

**WOODINVILLE FIRE & RESCUE  
RESOLUTION NO. 2017-23**

**A RESOLUTION ESTABLISHING A  
LEOFF 2 RETIREE MEDICAL BENEFIT PROGRAM**

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**RECITALS**

**WHEREAS**, the State of Washington has vested in the governing bodies of fire protection districts the authority to adopt reasonable rules to govern the district and to perform its functions, and generally to perform all such acts as may be necessary to carry out the objectives of the creation of the district under RCW 52.14.100; and

**WHEREAS**, the Board of Fire Commissioners of Woodinville Fire & Rescue ("District") recognizes that the rising cost of health insurance discourages employees from taking retirement prior to reaching age 65; and

**WHEREAS**, the Board of Fire Commissioners recognizes that continuing to keep LEOFF 2 personnel employed in mentally and physically stressful environments for this extended length of service might be contrary to the District's long held belief of the need to maintain a healthy workforce; and

**WHEREAS**, the Board of Fire Commissioners believes that the savings generated by senior employees retiring offsets the cost of providing a LEOFF 2 Retiree Medical Benefit Program to assist with health care costs.

**NOW, THEREFORE**, it is resolved that the Board of Fire Commissioners of the District that it is in the best interest of the District and its employees to establish a LEOFF 2 Retiree Medical Benefit Program (hereinafter, the "Program") within the following parameters:

1. **Qualifying.** Employees must meet the following criteria to qualify for the Program:
  - a. The employee must be a LEOFF 2 employee of Woodinville Fire & Rescue.
  - b. The employee must be at least 53 years of age on the date of retirement.
  - c. The employee's age on the date of retirement plus the employee's years of service with Woodinville Fire & Rescue must equal 78 or greater. For purposes of this calculation, age and years of service will be calculated by rounding down to whole months, adding the months, dividing by 12 and taking the number to two decimal places.
    - For example, if an employee's age at retirement is 55 years, 7 months and 28 days, the age will be calculated as 667 months (55 x 12 + 7). If the years of

service are 24 years, 3 months, 15 days, the years of service will be calculated as 291 months (24 x 12 + 3). This is a total of 958 months or 79.83 (958/12).

- d. The employee must provide the required written Notice of Intent to Retire (see paragraph 2, below).
  - e. The employee must draw their DRS LEOFF 2 retirement within three months of their date of separation with the District.
  - f. The maximum number of employees allowed to participate under the Program at any time is 17. If the maximum 17 people are participating in the Program, no others will be accepted until one or more people reach their point of Program termination (see paragraph 3.c., below), opening up space for new applicants. If more than the allowable maximum apply and qualify for the Program, participants will be chosen on the basis of seniority.
2. **Required Notice of Intent to Retire.** Employees wishing to retire under the Program must provide the District with written notice of intent to retire by August 1 of the previous year and their official retirement date must be no later than July 1 of the following year. The Notice of Intent must be submitted via email to the Fire Chief and must include the employee's name, last day of work, and official retirement date.
- a. If an employee gives the District written notice of intent to retire and then does not retire, participation in the Program is forfeited forever.
  - b. Exceptions to the timeframes for notification and retirement will be considered on a case-by-case basis. Such exceptions shall be presented to the Fire Chief for consideration and recommendation to the Board of Fire Commissioners and, if deemed to be mutually beneficial to the employee and to the District, may be approved by the Board of Fire Commissioners. Examples of exceptions might be:
    - Disability related retirement as defined by DRS as a duty disability; disaster response disability; or nonduty disability. Catastrophic duty disability would not qualify under this Program as the employee would receive reimbursement from DRS for medical premiums paid.
    - If notice of intent to retire is given and an employee's dependent becomes injured or ill to the point that the employee must withdraw his/her intent and continue working, the employee's future participation in the program would not be forfeited under such circumstances. The District may require certification from a health care provider of any illness or injury.
  - c. Any employee who meets the Program qualifications and wishes to participate in the Program with an official retirement date between November 1, 2017 and July 31, 2018, must notify the District by October 6, 2017 of their intent. This

shortened timeframe is a one-time exception for purposes of the initial implementation of the Program.


3. **Program Benefits.** The Program benefits are as follows:
  - a. Each employee who applies for, qualifies, and is accepted into the Program will receive \$5,520 per year deposited in their HRA/VEBA account. The employee is solely responsible for any and all administrative costs, fees, and tax consequences of such payments. Employees will sign an acknowledgement to this effect as a condition of participating in the Program.
  - b. The annual amount will be prorated (\$460.00/month) to align with the retiree's retirement date starting with the first whole month after the date of separation. For example, if the date of separation (last day worked) is May 31, 2019, the employee will receive \$3,220 or seven months of benefit for 2019 (June through December). If the date of separation (last day worked) is June 1, 2019, the employee will receive \$2,760 or six months of benefit for 2019 (July through December). In this last example, the employee would be covered on the District's medical plan through the month of June.
  - c. The Program benefit will continue until one of the following occurs, with a prorated payment in the final year when discontinuation of benefits is known in advance:
    - The employee reaches age 65;
    - The employee becomes eligible for Medicare;
    - The employee voluntarily withdraws from the Program; or
    - The employee dies.
  - d. There is no survivorship provision.
4. **Program Termination or Revision.** Should the Board of Fire Commissioners elect to terminate or revise this Program after it is implemented and in effect, all employees who are participating in and receiving the Program benefit as outlined herein will continue to receive the Program benefit until they are no longer eligible to participate in the Program (see paragraph 3.c. above). Should the Board of Fire Commissioners elect to revise the Program, a new Resolution outlining the details of the new Program, will be adopted.

**ADOPTED AT A REGULAR MEETING OF THE BOARD OF FIRE COMMISSIONERS OF WOODINVILLE FIRE & RESCUE THIS 26<sup>th</sup> DAY OF September, 2017.**

**WOODINVILLE FIRE & RESCUE  
COUNTY OF KING, WASHINGTON**

  
Derek van Veen, Commissioner, Position 1

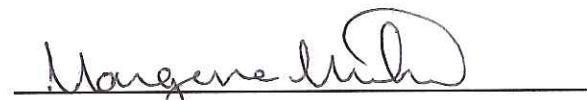
  
Jim Dorney, Commissioner, Position 2

  
Timothy Osgood, Commissioner, Position 3

1/3/ Kevin Coughlin (by phone)  
Kevin Coughlin, Commissioner, Position 4

  
Roger Collins, Commissioner, Position 5

**Attest:**

  
Margene Michael, Board Secretary