

ORDINANCE NO. 300

AN ORDINANCE OF THE CITY OF UNIVERSITY PLACE, WASHINGTON RELATING TO EMPLOYEE BENEFITS, ADDING A NEW CHAPTER 3.15, EMPLOYEE BENEFIT HEALTH ALLOWANCE, TO THE UNIVERSITY PLACE MUNICIPAL CODE PROVIDING FOR EMPLOYEE BENEFITS, AND AUTHORIZING CITY COUNCIL MEMBERS ELECTED OR APPOINTED TO A FULL TERM OF OFFICE ON OR AFTER NOVEMBER 6, 2001, TO PARTICIPATE IN A LIMITED EMPLOYEE BENEFITS PLAN

WHEREAS, The monthly employee health insurance allowance is based upon the medical, dental, and vision premiums for regular employees;

WHEREAS, The City Council establishes the monthly employee health allowance minimum and maximum each year as part of the adopted budget;

WHEREAS, RCW 35A.13.040 allows City 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 confirm by ordinance an employee benefits program for City employees and provide for a limited employee benefits program for City Council members elected or appointed to a term of office on or after November 6, 2001;

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF UNIVERSITY PLACE, WASHINGTON DOES ORDAIN AS FOLLOWS:

Section 1. Adding a new Chapter 3.15, Employee Benefit Health Allowance, to the University Place Municipal Code. The University Place Municipal Code is hereby amended by adding a new chapter 3.15, Employee Benefit Health Allowance as follows:

Chapter 3.15 EMPLOYEE BENEFIT HEALTH ALLOWANCE

Sections

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| 3.15.010 | Statement of Policy |
| 3.15.020 | Health Allowance Benefit for Regular Full Time and Part Time Employees |
| 3.15.030 | Recognition of Collective Bargaining Agreements |
| 3.15.040 | Limited Health Allowance Benefit for Council Members |

Section 3.15.010 Statement of Policy

It is the policy of the City of University Place to encourage participation by all City employees in health, vision and dental insurance programs. Helping to keep city employees at their maximum sustainable level of good health benefits the City of University Place by promoting productivity, encouraging career service with the City and reducing absenteeism.

Section 3.15.020 Health Allowance Benefit for Regular Full Time and Part Time Employees

The City Council shall set a monthly health allowance benefit for regular full time and part time employees. The health allowance shall be set in the biennial budget ordinance. The health allowance benefit shall be for an employee's medical, dental, and vision insurance premiums. The Council may provide for dependent health insurance coverage. The health allowance for part time employees may be set as a pro-rata share

3.15.030 Recognition of Collective Bargaining Agreements

Nothing in this chapter shall be construed as interfering with the rights of employees to organize and negotiate benefits of employment pursuant to collective bargaining agreements. Benefits for employees covered by collective bargaining agreements shall be governed by the agreements. This chapter shall not impair any obligations of the City under present or future collective bargaining agreements.

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. 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 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 per month shall be made through payroll deductions. Council members may elect to participate in the City's Section 125 program. Participation in the City's medical plan shall be a fringe benefit accruing to Council members by virtue of employment with the City and shall not be considered part of a Council member's stipend or wages.
2. 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 (4) 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 \$273 health allowance as cash, allocate a portion to a 457 Deferred Compensation retirement plan, or designate all or a portion to the Section 125 Flexible Spending accounts. The contributions made under this section shall be in a fringe benefit accruing to the member by virtue of employment with the City and shall not be considered part of the member's stipend or wages.

(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.

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 4, 2000



Lorna Smith, Mayor

ATTEST:


Susan Matthew, City Clerk

APPROVED AS TO FORM:


Timothy X. Sullivan, City Attorney

Publication Date: 12-7-00
Effective Date: 12-12-00