



**S-125 FLEXIBLE BENEFIT PLAN for PLAN YEAR 2012
ELECTION FORM AND COMPENSATION REDUCTION AGREEMENT for PUBLIC
TRANSIT PRE-TAX BENEFIT PLAN**

Please Note: Anyone interested in participating in the **PUBLIC TRANSIT PRE-TAX BENEFIT PLAN** **Must** complete and return this form to the Human Resource Department **no later than December 9, 2011**. Please contact Jackie Jamison at (708) 358-5655 if you have any questions.

Employer Name: _____

Employee Name: _____

Employee Address: _____

Employee Social Security Number: _____ Employee Number: _____

Plan Year: **January 1, 2012 to December 31, 2012**

As an eligible employee in the above plan, I acknowledge that I have received the Summary Plan Description that is part of this agreement document. I have read the Summary Plan Description and understand the benefits available to me as well as other rights and obligations that I have under the plan.

In accordance with my rights under the plan, I designate the following amounts for each benefit I have selected for the plan year specified above. The Village of Oak Park and I agree that my cash compensation will be reduced by the total annual amounts set forth below and deducted in a pro-rata distribution for the first two pay periods of each month and plan year (or during such portion of the year as remains after the date if this agreement.)

ELECTION OF PUBLIC TRANSIT REIMBURSEMENTS

() I elect to receive pre-tax transit benefits for the plan year.

Salary redirection: The total compensation redirection will be \$ _____ for Plan Year 2012. The total amount of compensation redirection in 2011 for the pre-tax transit benefit may not exceed \$5,520. Please see Calculation Worksheet.

The annual plan limit for 2012 that may be allocated to the public transit reimbursement account is:

- \$230 a month, or \$2,760 annually public transportation; and
- \$230 a month, or \$2,760 annually for qualified parking expenses; or
- \$20 a month, or \$240 annually for qualified bicycle expenses including the purchase, improvement, repair and storage of a bicycle regularly used to travel between the employee’s residence and place of employment.

I understand that:

- Reimbursements will be available only for “qualifying public transit expenses” as defined in IRS Section 132(f). Generally, qualifying public transit expenses are the costs associated with the use public transit for commuting purposes.

- I agree to notify the Village of Oak Park if I have reason to believe that any expense for which I have obtained reimbursement is not a qualifying expense. I also agree to indemnify and reimburse the Village of Oak Park on demand for any liability it may incur for failure to withhold federal or state income tax or Social Security tax from any reimbursement I receive of a non-qualifying expense, up to the amount of additional tax owed by me.
- This section of the agreement will automatically terminate if the Plan is terminated or discontinued.
- If I cease my employment with the Village of Oak Park, my participation in the Plan will cease. No further contributions will be made on my behalf, although I may be entitled to reimbursements for transit claims incurred prior to my date of termination.

OTHER TERMS AND CONDITIONS

I understand that:

- I cannot change or revoke my elections or this compensation reduction agreement at any time during the plan year unless I have a change in family status; termination or commencement of employment of a spouse; change in my or my spouse’s employment status; my spouse or I taking an unpaid leave of absence, or such other events as the Plan Administrator determines will permit a change or revocation of an election.
- The Plan Administrator may reduce or cancel my compensation reduction or otherwise modify this agreement in the event it is believed to be advisable in order to satisfy certain provisions of the Internal Revenue Code.
- The reductions in my cash compensation under this agreement shall be in addition to any reductions under other agreements or benefit programs maintained by my Employer.
- Any amounts not used during a plan year to provide benefits will be forfeited and may not be paid to me in cash or used to provide benefits specifically for me in a later plan year.
- Prior to the first day of each plan year I will be offered an opportunity to change my benefit elections for the following plan year. If I do not complete and return a new election form at that time, I will be treated as having elected not to continue in the program.

THIS AGREEMENT IS SUBJECT TO AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH APPLICABLE LAWS, SHALL TAKE EFFECT AS A SEALED INSTRUMENT UNDER APPLICABLE LAWS, AND REVOKES ANY PRIOR ELECTION AND COMPENSATION REDUCTION AGREEMENT RELATING TO SUCH PLAN.

Employee’s Signature

Date

Accepted and agreed to by the Village of Oak Park

BY: _____

Date

**2012 Pre-Tax Transit Benefit Plan
Worksheet/Receipt Certification Affidavit**

To assist you in calculating your compensation reduction amount for the Plan Year, please take into consideration the following:

1. What is the total amount you annually spend in public transportation costs? To calculate the amount, multiply the round-trips you will take utilizing public transportation by the amount you pay. Please take into consideration holidays, vacation and other paid leave days you believe you will take in the plan year. Maximum allowed is \$230/monthly or \$2,760 /annually.

$$\frac{\text{_____}}{\text{Est. \# of Round Trips}} \times \$ \frac{\text{_____}}{\text{Cost}} = \$ \frac{\text{_____}}{\text{Qualifying Deduction}}$$

2. If you pay for commuter parking as part of your use of public transportation, utilize the same calculation above to determine the eligible amount of commuter parking fees for the plan. Maximum allowed is \$230/monthly or \$2,760/annually. NOTE: You cannot have more commuter lot uses than the number of public transit round trips.

$$\frac{\text{_____}}{\text{Est. \# of Commuter Lot Uses}} \times \$ \frac{\text{_____}}{\text{Cost}} = \$ \frac{\text{_____}}{\text{Qualifying Deduction}}$$

3. Add the two category costs together to determine the approximate amount of plan usage. Pro-Rata deductions from the first and second paychecks of the month will occur. (i.e. \$1,000 deduction will result in \$41.66 being deducted from the 1st and 2nd paycheck of each month.)

Receipt Certification Affidavit

For transit systems that do not provide a receipt for the purchase of fare cards and other transit-related services, please utilize the following calculations and affidavit for receiving reimbursement from the Village of Oak Park's Pre-Tax Transit Benefit Plan.

I hereby certify that I have utilized Public Transportation for commuting purposes between the Village of Oak Park and my residence. I further certify that I purchased a _____
Describe expense
from _____
Transit agency

That agency does not provide transaction receipts and I therefore attest that the amount purchased and the amounts being submitted for this plan reimbursement were only utilized for the purpose of this program.

$$\frac{\text{_____}}{\text{\# of Round Trips}} \times \$ \frac{\text{_____}}{\text{Cost}} = \$ \frac{\text{_____}}{\text{Qualifying Deduction}}$$

Employee

Date