

**RESOLUTION NO. 305**

**A RESOLUTION AUTHORIZING THE CITY  
MANAGER TO ESTABLISH A SECTION 125  
PREMIUM ONLY PLAN .**

**WHEREAS**, the City Council has directed staff to consider ways to continue to offer a benefits package that would attract and retain the highest quality employees while reducing the risk to the City of increasing medical premium costs; and

**WHEREAS**, a Section 125 plan allows employees to pay their portion of medical insurance expenses before payroll taxes are withheld; and

**WHEREAS**, a Section 125 plan will allow employees to lower their income tax liability, and

**WHEREAS**, the establishment of a Section 125 Premium Only Plan would have no direct expense to the City; and

**WHEREAS**, the City of Woodinville will save the amount of employment taxes that would have been paid from wages that are now used to pay medical insurance costs;

**NOW, THEREFORE, BE IT RESOLVED** by the City Council that the City Manager be authorized to execute the necessary agreement(s) to establish a Section 125 Premium Only Plan that allows employees to pay their share of health care insurance costs using pre-tax income.

ADOPTED BY THE CITY COUNCIL AND SIGNED INTO  
AUTHENTICATION OF ITS PASSAGE THIS 21st DAY OF NOVEMBER  
2005.

  
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Don Brocha, Mayor

ATTEST:

  
Sandra C. Parker  
City Clerk/CMC