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County Council

SNOHOMISH COUNTY, WASHINGTON



CO00028859

W.T. _____ K.B. _____
T.C. _____ S.W. _____
G.L. _____ D.J. _____

ORDINANCE NO. 84-086

RELATING TO EMPLOYEE BENEFITS

BE IT ORDAINED:

Section 1. Chapter 4.42 Snohomish County Code, as adopted by Resolution No. 79-392 on December 20, 1979 is repealed.

Section 2. Chapter 3.24 Snohomish County Code, as adopted by Resolution No. 79-332 Section 1, on November 5, 1979 is repealed.

Section 3. The Snohomish County Employee Benefit Trust is hereby terminated pursuant to Article VII of the Trust Agreement evidencing same executed by the County on November 5, 1979.

Section 4. On the effective date of this Ordinance, the assets remaining in the Snohomish County Employee Benefit Trust Fund, created by the Trust Agreement executed by the County on November 5, 1979, shall be transferred immediately to the Expendable Trust Fund created in Section 5 of this Ordinance.

Section 5. A new chapter is added to the Snohomish County Code as follows:

Chapter 4.42

EMPLOYEE BENEFIT PLAN AND
TRUST FUND

Sections:

- 4.42.010 Creation and Purpose
- 4.42.020 Definitions
- 4.42.030 Employee Benefit Plan - Payments - Termination
- 4.42.040 Administration of Plan and Fund
- 4.42.050 Source of Funds
- 4.42.060 Use of Fund
- 4.42.070 Rights in Fund
- 4.42.080 Investment of Fund
- 4.42.090 Payroll Deductions
- 4.42.100 Procedures When Employee on Leave of Absence
- 4.42.110 Procedures in Event of Suspension of Compensation Due to Labor Dispute
- 4.42.120 Nonreversion of Fund
- 4.42.130 Attachment, Assignment
- 4.42.140 Amendment of Plan
- 4.42.150 Severability

4.42.010 Creation and Purpose. Pursuant to RCW 36.32.400 and RCW 41.04.180, an Employee Benefit Plan and an Expendable Trust Fund are hereby created. The purpose of the Plan and Fund, as defined herein, is to provide and

maintain life and health benefits, including specific hospitalization, medical, surgical, and major medical benefits, and/or other insurance benefits such as dental, accident, and short and long term disability income, as may be determined from time to time by the County Council, for the benefit of employees, as defined herein, and their dependents.

4.42.020 Definitions.

(1) The term "Contract" or "Contracts" means such contract or contracts, if any, as are in effect at any time between the county and any designated, regularly constituted insurance carrier and/or health care service contractor as defined in Chap. 48.44 RCW as hereafter amended.

(2) The term "Employees" means all permanent employees of Snohomish County who regularly work twenty (20) or more hours per week, and all elected officials of Snohomish County to the extent permissible under the Constitution and laws of this state. "Employees" does not include temporary or "extra help" employees.

(3) The term "County Contributions" means payments by the County to the "Fund", as defined herein.

(4) The term "Employee Contributions" means payments by the Employees to the "Fund", as defined herein.

(5) The term "Fund" means the Expendable Trust Fund created by this ordinance, and all assets therein.

(6) The term "Plan" means the Employee Benefit Plan established by Section 4.42.030 of this chapter.

4.42.030 Employee Benefit Plan - Payments - Termination.
The County shall:

(1) Pay all or part of the premiums for group life, health, and/or other insurance benefits of an Employee covered by a collective bargaining agreement, and/or the spouse and/or dependent children of such Employee, as required by the Employee's last effective collective bargaining agreement; and pay all or part of the premiums for group life, health, and/or other insurance benefits of an Employee not covered by a collective bargaining agreement, and/or the spouse and/or dependent children of such Employee, in amounts not less than the maximum amount provided in any last effective collective bargaining agreement with any union Employee, as determined by the County Council pursuant to the recommendation of the County Executive;

(2) Make necessary payroll deductions, as authorized by Employees who elect to participate in one or more benefits under the Plan, to cover any portion of premiums not paid by the county, except that any contributions required of an Employee for participating in the Plan during times when he or she is not on the county payroll shall be made pursuant to sections 4.42.100 and .110 of this chapter.

(3) Maintain membership rolls and related records as required by the Contract(s);

(4) Transmit the total premium payment required under the Contract(s) in accordance with

the number of employees and dependents covered each month to the designated, regularly constituted insurance carrier or health care service contractor;

(5) Make the necessary budgetary provision for the County contribution to premiums and/or benefits payable under the Contract(s), and for defraying the necessary costs of administration of this Plan;

(6) Participate in this Plan on a year to year basis, with years running from January 1st to December 31st unless different dates are provided by a collective bargaining agreement and/or the Contract(s).

Provided, however, that this section shall create no obligation on the part of the county to make any payment, or be subject to any other obligation on behalf of an employee covered by a collective bargaining agreement beyond the terms of his or her last effective agreement, or on behalf of any non-union employee, upon the amendment or repeal of this section.

4.42.040 Administration of Plan and Fund. The Plan and Fund shall be administered by the Director of Personnel, or his designee, who shall be the only persons authorized to approve disbursements from the Fund. The Director of Personnel shall:

(1) administer the Plan and the day-to-day business in connection therewith;

(2) execute in the name of the County all documents, other than contracts of insurance or for services and documents relating to investments, necessary to operate the Plan and Fund;

(3) provide or obtain any actuarial services or, at the direction of the Executive and on approval of the Council, any consulting services necessary for the continued successful operation of the Plan;

(4) prepare specifications for group life, health, and/or other insurance benefits as directed by the Council, negotiate with brokers of record and/or health care service contractors, and recommend placement of contracts of insurance and/or for services with health care service contractors.

4.42.050 Source of Funds. The Fund shall be funded with County and/or Employee Contributions made at such intervals and in such amounts and manner, through payroll deductions or otherwise, as prescribed in the Plan, together with interest earned thereon. In the event, and to the extent such contributions are not sufficient from time to time to cover the benefits payable and other payments from the Fund authorized pursuant to Section 4.42.060, the County shall contribute or cause to be paid to the Fund such amount or amounts as may be necessary to cover the deficiency.

4.42.060 Use of Fund. The Fund created herein shall be used only to pay, or provide for the payment of all or part of the premiums due and/or benefits payable under the Plan, or to pay, or provide for the payment of all reasonable and necessary expenses of collecting the County and/or Employee contributions to the Plan and administering the Plan and

Fund including, without limitation, all expenses which may be incurred in connection with the establishment and administration of the Plan and Fund, and the employment of such administrative, legal, accounting, or other expert assistance as shall be deemed necessary or appropriate and be obtained in accordance with the provisions of this chapter.

4.42.070 Rights in Fund. No Employee nor any person claiming by or through such Employee by reason of having been named a beneficiary or as a dependent as defined in the Plan, nor the County, nor any other person, partnership, corporation or association shall have any right, title or interest in the Fund or any part thereof.

4.42.080 Investment of Fund. The Fund shall be managed, invested and reinvested by the Finance Director, after consultation with the Director of Personnel, in accordance with applicable state law and administrative regulations.

4.42.090 Payroll Deductions. Payroll deductions shall be made in accordance with the Plan as provided in Section 4.42.030.

4.42.100 Procedures when Employee on Leave of Absence. Whenever an Employee is on leave of absence or other approved non-pay status, he or she may pay to the Finance Director the premium for Employee and dependent coverage for such benefits as are provided under the Plan. The Finance Director shall transmit the premium payment to the Director of Personnel, who shall then transmit it in accordance with the Contract(s).

4.42.110 Procedures in Event of Suspension of Compensation Due to Labor Dispute. Any Employee whose compensation is suspended or terminated directly or indirectly as a result of a strike, lockout or other labor dispute may pay the premiums for health, life, and other insurance benefits provided under the Plan as they become due directly to the designated insurance carrier or health care service contractor insofar as allowed by, and in accordance with the terms of the Contract(s). When the Employee's compensation is so suspended or terminated, the County shall endeavor to notify the Employee immediately, in writing, either by mail addressed to the Employee's address last of record with the County, or by mail addressed to the Employee's bargaining representative under the last effective collective bargaining agreement covering such Employee, that the Employee must pay the premiums as they become due as provided in this section in order to preserve his or her coverage under the Plan.

4.42.120 Nonreversion of Fund. The assets of the Fund shall be held for the exclusive purpose of paying premiums and Plan benefits and defraying reasonable expenses as described in this Chapter and shall never inure or revert to the benefit of the County, with the exception that the County may recover contributions paid by a mistake of fact if recovery is sought within one (1) year following the mistaken payment to the Fund.

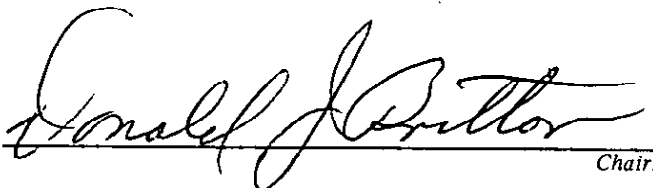
4.42.130 Attachment/Assignment. The benefits, payments, proceeds, claims, rights or privileges of any Employee or his beneficiaries hereunder shall not be subject to attachment or garnishment or other legal process by any creditor of any such Employee or dependent, nor shall any Employee or dependent have any right to alienate, anticipate, commute, pledge or encumber any of the benefits

or payments or proceeds which he may expect to receive, contingently or otherwise, under the Plan.

4.42.140 Amendment of Plan. The County shall have the right to amend the Plan and this Chapter at any time and to any extent deemed necessary or advisable, with the following exceptions: 1) No amendment shall result in the diversion of the Fund's assets, as then constituted, or any part thereof, to any purpose other than those set forth in Section 4.42.010; 2) Section 4.42.120 shall not be amended; and 3) No amendment shall affect an Employee's rights under this Chapter if said amendment is inconsistent with the terms of any collective bargaining agreement then in effect between the County and the Employee's union.

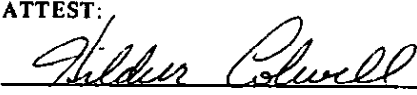
4.42.150 Severability. If any provision of this Chapter, or its application to any person or circumstance is held invalid, the remainder of the Chapter, or the application of the provisions to other persons or circumstances is not affected.


Dated August 6, 1984


Chairman

ATTEST:

Clerk of the Council

ATTEST:



County Executive

APPROVED () VETOED
() EMERGENCY Date August 13, 1984

PUBLISHED _____ and _____

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