

**CITY OF OLYMPIA
GENERAL GOVERNMENT COMMITTEE
COMMITTEE MINUTES
OCTOBER 27, 2009**

Committee members present: Jeff Kingsbury, Chair; Craig Ottavelli; Rhenda Iris Strub

Chair Kingsbury called the meeting to order at 6:00 p.m.

Minutes.

Moved by Councilmember Strub, seconded by Councilmember Ottavelli to approve the minutes of August 4, 2009 as submitted. Unanimously approved.

Moved by Councilmember Ottavelli, seconded by Councilmember Strub to approve the minutes of September 14, 2009 as submitted. Unanimously approved.

Discussion about Health Insurance Benefits.

Cathy Raymond, Human Resources Director, introduced Carol Wilmes with the Association of Washington Cities Benefits Trust.

Ms. Raymond said that the City's health insurance benefits are provided through the Association of Washington Cities Benefits Trust. The city provides benefits for employees as long as they work 20 hours per week or more. The rates are pro-rated. The City pays 100% for the employee and 85% for dependents for full time (40 hour) employees. The amount is pro-rated for employees less than 40 hours. For example, for a .5 FTE (20 hours per week), the employee pays one-half of the rate.

Ms. Raymond said that city councils and elected officials are a special unit under the AWC Benefit Trust, and the rules are somewhat different for them than other employees. Under the Trust's guidelines, at least four of Olympia's seven Councilmembers must enroll, and the City must pay at least 50% of the premium.

Councilmember Kingsbury said the issue was referred by Councilmember Messmer, and his understanding of her interest is in the City paying 100% of the plan for all Councilmembers. He would like to know what the premium is for a full time employee. Also, do the City's protocols prevail for Councilmembers, if defined by the City as full time employees, or does AWC's?

Ms. Wilmes noted that the City cannot identify Councilmembers "employees" under the Trust, as they are "elected officials." The regulations are set by the Trust, not the City.

Councilmember Ottavelli mentioned another implication for how Councilmembers are categorized, which is eligibility for federal support programs for people involved in public service.

Mr. Ottavelli said he would forward to Ms. Raymond some background information about the federal programs he mentioned. Ms. Raymond agreed to review the materials, discuss Councilmember status with the City Attorney, and report back to the committee if so requested.

Mr. Kingsbury said he is interested in the City providing 100% mandatory participation for Councilmembers, with the City paying the premium.

Ms. Raymond distributed information about Olympia's health benefits rates. She noted that the current monthly rate for independent employees is \$469.40 with the Regence program, and \$434.76 with Group Health.

Chair Kingsbury said that based on those rates, it would be somewhere between a \$42,000-\$47,000 per year cost to include Councilmembers in all available plans.

Councilmember Strub said she would like to expand the discussion to consider whether Councilmembers should be paid at least at the hourly rate of the lowest paid permanent City employee. Chair Kingsbury suggested that Councilmembers salaries be reviewed on an annual basis.

Following discussion, Committee members agreed to make the following recommendations to the full Council, which Chair Kingsbury would report-out at the Council meeting that evening:

- Recommendation from General Government Committee that the City provide full health, dental and vision benefits for City Council members at the same ratio as full time employees, including dependents, pending review by the Council's Finance Committee.
- Request referral to General Government Committee to research the standard for Councilmembers to qualify for federal programs designed to encourage public service work.

There was not majority concurrence on the Committee to recommend referral of the issue of tying minimum Councilmember salaries to the lowest paid permanent City employee.

Chair Kingsbury asked the City Manager to request an interpretation from the City Attorney of the definition of Councilmember employee status (full time or part time) and any relevant compensation language in the RCWs and report back to General Government Committee.

Chair Kingsbury thanked Ms. Raymond and Ms. Wilmes for their attendance and the information.

Chair Kingsbury adjourned the meeting adjourned at 6:50 p.m.