By: Finance Department Introduced: January 22, 2018 Public Hearing: February 12, 2018 Adopted: February 12, 2018 Yes: Burney, Dryden, Graham, Harvey, Ledford, O'Barr No: None Absent: None

## City of Wasilla Ordinance Serial No. 18-07

An Ordinance Of The Wasilla City Council Amending Wasilla Municipal Code (WMC) 3.60.090(B), Health, Life, Disability And Other Benefits, To Clarify When An Employee Is Eligible For Coverage Pursuant To The Policy Or Policies In Effect At The Time Of Employment.

Section 1. Classification. This ordinance is of a general and permanent nature and shall become part of the city code.

Section 2. Amendment of subsection. WMC 3.60.090(B), Health, Life, Disability and other benefits, is hereby amended to read as follows:

B. Employees who hold regular full-time, regular part-time, and confidential/managerial and other eligible employee types may enroll for city-sponsored health, dental and life insurance benefits commencing on the first day of the month following the completion of the waiting period of one full calendar month of continuous employment with the city. The effective date of the coverage is dependent upon the policy or policies in effect at time of employment. Employees may be required to pay a portion of the premium cost of such benefits. Regular part-time employees shall receive coverage on a pro-rated premium basis. The city council shall determine the extent of benefits provided to employees. Any change, amendment or alteration to benefits shall apply to all

Bold & Underline, added. Strikethrough, deleted

employees upon the effective date of the change, amendment or alteration, even if an employee was hired before the effective date of the change, amendment or alteration to the benefits.

Section 3. Effective date. This ordinance shall take effect upon adoption by the Wasilla City Council.

ADOPTED by the Wasilla City Council on February 12, 2018.

BERT L. COTTLE, Mayor

ATTEST:

AMIE NEWMAN, MMC, City Clerk

[SEAL]

Bold & Underline, added. Strikethrough, deleted

## CITY OF WASILLA • ALASKA •

## **CITY COUNCIL LEGISLATION STAFF REPORT**

Ordinance Serial No. 18-07: An Ordinance Of The Wasilla City Council Amending Wasilla Municipal Code (WMC) 3.60.090(B), Health, Life, Disability And Other Benefits, To Clarify When An Employee Is Eligible For Coverage Pursuant To The Policy Or Policies In Effect At The Time Of Employment.

Originator: Troy Tankersley, Finance Director Date: 1/10/2018

Agenda of: 1/22/2018

Route to:	Department Head	Signature	Date
Х	Chief of Police	Sleve Belden	1-10-18
Х	Public Works Director		1/10/18
Х	Recreation Services Director	An Klapperich	1-10-18
Х	Finance Director	Ampanya	1.10-18
Х	Deputy Administrator	Alach,	1/10/18
Х	City Attorney	Annul Mul.	1/12/18
Х	City Clerk	Daninun	1/11/18
Reviewed by Mayor Bert L. Cottle:			
<b>Fiscal Impact</b> : □yes or □ no <b>Funds Available</b> : □ yes or □ no			

Account name/number: N/A

Attachments: Ordinance Serial No. 18-07 (2 pages)

**Summary Statement:** The proposed ordinance serves to revise Title 3 Chapter 3.60.090(B) Health, Life, Disability and other benefits to clarify when an employee is eligible for coverage versus when coverage may begin pursuant to the policy or policies in effect at the time of employment.

Currently, Wasilla Code indicates an employee is eligible for health benefits following one full calendar month of continuous employment. This is in-fact, correct, however the policies surrounding health coverage requires employees to be reported in the month employment begins, but coverage does not effectively begin until the following full month. For example: an employee begins January 1, 2018. The City is required to report and remit all premiums for January before February 15<sup>th</sup> for coverage March 1<sup>st</sup>.

This is not necessarily the case for life insurance. An employee beginning January 1<sup>st</sup> would have coverage February 1<sup>st</sup>.

Therefore, because there are coverage date differences set by the policies of the benefit providers, clarification is necessary to assist in the difference between an employee being eligible for coverage versus when coverage may begin.

Staff Recommendation: Introduce and set the ordinance for public hearing.