

CITY OF DELANO
SECTION 125 CAFETERIA PLAN SUMMARY
OF MATERIAL MODIFICATIONS

The purpose of this Summary of Material Modifications is to inform you of a change that has been made to the City of Delano Section 125 Cafeteria Plan. This change has affected the information previously provided to you in the Plan's Summary Plan Description. The Summary Plan Description is modified as described below.

The Plan shall include the following plan provision effective July 1, 2017 and applies to the Plan Year beginning 2017.

Carryover Amount

Effective July 1, 2017 the Plan is adopting a FSA Health Care Carryover Amount. The Plan shall provide for a carryover of \$500 of any amount remaining unused in a Health FSA as of the end of the plan year. Such carryover amount may be used to pay or reimburse medical expenses under the health FSA incurred during the entire Plan Year to which it is carried over.

Effective Date shall include the 2017 Plan Year.