

ORDINANCE NO. 487

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE,  
WASHINGTON, RELATING TO CITY COUNCIL BENEFITS AND AMENDING THE  
HEALTH ALLOWANCE FOR CITY COUNCIL MEMBERS**

WHEREAS, health insurance rates continue to rise; and

WHEREAS, the health allowance for Council Members needs to be adjusted to keep up with the health insurance rate increases; and

WHEREAS, the health insurance allowance for Council Members is based upon the medical, dental, and vision premiums for employee-only coverage; and

WHEREAS, the City Council wishes to have health benefits comparable to those of regular employees; and

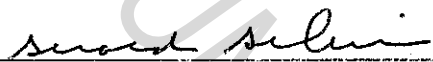
WHEREAS, RCW 35A.13.040 allows Council Members to set their compensation by Ordinance and any increase or reduction in Council compensation shall not become effective until the expiration of the term then being served by the incumbents; NOW THEREFORE,

**THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON, DO ORDAIN  
AS FOLLOWS:**

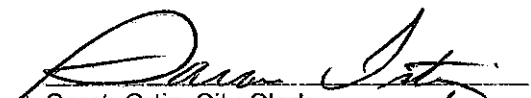
Section 1. Amending Section 3.15.040, Limited Health Allowance Benefit for Council Members. Section 3.15.040, Limited Health Allowance Benefit for Council Members is amended as shown in Exhibit A of this Ordinance.

Section 2. Publication and Effective Date. A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall be effective five (5) days after its publication.

**PASSED BY THE CITY COUNCIL ON DECEMBER 11, 2006.**

  
Gerald Gehring, Mayor

ATTEST:

  
Sarah Ortiz, City Clerk

APPROVED AS TO FORM:

  
Jarlean Parker, City Attorney

Effective Date: 12/21/06

Publication Date: 12/14/06

## Exhibit A

### 3.15.040 Limited health allowance benefit for council members.

A. Effective January 1, 2002, city council members who have been elected to or appointed to office on or after November 6, 2001, shall be eligible for one of the following benefits:

1. Full participation in any health, dental and vision insurance plans that are currently offered by the City's health plan providers; provided, that the total city monthly health allowance for each city council member shall not exceed \$273.00. Participation by city council members in health, vision and dental insurance programs is contingent upon meeting all underwriting conditions imposed by the carriers including minimum group participation rates. A council member's share of costs for premiums in excess of \$273.00 per month shall be made through payroll deductions. Council members may elect to participate in the city's Section 125 program.

2. Effective January 1, 2004, the monthly minimum health allowance for council members who have been elected to or appointed to office on or after November 4, 2003, shall be \$500.00. If a council member enrolls a spouse and/or dependents in the city's medical, dental, or vision plans, the city will pay 90 percent of the premium amount over the minimum health allowance, up to a total city contribution limit of \$1,050 per month per council member. Each council member will be responsible for 10 percent of any premiums over the minimum health allowance and 100 percent of any premiums exceeding the total city contribution limit.

3. Effective January 1, 2005, the monthly minimum health allowance for council members who have been elected to or appointed to office on or after November 4, 2003, shall increase to \$585.00, and the total city contribution limit shall increase to \$1,315 per month. Effective January 1, 2006, the monthly minimum health allowance for council members who have been elected to or appointed to office on or after November 4, 2003, shall increase to \$707.00, and the total city contribution limit shall increase to \$1,645 per month. On January 1, 2007, and on January 1st of 2008 and 2009, both the monthly minimum health allowance and the monthly total city contribution limit for city council members who have been elected to or appointed to office on or after November 4, 2003, shall increase by 20 percent.

4. Effective January 1, 2010, and on January 1 of every year thereafter, the minimum monthly health allowance for council members who have been elected or appointed to office on or after November 6, 2007, shall increase by the lesser of 20 percent or the actual dollar amount of the council member plus spouse medical/dental/vision monthly premium increase. Effective January 1, 2010, and every year thereafter, the monthly total City contribution shall increase by the lesser of 20 percent or the actual dollar amount of the full family medical/dental/vision premium increase. If the city offers more than one medical, dental, or vision plan, the health allowance dollar increase calculation will assume the plan(s) with the higher premium for that year in which the allowance will apply.

5. In the event either council members demonstrate proof of comparable medical coverage to that offered by the city through another health insurance plan, or if less than four of the seven council members choose to participate in the city's medical plan, then council members may choose to take all or a portion of the monthly minimum health allowance as cash, allocate a portion to a 457 Deferred Compensation Retirement Plan or retiree health savings plan, or designate all or a portion to the Section 125 flexible spending accounts.

B. The city's Section 125 plan document shall be amended to provide for the alternative benefits listed above. All benefits provided to city council members must be in compliance with: (1) state and federal law; (2) the City's health plan or trust; and (3) the city's Section 125 plan document. Benefits for city council members shall be governed by this chapter and are separate from the benefits provided for regular full-time and part-time city employees.