFORMLY

The plan administrator shall perform his duties in a reasonable manner and on a nondiscriminatory basis and shall apply uniform rules to all participants similarly situated under the Plan.
GENERAL PROVISIONS

EMPLOYER OBLIGATION

The employer, upon adopting the Plan, shall have the obligation to pay, or to have paid on its behalf, the contributions required for payment of benefits under the Plan in respect of its employees.

AMENDMENT AND TERMINATION

City of Bowling Green may amend, modify, or terminate this Plan at any time, to any extent, and for any reason, all in its sole discretion. Any amendment may be made effective retroactively to the extent not prohibited by the Internal Revenue Code. Coverage upon termination shall be governed by the terms of the Plan.

NONASSIGNABILITY

Any benefits under this Plan shall be nonassignable and for the exclusive benefit of participants. No benefit shall be voluntarily or involuntarily assigned, sold or transferred.

NOT AN EMPLOYMENT CONTRACT

By creating this Plan and providing benefits under the Plan, the employer in no way guarantees employment for any employee. Participation in this Plan shall in no way assure continued employment with the employer.

TAX EFFECTS

Neither the employer nor the plan administrator makes any warranty or other representation as to whether any payments made hereunder will be treated as includible or excludible in gross income for federal or state income tax purposes.

ADDRESSES, NOTICE AND WAIVER OF NOTICE

Each participant shall furnish the employer with his correct post office address. Any communication, statement or notice addressed to a participant at his last post office address as filed with the employer will be binding on such person. The employer or plan administrator shall be under no legal obligation to search for or investigate the whereabouts of any person benefiting under this Plan. Any notice required under the Plan may be waived by such person entitled to such notice.

SEVERABILITY

In any case where any provision of the Plan is held to be illegal or invalid, such illegality or invalidity shall apply only to that part of the Plan and shall not apply to any remaining provisions of the Plan, and the Plan shall be construed as if such illegal or invalid provision had never existed under the Plan.
APPLICABLE LAW

The Plan shall be construed under the laws of the State of Ohio, to the extent not preempted by any Federal law.

Executed this 18th day of February, 2004

Employer: City of Bowling Green

Name: [Signature]

Municipal Administrator

Title: __________________________
AMENDMENT NO. 1
FOR
BUCKEYE OHIO RISK MANAGEMENT ASSOCIATION (BORMA)
CITY OF BOWLING GREEN
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT PLAN

The section "DEFINITIONS" shall be amended as follows:

The subsection “Employee” shall be deleted in its entirety and the following substituted therefore:

Employee

An individual employed by the employer who is regularly scheduled to work at least forty (40) hours per work week.

A non-temporary part-time salaried or exempt individual if their salary is based on 50% of the salary for a full-time hire into the same or similar position. A non-temporary part-time hourly individual who was hired to work a minimum of 1,250 hours per calendar year.

This does not include: (i) an employee who owns on any day during the plan year more than two percent (2%) of the total combined voting power of all stock of the employer if the employer is an S corporation as defined in Section 1361(a)(1) of the code, and (ii) an individual who is a self-employed individual or an owner-employee within the meaning of Section 410(c) of the code.

Effective July 1, 2006

Received and accepted for Buckeye Ohio Risk Management Association (BORMA) – City of Bowling Green

By: ________________________________

Title: Personnel Director

Date: 7-14-06
AMENDMENT NO. 2
FOR
BUCKEYE OHIO RISK MANAGEMENT ASSOCIATION (BORMA)
CITY OF BOWLING GREEN
DEPENDENT CARE FLEXIBLE SPENDING ACCOUNT PLAN

I. The section “PARTICIPATION” shall be amended as follows:

The subsection “Eligibility” shall be deleted in its entirety and the following substituted therefore:

ELIGIBILITY

Each employee, as defined herein, shall be eligible to participate in the Plan on the first day of the month following the date of hire.

II. The section “CLAIMS PROCEDURE” shall be amended as follows:

The subsection “Filing A Claim” shall be deleted in its entirety and the following substituted therefore:

FILING A CLAIM

Claims for benefits under this Plan must be submitted to the claims processor at the following address:

CoreSource, Inc.
5200 Upper Metro Place, Suite 300
Dublin, OH 43017

All claims for benefits under this Plan must be submitted on an approved form and include such evidence as the claims processor may deem reasonably necessary to administer the claim, including such evidence that substantiates the nature, the amount, and timeliness of any expenses that may be reimbursed.

Claims for benefits under this Plan must be received by the claims processor within ninety (90) days of the close of the plan year in which the relevant expense was incurred. All claims that are not timely received shall be denied.

Effective January 1, 2008

Received and accepted for Buckeye Ohio Risk Management Association (BORMA) – City of Bowling Green

By: __________________________

Title: Municipal Administrator

Date: January 28, 2008