

**CITY OF FIRCREST
RESOLUTION NO. 1605**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
FIRCREST, WASHINGTON, AUTHORIZING THE CITY MANAGER
TO EXECUTE A CONTRACT WITH PRINCIPAL LIFE INSURANCE
COMPANY FOR LIFE AND ACCIDENTAL DEATH AND
DISMEMBERMENT INSURANCE.**

WHEREAS, as prescribed in the April 1, 2019 City of Fircrest Personnel Policies and Procedures manual (Resolution No. 1581), the City’s policy for Life and Accidental Death and Dismemberment insurance amount shall be at the sum of one (1) times the annual salary, rounded to the next one thousand (1,000) dollars plus the dollar value of the accrued sick leave as of January 1 each year, rounded to the nearest one thousand (1,000) dollars (to the maximum available through the City’s insurance); and

WHEREAS, the City of Fircrest currently has an insurance policy with Sun Life Financial to provide the City’s Life and Accidental Death and Dismemberment insurance (AD&D) as a benefit for regular, full-time employees, which has a limited guaranteed benefit of up to \$100,000; and

WHEREAS, the City has received a proposal from Principal Life Insurance Company to provide Life and AD&D benefits to the regular, full-time employees of the City of an increased guaranteed benefit up to \$150,000 (a reduction in coverage by 35% at age 65 and an additional reduction of 15% at age 70); and

WHEREAS, the City wishes to accept the proposal of Principal Life Insurance Company, to provide the City’s Life and AD&D employee benefits beginning November 1, 2019, and to have the City Manager or his/her designee as the acting group representative. Now, Therefore

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FIRCREST:

Section 1. The City Manager is hereby authorized and directed to execute a contract with Principal Life Insurance Company for Life and Accidental Death and Dismemberment insurance.

Section 2. Any existing current regular, full-time employee of the City of Fircrest who exceeds the \$150,000 maximum benefit per the policy formula above (one (1) times the annual salary plus the dollar value of accrued sick leave as of January 1 each year) as of November 1, 2019 shall be grandfathered in and be eligible to receive the full current amount per the policy formula. The difference between their current amount above the \$150,000 maximum will be funded by the City of Fircrest.

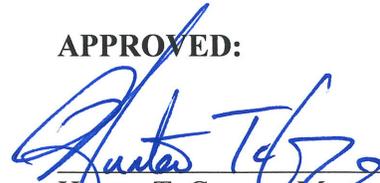
Section 3. Any existing current regular, full-time employee of the City of Fircrest who meets the age limitation reductions as of November 1, 2019 shall be grandfathered in and the City of Fircrest shall fund the reduction difference.

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Section 4. The City Manager or his/her designee shall document the grandfathered employees and track the unfunded liability for the City of Fircrest.

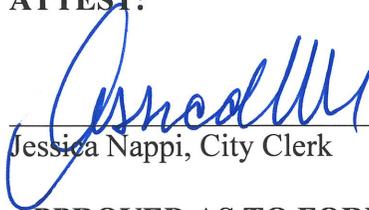
APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF FIRCREST, WASHINGTON, at a regular meeting thereof this 10th day of September 2019.

APPROVED:



Hunter T. George, Mayor

ATTEST:



Jessica Nappi, City Clerk

APPROVED AS TO FORM:



Michael B. Smith, City Attorney