

RESOLUTION NO. 118

**A RESOLUTION OF THE CITY OF UNIVERSITY PLACE,
WASHINGTON, AMENDING RESOLUTION NO. 33
ESTABLISHING PERSONNEL POLICIES & PROCEDURES BY
MAKING 401(A) RETIREMENT CONTRIBUTIONS MANDATORY.**

WHEREAS, the City of University Place adopted Resolution No. 33 on July 24, 1995 establishing policies and procedures relating to human resource administration, including general employment practices, policy administration, attendance, compensation and performance review, benefits, employee responsibilities and conduct, training, and discipline and termination; and

WHEREAS, IRS rules require pre-tax 401(a) retirement contributions to be mandatory;

WHEREAS, the City Council wishes to amend the Personnel Policies and Procedures as guidelines for City employees;

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
UNIVERSITY PLACE, WASHINGTON, AS FOLLOWS:**

Section 1. Section 6.01: Retirement Benefits. Section 6.01 of the Personnel Policies Manual shall be amended as shown in Exhibit A to this resolution.

Section 2. Appendix C: Summary of Employee Insurance Benefits. Appendix C of the Personnel Policies Manual shall be amended as shown in Exhibit B to this resolution.

Section 3. Effective Date. This Resolution shall take effect immediately upon signing.

ADOPTED BY THE CITY COUNCIL ON OCTOBER 7, 1996.


Ronald L. Williams, Mayor

ATTEST:


Susan Matthew, City Clerk

Resolution No. 118 - Exhibit A
Section 6.01 of the Personnel Policies

CHAPTER 6

BENEFITS

6.01 RETIREMENT BENEFITS

The City does not participate in the federal social security program. In place of it, the City provides three retirement programs for employees.

Social Security Replacement Program: All employees eligible for participation in the Washington State Public Employees Retirement System utilize this system as a replacement for the federal social security program.

Employees not eligible for participation in PERS utilize the 457 Deferred Compensation Plan. The City contribution shall be 7.5% of the employee's salary, with no required employee contribution.

All City employees contribute to Medicare insurance portion of FICA.

State Retirement System (PERS): All regular full-time and eligible part-time employees are covered by the statewide retirement system, the Public Employees Retirement System (PERS). Benefit levels and contribution rates are set by the State of Washington.

Employees should notify their department head of their intent to retire at least three months prior to the date of retirement.

Money Purchase Plan: The City provides a ~~voluntary~~ money purchase 401(a) plan in which the City contributes on behalf of the employee ~~if and~~ the employee participates according to Appendix C of this manual and within dollar limits defined by the IRS.

Deferred Compensation Plan: The City provides a voluntary deferred compensation 457 plan for employees to contribute pre-tax dollars.

(See Appendix "C" for more details on retirement plan benefits and contributions.)

**Resolution 118 - Exhibit B
Appendix C of the Personnel Policies**

APPENDIX C

Summary of Employee Insurance Benefits
(Amended 8/21/95, Res No. 46)

The following is a listing of insurance plans available to City of University Place employees:

Medical Plan: Association of Washington Cities Employee Benefits Trust, Plan A (underwritten by Washington Physicians Service) or an HMO.

Dental Plan: Association of Washington Cities Employee Benefits Trust, Plan F (underwritten by Washington Dental Service).

Vision Plan: Association of Washington Cities Employee Benefits Trust, Full Family - \$25 Deductible, Second Pair Option (underwritten by Vision Service Plan).

Long Term Disability Insurance: 60% of Salary; 90-day Elimination Period; Maximum Monthly Benefit of \$5,000; Minimum Monthly Benefit of \$100 (through R.L. Evans Company, provided by Unum Insurance).

Life and Accidental Death and Dismemberment Insurance: \$25,000 per employee (through R.L. Evans Company, provided by Unum Insurance).

Survivor Life Insurance: Spouse or Children - 30% to a \$900 monthly maximum benefit; Spouse and Children - 60% to a \$1,800 monthly maximum benefit (through R.L. Evans Company, provided by Unum Insurance).

ADDITIONAL BENEFIT INFORMATION

The City of University Place does not contribute to Social Security. PERS is the Social Security replacement for regular employees, and a 7.5% Deferred Compensation contribution is made for temporary employees. In addition, for regular employees, the employee ~~is required to contribute~~ may opt to put 3.0% or more of their monthly earnings into a 401(a) Defined Contribution Plan matched by a City contribution of ~~up to~~ 3.25% (or lesser pro-rata equivalent) of the employee's monthly earnings into the 401(a) plan.

Vesting for the City share of the 401(a) contribution is 33.3% after one year, 66.7% after two years, and 100% after three years of being employed with the City.

The City of University Place employees belong to PERS. The employer contribution to PERS is 7.58% and the employee contribution is either 5% (PERS II) or 6% (PERS I).

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