

RESOLUTION NO-55 - 2004

RESOLUTION APPROVING MEMBERSHIP INTO THE CENTER FOR LOCAL GOVERNMENT JOINT PURCHASING HEALTH BENEFITS COOPERATIVE AND DECLARING AN EMERGENCY AND DISPENSING WITH THE SECOND READING

WHEREAS, West Chester Township wishes to become a member of the Benefits Cooperative offered through The Center for Local Government; and,

WHEREAS, West Chester Township shall become a member of the joint purchasing health benefits cooperative (hereinafter "Benefits Cooperative"), offered through the Center for Local Government; shall abide by all provisions of the Participation Agreement and other rules and regulations of the Benefits Cooperative as established by The Center for Local Government; and,

WHEREAS, West Chester Township shall purchase through the Benefits Cooperative the insurance benefits provided by the West Chester Township for its employees in accordance with the rules and regulations of the Benefits Cooperative; and,

WHEREAS, the Township Administrator or his designee is hereby authorized to execute on behalf of the Township any and all agreements, contracts, resolutions, instruments, certificates, forms and other documents, and take any and all actions required for the Township to become a Member of the Benefits Cooperative, or otherwise effectuate these resolutions; and,

WHEREAS, it is hereby found and determined that all formal actions of this Board of Trustees concerning and relating to the passage of this Resolution were taken in an open meeting of this Board of Trustees and that all deliberations of this Board of Trustees and any committees that resulted in those formal sessions were in meetings open to the public, in compliance with all legal requirements; and,

WHEREAS, this Resolution shall be in full force and effect from and after the earliest period allowed by law.

NOW THEREFORE, BE IT RESOLVED that the West Chester Township Board of Trustees does hereby agree to:

SECTION 1. Participate as a member of the joint purchasing health benefits cooperative ("Benefits Cooperative"), offered through the Center for Local Government.

This resolution shall be adopted as an emergency necessary for the immediate preservation of the public peace, health, safety, or welfare of the community.

Adopted this 14th day of September, 2004.

Catherine Stoker

Catherine Stoker, President

YES

Yes / No

Jose Alvarez

Jose Alvarez, Vice President

yes.

Yes / No

George Lang

George Lang, Trustee

YES

Yes / No

ATTEST:

Patricia Williams

Patricia Williams, Township Clerk

APPROVED AS TO FORM:

Donald L. Crain

Donald L. Crain, Law Director

CERTIFICATE OF PUBLICATION

_____	First Reading
Date	
<u>September 14, 2004</u>	Emergency Reading
Date	
_____	Second Reading
Date	
<u>September 20, 2004 Journal News</u>	First Publication
Date and Newspaper	(After Approval)
<u>September 23, 2004 Pulse Journal</u>	

<u>September 27, 2004 Journal News</u>	Second Publication
Date and Newspaper	(After Approval)
<u>September 30, 2004 Pulse Journal</u>	

<u>Patricia Williams 12/28/04</u>	Certificate of Publication
Clerk Signature & Date	

PARTICIPATION AGREEMENT

This Participation Agreement (hereinafter "Agreement") is entered into by and between THE CENTER FOR LOCAL GOVERNMENT, INC., an Ohio not-for-profit corporation, (hereinafter "CLG" or "Corporation") and WEST CHESTER TOWNSHIP, an Ohio political subdivision.

WHEREAS, CLG is an Ohio 501(c)(3) organization establishing a joint health benefits purchasing cooperative (hereinafter "Benefits Cooperative") for the purpose of collectively negotiating medical insurance and related employee benefits on behalf of the Members of the Corporation; and

WHEREAS, West Chester Township, as a Member of CLG in good standing, elects to participate in the Benefits Cooperative by meeting all requirements set forth in this Agreement, and providing all materials and funds required for participation, including an Ordinance or Resolution enacted by the Member's elected officials authorizing the acceptance of this Agreement; and

WHEREAS, this Agreement is to be executed by all Members of the Benefits Cooperative as a condition of membership and all Members shall be jointly bound to the Corporation and each other by the acceptance and execution of this Agreement.

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, and in consideration of the acceptance of West Chester Township to membership within CLG's Benefits Cooperative, the parties agree as follows:

1. Membership in the Benefits Cooperative and this Agreement shall commence effective October 1, 2004 (hereinafter "Commencement Date"). Member agrees to participate in the Benefits Cooperative for a minimum of two years from the Commencement Date. This Agreement shall remain in full force and effect for a period of two years unless amended as provided herein. At the conclusion of the initial two year term this Agreement shall be renewable

for a continuing term of one year unless prior to the conclusion of such one year term Member provides notice as authorized in this Agreement to the Corporation that it is withdrawing from the Benefits Cooperative. If Member fails to provide such notification of withdrawal, this Agreement shall be renewed for another one-year term and shall be renewable on a continuing basis year to year unless otherwise terminated by such notice of withdrawal.

2. After two years of membership, a Member may withdraw from the Benefits Cooperative by providing written notice to the CLG on the first day of the calendar month at least ninety days preceding the effective date of such withdrawal. The effective date of any withdrawal shall always fall on the first day of a calendar month. A Member may withdraw upon fewer days notice and prior to such two year time period upon the affirmative vote of two-thirds of the CLG Board of Trustees voting at a meeting called for such purpose.

3. Unauthorized Withdrawals. In order to protect the viability of this Benefits Cooperative, any Member withdrawing from the Benefits Cooperative in the manner other than as authorized by Paragraph 2 above, shall be considered an Unauthorized Withdrawing Member. An Unauthorized Withdrawing Member shall owe the Corporation such obligations as are set forth herein.

4. Responsibilities of Withdrawing Members. Any Member withdrawing, whether an authorized withdrawal or a withdrawal which may be deemed an unauthorized withdrawal, shall assume and be responsible for the payment of all premiums (for the period during which coverage was extended to the Member), administrative costs, assessments or any other monies already prescribed by the Trustees and due to the Corporation, its agents, administrators or insurers. Such monies shall be due and payable within thirty (30) days of the date of withdrawal. If not paid within that time, such obligation shall bear interest at the rate of one percent (1%) per month until paid in full. Members withdrawing as an Authorized Withdrawal must wait a minimum of twelve (12) months from the date of withdrawal to apply for re-entry as a Member of the Benefits Cooperative. Members withdrawing as an Unauthorized Withdrawal must wait a minimum of twenty-four (24) months from the date of withdrawal to apply for re-entry as a Member of the Benefits Cooperative.

5. Expulsion of a Member for Cause. This Agreement may be terminated, and a Member may be expelled from the Benefits Cooperative upon the following grounds:

A. If a Member fails to pay any insurance/benefit premiums and any dues or assessments within thirty (30) days after the due date;

B. If a Member fails to pay any assessment within thirty (30) days after notice to such Member as provided herein;

C. If a Member would otherwise violate the terms and conditions of membership in the Benefits Cooperative;

D. If a Member breaches any terms of this Agreement;

Unless otherwise authorized by the Board of Trustees of the Corporation, Member expelled by the Corporation shall be considered an Unauthorized Withdrawing Member and treated accordingly as provided in Paragraph 4 herein.

6. Compliance Responsibility. Member agrees to be solely responsible for compliance with all federal and state employee benefits laws relative to the benefits Member secures for its employees through participation within the Benefits Cooperative. Member acknowledges and agrees that no other Member, nor the Corporation or Benefits Cooperative, shall be responsible for Member's compliance responsibility nor any civil damages or administrative penalties which may be assessed against a Member for any non-compliance with federal or state benefits laws.

7. Role of the Corporation. Except as specifically provided in this Agreement, the Corporation shall not itself offer, provide or guarantee insurance/benefit coverage to the employees or officers of its Members. In all but such specifically designated cases, the Corporation shall function solely as an administrative agency to receive, process and facilitate payments of premiums as shall come within the insurance/benefit programs offered to the Members and purchased through the Benefits Cooperative established by the Corporation.

8. Obligations of Participation. Participation in the Benefits Cooperative requires the following obligations on the part of the Member:

A. Each Member must pay for insurance/benefits of the Benefits Cooperative negotiated through the Corporation in accordance with the terms established by the Board of Trustees of the Corporation and the insurance/benefit provider, if any, selected by the Corporation. Each Member shall also pay any and all assessments regarding the Benefits Cooperative charged against Members pursuant to action of the Corporation. Assessments may be made by the Board of Trustees of the Corporation on or before the close of the benefit year for any third party expenses, such as legal and/or accounting fees incurred by the Corporation to administer the Benefits Cooperative. Such assessments shall be based upon the number of participating employees of each Member as measured during the closing calendar month of the benefit year or the last month of any withdrawn Member's participation in the Benefits Cooperative. Such *per capita* assessment shall not exceed \$10.00 per year, per participating employee unless otherwise modified by the Board of the CLG, subject to the veto provisions of Section 9 herein. Each Member from the previous benefit year, including any Members who have withdrawn from the Benefits Cooperative whether as an Authorized or Unauthorized Withdrawal, shall pay such assessment to the Corporation within thirty (30) days of the Notice of Assessment. Any assessment unpaid after thirty (30) days shall bear interest at the rate of one percent (1%) per month until paid in full.

B. Each Member must comply with any and all insurance/benefit obligations of the Benefits Cooperative established by the Corporation with respect to an insurance/benefit program to which the Member is a participant.

C. Each Member shall be individually responsible for any and all insurance/benefit programs provided by such Member which are not purchased and furnished by the Member through this Benefits Cooperative.

D. Each member must cooperate fully with the Board of Trustees of the Corporation in any matter relating to the purpose and operations of the Benefits Cooperative.

E. Each Member shall act promptly on all matters requiring action on the part of the Member in order for the Corporation to properly administer the Benefits Cooperative.

F. Each Member shall, as needed by the Board of Trustees of the Corporation and/or the insurance/benefit provider(s) servicing the Corporation, furnish periodic reports of additions, deletions, and changes to the listing of covered employees, as well as all other information as may be reasonably required for the purpose of enrolling employees, processing

terminations, determining premium levels, effecting changes in family status, and assessing the costs of administration as provided herein.

G. Premiums required for participation in the Benefits Cooperative must be received by the insurance company or administrator within ten (10) days of the due date or the Member will be notified that their claim payments will be suspended. Membership and participation in the Benefits Cooperative will terminate if proper payment is not received by the insurance company or administrator within thirty (30) days of the due date.

H. The Member is subject to the Benefits Cooperative's rules on timely notification of enrollments to, and terminations from, the plan. In no event will the Benefits Cooperative, its insurers or administrators, adjust overpayments, or accept late enrollees (without evidence of insurability, if applicable) when notified more than two months after the termination or date eligible for enrollment.

I. Neither the Corporation nor the Benefits Cooperative assumes any responsibility to provide any specified level of benefits, benefits provisions, type of coverage, or amount of allowable payment, in order to meet the requirements of any Member's collective bargaining agreements or satisfy the outcome of any employee or bargaining group member dispute or grievance. The Corporation and the Benefits Cooperative reserve the right to withdraw plan offerings or change benefit levels at any time according to the approval of the Board of Trustees of the Corporation at the recommendation of the Member Advisory Committee, subject to the veto powers reserved herein.

9. Operations of the Corporation and Benefits Cooperative. The day to day operations, negotiations and administration of the Benefits Cooperative shall be governed by the Board of Trustees of the Corporation. The Board may consider, but shall not be bound, by any recommendations of the Membership Advisory Committee established herein. Any decision by the Board to: (a) modify any insurance benefits offered by the Benefits Cooperative unless such modification is mandated by the third party insurance carrier; (b) change insurance carriers from year-to-year; (c) change the insurance broker servicing the Benefits Cooperative; or (d) increase the annual administrative assessment in excess of ten dollars (\$10.00) per employee, is subject to veto by a simple majority of the then current Members. When a decision impacting any one of these four areas is made by the Board, the Board shall send written notice to each Member of the

decision. Within thirty (30) days of such decision, each Member must vote either at a meeting of the Members or by written ballot to accept or reject the Board decision. If a majority of the then current Members within that thirty (30) day period veto the Board decision, then the decision is overturned. The failure of a Member to vote upon such decision within the allotted thirty (30) days shall be considered as a vote to affirm the decision of the Board.

The Board, at least annually, shall provide to each Member an accounting of the operations of the Benefits Cooperative.

10. Member Advisory Committee. There is hereby established a Member Advisory Committee (hereinafter "Advisory Committee") consisting of seven (7) Members of the Benefits Cooperative appointed by the Members. Each appointed Member Representative shall serve for a two (2) year term, and may be re-appointed to successive terms by the Members. The terms for the Advisory Committee shall be staggered with four (4) initial appointees serving a period of one (1) year and three (3) initial appointees serving a term of two (2) years. Thereafter, successor terms shall be equal to two (2) years. The list of initial appointees is attached hereto as Exhibit "A".

Members to the Advisory Committee shall be elected by the Membership either at a Special Meeting of the Members as provided herein, or by a balloting of Members. Such balloting may be conducted in writing by mail or electronically. Nominees for election shall be selected by the Board. Each term on the Advisory Committee shall commence August 1st. Vacancies to the Advisory Committee shall be filled by the same process.

The Member Advisory Committee shall give non-binding recommendations and advice to the Board in the following areas:

- A. The types of insurance/benefits to be provided or risks to be shared through the Benefits Cooperative.
- B. The selection of insurance/benefit providers.
- C. Plan design.
- D. Recommendations to confirm pricing for insurance plans.
- E. An annual budget for the Benefits Cooperative.
- F. Contracting for outside services such as legal or accounting advice.
- G. Such other duties and responsibilities as may be assigned by the Board.

11. Member Meetings.

Meetings of the Members may be called for a specific purpose by either a majority of the Board of Trustees of the CLG, unanimous written consent of the Board, or a simple majority of Members. Notice of any Special Meeting must be sent to all Members no less than three (3) business days in advance of the meeting date, listing the time, plan and date of the meeting and the specific purpose for which the meeting is called. No other issues may be considered at a Special Meeting other than the stated purpose within the notice. A Member may waive advanced notice of a meeting either in writing or by attending the meeting personally or through an electronic communication device.

12. Miscellaneous.

A. Member warrants to the Corporation that the undersigned has full authority to enter into this Agreement for and on behalf of the Member effective on the Commencement Date listed herein, and any separate legislation necessary to authorize this contract or to authorize the agent to sign this contract on behalf of the Member has been appropriately enacted and a copy of such authorizing legislation is attached hereto.

B. This Agreement may be amended at anytime by a two-thirds affirmative vote of the Board of Trustees of CLG and the approval of a simple majority of the Members. With the exception of any amendment which may extend the term of this Agreement as set forth in Paragraph 1 above or alter the veto power reserved to Members in Paragraph 9 above, any amendment adopted by the Corporation shall be binding upon the Member for the balance of the term of this Agreement and shall be incorporated herein upon adoption by the Board without the need for any further acknowledgment, acceptance or execution of this amendment by the Member or its governing legislative body.

C. Each Member shall receive reports annually, (or at more frequent intervals as determined by the Board of Trustees of CLG), of the Benefits Cooperative's operating results and financial position.

D. In case any one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability shall not affect any other provision, and this Agreement shall be


construed as if the invalid, illegal, or unenforceable provision had never been contained in it.

E. Any notices to be given under this Agreement may be effected either by personal delivery in writing or by regular United States Mail, with postage prepaid. Mailed notices shall be addressed to the parties at the addresses listed for their administrative offices. However, each party may change the address for receipt of notice by giving written notice in accordance with this paragraph. Notices delivered personally will be deemed communicated at the time of delivery. Mailed notices will be deemed communicated one (1) day after mailing.

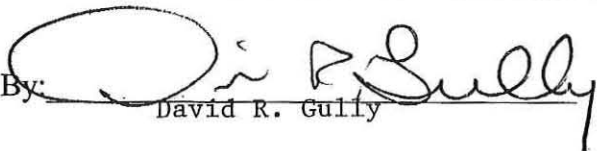
F. This Agreement represents the entire understanding and agreement between the parties. There are no separate understandings or agreements, written or oral, which are not incorporated herein. Any questions concerning the interpretation and enforcement of this Agreement shall be governed by the laws of the State of Ohio.

Executed this 1st day of October 2004.

CENTER FOR LOCAL GOVERNMENT
BENEFITS COOPERATIVE

By: 
Robert K. Johnson
Its: Executive Director

Jurisdiction Name West Chester Township

By: 
David R. Gully

Its: Township Administrator