

ORIGINAL

WP0007C-ORD
07/06/92

CITY OF BELLEVUE, WASHINGTON

ORDINANCE NO. 4388

AN ORDINANCE establishing a non-operating special purpose fund to be designated the Reimbursement Account Fund; specifying the purpose of the Fund; authorizing an initial appropriation for the Fund; and authorizing an interfund loan to be issued to cover temporary cash flow shortages that may result from health care reimbursements.

WHEREAS, the City Council has adopted a directive for the City to become a model to other employers in addressing the needs of working parents; and

WHEREAS, the City desires to be responsive to the needs of its employees, who are working parents, by providing dependent care reimbursements which allow pre-tax salary deductions to be used for dependent care expenses incurred to enable the employee to come to work; and

WHEREAS, the Employee Committee has expressed high interest over several years in the City's offering more flexibility and more options in the benefit package; and

WHEREAS, pursuant to IRS regulations, an employer may establish a "Reimbursement Account" program which allows employees to set aside a portion of their salary on a pre-tax basis which can then be used to reimburse certain dependent care and health care expenses; and

WHEREAS, the City Council passed Resolution No. 5524 on June 22, 1992, authorizing administration of the Reimbursement Account program by Northwestern National Life Insurance Company; now therefore,

THE CITY COUNCIL OF THE CITY OF BELLEVUE, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. There is hereby established a non-operating special purpose fund to be designated the Reimbursement Account Fund. The purpose of this Fund is to hold employee payroll deduction contributions until such time as such employee requests reimbursement for health care and/or dependent care expenses.

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Section 2. The Finance Department shall have the responsibility for the financial administration of the Fund and shall maintain separate records of accounts showing receipts and disbursements for the Fund as a whole and for all projects assigned to the Fund. The Finance Department may establish rules and regulations for the financial administration of the Fund.

Section 3. The Finance Director or his designated representative shall have the authority and responsibility to arrange any interfund loans which may be necessary to sustain a positive cash balance in the Fund over the life of this health care and dependent care reimbursement program.

Section 4. There is hereby appropriated in the Reimbursement Account Fund an initial appropriation of \$125,000 which is deemed sufficient appropriation authority to carry the Fund through the first quarter of 1993.

Section 5. The Reimbursement Account Fund will be used to hold employee's contributions until such time as such employee requests reimbursement for health care and/or dependent care expenses. Any monies left in individual accounts at the end of each "plan year" shall be forfeited. Those forfeitures and any interest earned in the Fund will be used by the City to offset administrative costs of this program.

Section 6. The City Clerk is directed to transmit a certified copy of this ordinance to the Auditor of the State of Washington, Division of Municipal Corporations.

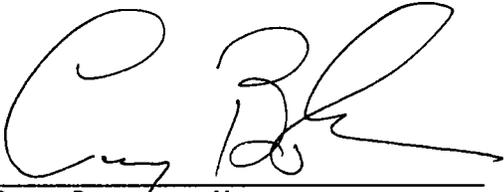
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Section 7. This ordinance shall take effect and be in force five days after its passage and legal publication.

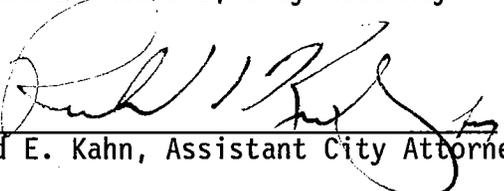
PASSED by the City Council this 13th day of July, 1992,
and signed in authentication of its passage this 13th day of July, 1992.

(SEAL)

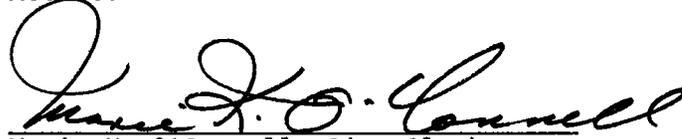

Cary Bozeman, Mayor

Approved as to form:

Richard L. Andrews, City Attorney


David E. Kahn, Assistant City Attorney

Attest:


Marie K. O'Connell, City Clerk

Published July 17, 1992