

CITY OF LIBERTY LAKE
SPOKANE COUNTY, WASHINGTON
RESOLUTION NO. 01-024

**A RESOLUTION OF THE CITY OF LIBERTY LAKE, WASHINGTON ADOPTING A
EMPLOYEE BENEFIT PLAN.**

WHEREAS, the City of Liberty Lake desires to adopt an Employee Benefit Plan in order to promote consistency in the operation of City business and in the conduct and treatment of City employees in a fair, consistent and nondiscriminatory manner;

WHEREAS, members of the City Council along with City Staff developed the attached Employee Benefit Plan;

WHEREAS, the City of Liberty Lake has employed and will continue to employ individuals in order to provide services on behalf of the City; and

WHEREAS, the City Council desires to establish an Employee Benefit Plan.

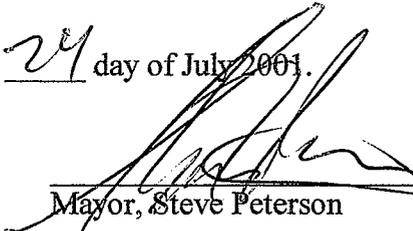
NOW, THEREFORE, be it Resolved by the City Council of the City of Liberty Lake, Washington, as follows:

Section 1. Employee Benefit Plan. The City Council hereby adopts the attached City of Liberty Lake "Employee Benefit Plan" as the vacation, sick leave, retirement, social security replacement and paid employee benefits policy for the City of Liberty Lake. All employees unless specifically agreed otherwise shall be entitled to receive the benefits set forth in the "Employee Benefit Plan". The Council reserves the right to amend the Employee Benefit Plan in order to promote the best interest of the City. See Exhibit A.

Section 2. Severability. If any section, sentence, clause or phrase of this resolution shall be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not effect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

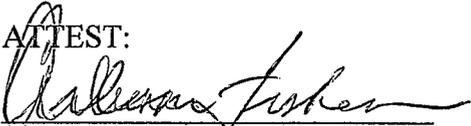
Section 3. Effective Date. This Resolution shall be effective immediately upon passage by the City of Liberty Lake City Council.

PASSED by the City Council this 24 day of July 2001.



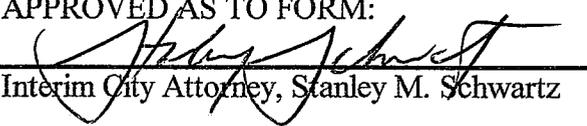
Mayor, Steve Peterson

ATTEST:



Interim City Clerk, Arlene Fisher

APPROVED AS TO FORM:



Interim City Attorney, Stanley M. Schwartz

Exhibit A

City of Liberty Lake Proposed Employee Benefit Plan

Vacation

Regular, full-time employees will receive vacation based on years of service, according to the following schedule. Vacation accrues each pay period and it will begin to accrue as of the date of hire. Although vacation begins to accrue immediately, employees are not eligible to take accrued vacation until after they have worked for the City for at least six months.

<u>Length of Service</u>	<u>Annual Vacation Days*</u>
1 through 4 years	10 days (3.33 hours accrue each pay period)
5 through 9 years	15 days (5.00 hours accrue each pay period)
10 through 14 years	18 days (6.00 hours accrue each pay period)
15 through 19 years	21 days (7.00 hours accrue each pay period)
20+ years	23 days (7.67 hours accrue each pay period)

*One day of vacation is equal to 8 hours. Accrual is based on a bi-monthly pay period.

At the discretion of the City Administrator, an employee's years of service for vacation accrual purposes may be calculated based on previous relevant government service. Credit of up to 50% may be given for related career service.

If an employee is unable to take all vacation available up to a two years accrual can be carried over. Vacation accrued over the two year maximum will be forfeit.

The employee will be paid for unused vacation upon separation from the City.

Sick Leave

Sick leave will accrue at the rate of 4 hours per pay period. Up to 640 hours may be accrued.

For regular, full-time employees only, upon their employment, a sick leave bank of 40 hours will be established for their immediate use. Employees will begin to accrue sick leave starting on the eleventh pay period and will not accrue more than 96 hours in the first year of employment.

Retirement, Social Security Replacement, and Paid Employee Benefits

The City's contribution for retirement, social security replacement, and paid employee benefits will be **capped at 30% of gross wages** for regular, full-time employees. Contributions to these programs will be made in the following order.

Retirement

The City will contribute 7.5% of gross wages toward retirement programs. Employees may contribute to retirement programs up to the legal maximums. At their option, employees may designate up to 2.5% of retirement benefits be used for medical benefit purposes provided that mandatory retirement contributions will be made first.

Social Security Replacement

In lieu of contributions to the Federal Social Security Program, the City of Liberty Lake has authorized a 401(a) pension plan. The City will contribute 5.25% of gross wages for regular, full-time employees. Employees may contribute to the plan up to the legal maximums.

Paid Employee Benefits

City paid employee benefits include medical insurance, dental insurance, vision insurance, employee life insurance, dependant life insurance, an employee assistance plan, and long-term disability. All regular, full-time employees are required to participate in these programs.

The City will contribute for each regular, full-time employee \$600 per month for city-paid employee benefits. Employees are required to contribute 5% of the premium cost for the employee's health insurance. Participation in the medical plan is mandatory for the employee but coverage for dependants is optional and in some cases may require an additional contribution to fund medical premium costs.

The City will employ a pooling of contributions for the purpose of defraying health insurance costs. If an employee does not utilize the entire \$600 city contribution, the amount not used will be added to a pool for use by other employees. When all pool amounts are utilized the cost of medical benefits will be borne by the employee. Length of service has no vesting for medical pooling purposes.