

# **CICCS HEALTH AND WELFARE TRUST**

## **PARTICIPATION AGREEMENT**

THIS PARTICIPATION AGREEMENT ("Agreement"), is entered into by and between the Coalition for Controlling Insurance Costs in California Schools, a tax-exempt trust under Internal Revenue Code, Section 501 (c)(9) (the "Trust") and, **City of Yorba Linda**, a California public agency (the "Agency"), and Agency employees.

### **RECITALS:**

Certain public employers and employee unions have established the Trust to provide health and welfare benefits for members of their bargaining units, for non-bargaining unit employees, management and confidential employees, elected officials and retirees.

The Agency, which provides for contributions to the Trust for the provision of health and welfare benefits for employees of the Agency shown on the attached Election Form.

### **AGREEMENT:**

In consideration of the mutual promises and covenants to be observed, kept and performed by the parties hereto, it is agreed as follows:

1. **Term**

The term of this Agreement shall commence on January 1, 2022, and shall continue in effect until terminated pursuant to Article 8.

2. **Employee**

The term "employee" as used herein refers to all persons in employment classifications designated on the Election Form as eligible to participate in the Trust.

3. **Election Form**

The benefit plan(s) (the "Plan(s)") selected by the Agency are set forth in the signed Benefit Plan Election Form (the "Election Form") attached to this Agreement as Exhibit A and made a part of this Agreement by this reference.

A. The Agency agrees to the uniform eligibility rules as stated in the Trust Agreement which are marked as Exhibit "B" and attached hereto and made a part of this Agreement by reference.

B. A full contribution must be paid for each employee for each of the medical, dental and vision plans elected in Section 3 of the Election Form.

4. **Contributions and Reports**

A. The Agency shall prepare and submit to the Trust monthly or tenthly by such date as the Trust prescribes a current list on a form to be supplied by the Trust, of all employees who are covered

under each Plan annotated to add newly enrolling employees and to delete employees who are no longer eligible.

B. Contributions for employees covered pursuant to each respective Plan shall be paid by the Agency on a monthly or tenths basis in the amount per employee specified in the Election Form for each employee included on the monthly list referred to in Section 4.A.

C. Contributions shall be made promptly in advance to the Trust at the beginning of each calendar month. The Agency's contribution shall be considered delinquent if not received by the 1st of the month unless the Agency has deposited with the Trust an amount equal to one month's estimated monthly contribution or unless the Trust excuses such delinquency for good cause. Any prepayment shall be held for the Agency by the Trust and the Agency shall have a thirty (30) day extension on the aforementioned delinquency. Unless waived by the Trust, the Agency shall pay to the Trust the sum of one percent (1%) of the amount of the delinquent contribution or contributions due and payable in a month. This amount shall become due and payable to the Trust by the Agency as liquidated damages and not as a penalty, at the place where the contribution is payable upon the day immediately following the date on which the contribution or contributions become delinquent, which payment shall be in addition to the delinquent contribution or contributions. Interest shall be charged on delinquent contributions at the interest rate prescribed under Section 6621 of the Internal Revenue Code, but in no event shall the interest rate charged be more than 10% per annum. All contributions paid into the Trust shall first be applied to any delinquent payments, liquidated charges and/or interest charged in the order and amount as determined by the Trust. In the event, the Trust determines it is necessary to consult legal counsel with respect to the Agency's delinquent payments, there shall be added to the obligations of the Agency reasonable attorney fees, court costs and all other reasonable expenses incurred by the Trust in connection with collection of such delinquency, provided the Trust prevails in such litigation.

5. Agency Policy

The provisions of this Agreement and the Declaration and Agreement of the Trust Establishing the Coalition for Controlling Insurance Costs in California Schools Health and Welfare Trust shall govern and shall be deemed to supersede the conflicting provision of any Agency policies.

6. Financial Statement

An annual financial statement of the Trust will be submitted to the Agency.

7. Distribution of Materials

The Agency agrees to cooperate and assist in the distribution to employees of enrollment forms, benefit descriptions, benefit certificates, provider directories, claim forms and other forms or documents usually supplied in connection with the enrollment process.

8. Termination

A. The Agency may terminate participation in the Trust as of June 30<sup>th</sup> of any year by a written notice of termination after the initial two-year commitment, delivered to the Trust on or before the preceding April 10<sup>th</sup>. This Participation Agreement shall continue in effect annually from July 1st to June 30<sup>th</sup> of the following year until properly terminated.

B. The Trust may terminate this Agreement at any time if the Agency fails or refuses to make all payments required hereunder within 20 days after service of a written notice from the Trust demanding payment.

C. This Agreement shall terminate when the Agency no longer contributes to the Trust on behalf of non-bargaining unit employees.

D. The Trust may amend this Participation Agreement as of any July 1st upon notice in writing delivered to the Agency or before the preceding April 1st.

E. Following termination of this Agreement, it is understood and agreed that the Trust shall be responsible for payment of eligible claims of covered employees and/or officers incurred on or before the termination date only in accordance with terms and specifications of the Declaration and Agreement of the Trust Establishing the Coalition for Controlling Insurance Costs in California Schools Health and Welfare Trust and each applicable Plan. The parties acknowledge that after termination of participation, neither the employees nor the Agency shall retain any right or interest in the Fund or any of its assets and shall not be entitled to any share of the reserves maintained by the fund upon their withdrawal from participation.

9. Binding Effect of Trust Agreement

The Parties hereto agree to be bound by the terms and provisions of the Agreement and Declaration Establishing the Coalition for Controlling Insurance Costs in California Schools Health and Welfare Trust.

10. Notice

Any written notice required by or pertaining to this Agreement shall be sent to such party by prepaid first class mail or telegram, at the address set forth after the signatures.

11. Ratification by Governing Board

The Agency shall provide the trust with a certificated copy of the minutes of a meeting of the Governing Board of the Agency at which the adoption and execution of the Agreement have been approved or ratified by the governing Board by a motion duly passed and adopted at a meeting duly called and held.

[SIGNATURE PAGE TO FOLLOW]

CICCS Trust  
Coalition for Controlling Insurance Costs in  
California Schools Trust

Mark Pulone  
City Manager  
City of Yorba Linda

BY: \_\_\_\_\_

BY: \_\_\_\_\_

Dated: \_\_\_\_\_

Dated: \_\_\_\_\_

**Addresses:**

CICCS Trust:  
c/o Keenan & Associates  
3610 Central Ave # 400  
Riverside, CA 92506  
Attn: Karyn Goodsite

City of Yorba Linda  
4845 Casa Loma Avenue  
Yorba Linda, CA 92886  
  
Attn: David Albaugh

EXHIBIT A

BENEFIT PLAN ELECTION FORM

**CONTROLLING INSURANCE COSTS IN CALIFORNIA SCHOOLS**

**PARTICIPATION AGREEMENT**

1. Name of Agency City of Yorba Linda

2. Employees covered (Complete all appropriate boxes)

Classification Structure		Enrollment	Comments
Category 1	Active /ER/COBRA - Single	<input checked="" type="checkbox"/>	
Category 2	Active/ER/COBRA- Two party	<input checked="" type="checkbox"/>	
Category 3	Active/ER/COBRA – Family	<input checked="" type="checkbox"/>	
Category 4	Active Super-composite	<input type="checkbox"/>	
Category 5	Early Retiree	<input type="checkbox"/>	
Category 6	Standard Retiree	<input checked="" type="checkbox"/>	
Category 7	COBRA	<input type="checkbox"/>	

3. Plans elected:

Plan Identification

Initial Monthly Contribution  
Rate Per Employee

☐ Medical Plan \_\_\_\_\_

\_\_\_\_\_

☐ Dental Plan \_\_\_\_\_

\_\_\_\_\_

X Vision Plan EyeMed \_

3 tier Rate = \$8.24/\$15.64/\$22.98

Are part time employees eligible?

☐ Yes ☐ No

EXHIBIT B  
TRUST AGREEMENT  
[Attach]