

ORDINANCE NO. 398

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

WHEREAS, health insurance rates continue to exceed projections;

WHEREAS, the health allowance for council members needs to be adjusted to keep up with the health insurance rate increases;

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

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

WHEREAS, RCW 35A.13.040 allows council members to set their compensation by ordinance and any increase or reduction in Council's compensation shall not become effective until the expiration of the term then being served by the incumbents;

WHEREAS, the City Council wishes to adjust the health allowance for council members and set a total City contribution limit for council members who enroll their dependents on the City's health insurance plans;

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.



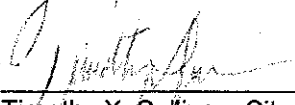
Jean Brooks, Mayor

ATTEST:



Catrina Craig, City Clerk

APPROVED AS TO FORM:



Timothy X. Sullivan, City Attorney

Effective Date: 10/22/03
Publication Date: 10/27/03

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 two benefit options:

1. Full participation in any health, dental and vision insurance plans that are currently offered to other regular full-time city employees; 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. All costs in excess of \$273.00 per month as well as premiums for dependent coverage shall be borne by council members. 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, including the mayor, who have been elected to or appointed to office on or after November 4, 2003, shall increase to be \$418.00~~\$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 ninety percent (90%) of the premium amount over the minimum health allowance, up to a total City contribution limit of \$1,050.00 per month per council member. Each council member will be responsible for ten percent (10%) of any premiums over the minimum health allowance and one hundred percent (100%) of any premiums exceeding the total City contribution limit.

3. Effective January 1, 2005, the monthly minimum health allowance for council members, including the mayor, who have been elected to or appointed to office on or after November 4, 2003, shall increase to \$480.00~~\$585.00~~, and the total City contribution limit shall increase to \$1,315.00 per month. Effective January 1, 2006, the monthly minimum health allowance for council members, including the mayor, who have been elected to or appointed to office on or after November 4, 2003, shall increase to \$552.00~~\$707.00~~, and the total City contribution limit shall increase to \$1,645.00 per month. On January 1st of 2007, and on January 1st of every year thereafter, the both the monthly minimum health allowance and the monthly total City contribution limit for city council members, including the mayor, who have been elected to or appointed to office on or after November 4, 2003, shall increase by 15~~twenty~~ percent (20%).

34. 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 chose 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 AWC Employee Benefits Trust rules; 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.

(Ord. 359 § 1, 2002; Ord. 300 § 1, 2000).-