

ORDINANCE NO. 799

**AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON
AMENDING SHORELINE MUNICIPAL CODE SECTION 2.30.040
ESTABLISHING MAXIMUM AND MINIMUM ALLOTMENTS FOR THE
EMPLOYEE BENEFITS PACKAGE.**

WHEREAS, on July 10, 1995, the Shoreline City Council passed Ordinance No. 26 authorizing participation in the Washington Public Employees' Retirement System and, on September 11, 1995, the Shoreline City Council passed Ordinance No. 56, amending Ordinance No. 26 so as to establish medical, dental, vision, life and disability insurance, and other benefits for City employees; and

WHEREAS, these founding ordinances have been amended on several occasions to reflect changes to employee benefits, specifically medical, dental, vision, life and disability insurance, and other benefits, including Ordinance Nos. 71, 106, 151, 185, 220, and 343, and has been codified as Shoreline Municipal Code (SMC) chapter 2.30 Public Employees Retirement System and Benefits; and

WHEREAS, amendments to these city employee benefits were last made by the Shoreline City Council when it passed Ordinance No. 684 on October 14, 2014, amending and repealing certain sections SMC chapter 2.30 Public Employees Retirement System and Benefits; and

WHEREAS, the City obtains medical plans through the Association of Washington Cities (AWC) and the AWC is terminating the medical plans the City offered in 2017 on January 1, 2018; and the next best available medical plans from the AWC will replace the 2017 medical plans January 1, 2018; and

WHEREAS, the City desires to maintain its contribution toward employee benefits;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SHORELINE DO
ORDAIN AS FOLLOWS:**

Section 1. Amendment. SMC 2.30.040 Authorizing expenditure of City funds to provide for an employee benefits package is hereby amended as follows:

The City Manager is authorized to expend such funds as may be necessary to carry out this section.

- A. ~~The maximum payment which may be made for the employee's benefit package offered for regular City employees shall be 95% of the cost for the least expensive city offered medical, dental and vision coverage for an employee, spouse and two children~~ Effective January 1, 2018, the City's allotment towards a regular employee's benefit package shall remain at the 2017 levels, which are a maximum of \$1,876 and a minimum of \$1,003 per month, unless the formula in Section B results in an increase to the maximum and minimum allotment; and

B. ~~The minimum monthly payment allotment for a full-time regular employee shall be \$739 for 2004 and 2005. Beginning in 2006, the minimum monthly amount will be increased annually by 50 percent of the increase of the maximum monthly payment from those of the previous year, but in no case more than five percent annually. The City's contribution shall be pro-rated for a part-time regular employee. Effective on the first day of the year in which the allotment in Section A would increase as a result of the following formula:~~

1. The maximum allotment toward the employee's benefit choices shall be 95 percent of the cost for the least expensive City-offered medical, dental and vision coverage for an employee, spouse or domestic partner, and two children; and
2. The minimum monthly allotment for a full-time regular employee shall be increased annually by 50 percent of the percentage increase to the maximum monthly allotment from the previous year, but in no case more than five percent annually. The City's contribution shall be pro-rated for a part-time regular employee.
3. Employee benefit choices for medical, dental, vision, supplemental life insurance and any other voluntary benefit election shall be deducted from the City's allotment.
 - i. If an employee's benefit choices don't use all of the *minimum* allotment, the remaining *minimum* allotment will be placed in a 457 deferred compensation plan for the employee.
 - ii. If an employee's benefit choices use more than the *maximum* allotment, the amount over the *maximum* will be paid by the employee through payroll deduction.
4. Other mandatory insurance or benefits shall not be deducted from the allotment, such as Social Security replacement, Public Employees Retirement System, Term Life, Accidental Death and Disability, and Long Term Disability insurance.

Section 2. Severability. Should any section, subsection, paragraph, sentence, clause or phrase of this Ordinance or its application to any person or situation be declared unconstitutional or invalid for any reason by a court of competent jurisdiction, such decision shall not affect the validity or constitutionality of any other remaining portion of this Ordinance or its application to any person or situation.

Section 3. Corrections by City Clerk or Code Reviser. Upon approval of the City Attorney, the City Clerk and/or the Code Reviser are authorized to make necessary corrections to this Ordinance, including the corrections of scrivener or clerical errors; references to other local, state, or federal laws, codes, rules, or regulations; or ordinance numbering and section/subsection numbering and references.

Section 4. Effective Date. A summary of this Ordinance, consisting of its title, shall be published in the official newspaper of the City. This Ordinance shall take effect and be in full force January 1, 2018.

ADOPTED BY THE CITY COUNCIL ON NOVEMBER 20, 2017.



Mayor Christopher Roberts

ATTEST:



Jessica Simulcik Smith
City Clerk

APPROVED AS TO FORM:



Margaret King
City Attorney

Date of Publication: November 24, 2017
Effective Date: January 1, 2018