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0046.130.006
WDT/rln/srf
3/17/93

ORDINANCE NO. 48

AN ORDINANCE OF THE CITY OF WOODINVILLE, WASHINGTON, RELATING TO SOCIAL SECURITY; ESTABLISHING THE CITY OF WOODINVILLE EMPLOYEES' RETIREMENT SYSTEM AS A SUBSTITUTE FOR SOCIAL SECURITY AS AUTHORIZED BY THE FEDERAL SOCIAL SECURITY ACT AND APPLICABLE STATE LAWS; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Federal Social Security Act (Subchapter II, 42 USCA section 401, et. seq., as amended ("SSA") and Internal Revenue Code of 1986, as amended ("Code" section 3121 (b)(7)) generally exclude service performed as an employee of a newly incorporated city from covered employment for purposes of Social Security unless the city enters into an agreement with the Secretary of Health and Human Services under the SSA section 418 to provide such coverage or the employee is not a member of a retirement system of the State or City; and

WHEREAS, the State (under RCW 41.48.050) has elected to permit a political subdivision to decide whether its employees will be covered by Social Security by entering into a SSA section 418 agreement; and

WHEREAS, the city council of a newly incorporated city is authorized to establish an employee retirement system in lieu of employee and employer contributions to the Federal Social Security Program; and

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WHEREAS, such a retirement system can be established by creating a defined contribution plan to provide retirement benefits and a disability and survivor income plan to provide related benefits for the employees of the city eligible to participate; and

WHEREAS, a Social Security alternative program provides employees of the City of Woodinville with benefits that equal or exceed the current or future Social Security benefits system; and

WHEREAS, a retirement plan can be created to qualify for approval under Code, Section 401 and a disability plan can be provided via insurance; and

WHEREAS, the City Council finds that it is in the best interest of the employees of the City to be under the City of Woodinville Employees' Retirement System as an alternative to the Social Security program; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF WOODINVILLE, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Retirement System Adopted. The City Council hereby establishes the City of Woodinville Employees' Retirement System as authorized by the Federal Social Security Act (Subchapter II, 42 USCA section 401, et. seq.) and other applicable federal and state laws as is set forth more particularly in City of Woodinville Employees' Benefit Plan and the City of Woodinville Employees' Survivor and Disability Benefits Plan, dated March 31, 1993, given Clerk's Receiving No. 122 and which is adopted herein by this reference.

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Section 2. Effective Date of Plan. This system shall be effective on March 31, 1993, and all acts and actions of employees and the City since that time in compliance with such plans are hereby ratified.

Section 3. Federal Law Qualification. These plans are specifically enacted with the intent that they qualify for approval under Section 401(a) of the Internal Revenue Code of 1986, as amended and the Trust is created with the intent that it qualify for approval under Section 501 of the Internal Revenue Code of 1986 as amended. The survivor and disability benefits portion of the plan may be provided through a trust arrangement under Internal Revenue Code, Section 501(c)(g) or via insurance policies as the Plan Committee of the retirement system so decides.

Section 4. Emergency. The City Council finds that the City of Woodinville will be incorporated on March 31, 1993. Failure to have the provisions contained in this ordinance in existence as of the date of incorporation will mean that the subject matter of this ordinance will not be in effect and thus will cause substantial detriment to the public health, safety and general welfare. The City Council therefore declares that an emergency exists, necessitating that this ordinance be in full force in effect on March 31, 1993. This ordinance or a summary thereof consisting of the title shall be published in the City's official newspaper.

Section 5. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or

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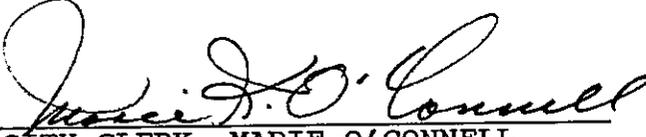
unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

PASSED by a majority of not less than five members of the City Council of the City of Woodinville this 30th day of March, 1993.

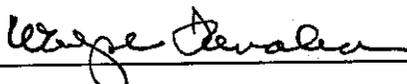
APPROVED:


MAYOR, LUCY DEYOUNG

ATTEST/AUTHENTICATED:


CITY CLERK, MARIE O'CONNELL

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY 

FILED WITH THE CITY CLERK: 3/18/93
PASSED BY THE CITY COUNCIL: 3/22/93
PUBLISHED: 3/29/93
EFFECTIVE DATE: 3/31/93
ORDINANCE NO. 48