



Town of Yacolt
202 W. Cushman St. P O Box 160
Yacolt, WA 98675
(360) 686-3922 FAX: (360) 686-3853
www.townofyacolt.com

March 05, 2018
Town Council Agenda
Town Hall 7:00 PM

- 1. Call to Order**
- 2. Flag Salute**
- 3. Roll Call**
- 4. Minutes of Previous Meeting**
 - A. Meeting Minutes for the February 26, 2018 Meeting**
- 5. Late Changes to the Agenda**
- 6. Citizen Communication**

***Anyone requesting to speak to the Council regarding items not on the agenda may Come forward at this time. Comments are limited to (3) minutes. Thank you.**
- 7. Old Business:**
 - A. Verification of Ordinance Publication - Update**
 - B. Personnel Policy Update**
 - C. Employee Health Insurance Benefits**
 - D. Town Clerk Position - Update**
 - E. Clark County Interlocal Agreement for Building Department Services - Discussion**
- 8. New Business:**
- 9. Mayor's Comments**
- 10. Attorney's Comments**
- 11. Council's Comments**
- 12. Public Works Dept. Report**
- 13. Town Clerks Report**
- 14. Pay Bills on behalf of the Town**
- 15. Adjourn**

The Town of Yacolt is celebrating 109 Year.... '1908 - 2017'!!!

Town of Yacolt
202 W. Cushman St.
Yacolt, WA 98675

DRAFT

February 26, 2018

Town Council Meeting Minutes, (Regular Meeting)

1. Call to Order:

Mayor Myers called the meeting to order at 7:00 p.m.

2. Flag Salute.

3. Roll Call:

PRESENT: Mayor Myers and Council members, Moseley, Noble, Bryant
Town Attorney Ridenour, and Assistant Clerk Younce.

ABSENT: Council members Boget and Rowe-Tice

4. Draft Minutes of Previous Meeting:

Draft Meeting Minutes were presented for the 2/26/2018 regular meeting.

MOTION: Council member Noble moved to approve the minutes from the 2/26/2018 regular meeting.

SECOND: Council member Mosely

AYES: Council members Bryant, Noble, Moseley

ABSENT: Council members Boget and Rowe-Tice

VOTE: Motion carried.

5. Late Changes to the Agenda:

Table Town Clerk position until the meeting next week.

Add New Business Item C – fireworks

6. Citizen Communication: None.

7. Old Business:

A. Public Hearing Critical Areas: Gary Albrecht spoke to the Council about updates to the Critical Areas Code Amendment. Attorney Ridenour will have an Ordinance for the next meeting or the following meeting. Council member Noble asked about what the storm water fee is for on his water bill. Mr. Albrecht and Public Works Director Ross let him know that the money comes back to the town for storm water maintenance.

B. Budget Position: Assistant Clerk Younce answered questions regarding the budget and where the Town stands financially.

C. Verification of Ordinance Publication: Council member Noble updated on what the status of the 2013 and 2014 years. Council members Boget and Rowe-Tice were not present to give their updates.

D. Personnel Policy: The following changes were made;

1. Section 7.3 Waiting period to participate in various insurance programs is 30 days.
 2. Sick leave is accrued at 8 hours a month for full-time employees and prorated for part-time employees with a minimum of 1 hour for every 40 hours worked. 800 hours of sick leave may be carried from one year to the next. An employee is eligible for 50% of their accrued sick leave if rehired within 12 months.
 3. Full-time employees may select 2 personal holidays each year. Part-time employees may select 1 day each year.
 4. References to the maintenance of water lines and up keep has been removed as the Town no longer has a water department.
- The policy will be revisited at the next meeting.

E. Employee Insurance Benefits: Item was tabled to the next meeting. Attorney Ridenour requested more time to research documents from AWC.

F. Town Clerk Position: Item was tabled to the next meeting. Council members Boget and Rowe-Tice were absent.

8. New Business:

A. Mosquito Control Board: Mayor Myers updated the Council on the most current Board meeting. The Board passed their budget and passed a change to the rate per parcel amounts.

B. Clark County Interlocal Agreement for Building Department Services: Attorney Ridenour has begun work on an Interlocal agreement with Clark County for Building Department Services. He suggested to the council that the Town needs a back-up inspector in case anything happens to Mr. Monen. He also let the Council know that the Town needed someone with more specialized training on occasion and having the Interlocal Agreement in place would make it more time efficient to have someone come to the Town.

9. Mayor's Comments: Mayor Myers reminded the Council that their decisions have consequences.

10. Town Attorney Comments: Attorney Ridenour let the Council and public know that the cemetery records were available on DropBox and that anyone without access could be added. He updated the Council on the over-payment for the bleachers and let them know that the Town should have a check before the next meeting.

11. Council Comments: Council member Bryant let the employees know that her choices were not personal.

12. Public Works Dept. Report: Council member Bryant asked if East Hoag St. ditches would be brought back to pre-work condition. Public Works Director Ross told her that Hinkels and McCoy will be back in the spring when the work is finished to fix the ditches.

13. Town Clerk Report: Assistant Clerk Younce asked the Council to choose a parade theme. The Council agreed on "THE GREAT OUTDOORS." Ms. Younce let the Council know that we need someone to run the sidewalk chalk contest. Mayor Myers suggested asking Katie Listek if she would be interested again for this year. Next Assistant Clerk Younce reminded everyone that the Easter Egg Hunt is March 31st and asked the council for volunteers. The Council talked about helping to get Easter baskets donated. The Town purchased a new Bigfoot costume. The costume cost much less than expected.

14. Pay Bills on Behalf of the Town:

MOTION: Council member Bryant moved to approve payment of the bills as presented.

SECOND: Council member Noble.

AYES: Council members Bryant, Noble, Moseley

ABSENT: Council members Boget and Rowe-Tice

VOTE: Motion Carried.

13. Adjourn Meeting: Mayor Myers adjourned the meeting at 9:30 p.m.

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Vince Myers, Mayor

Katie Younce, Assistant Clerk

001 Current Expense	35,034.87
101 Streets	25,727.72
103 Cemetery	70.69
403 Storm Water	1,413.74
	62,246.62

Claims	51,832.82
Payroll	10,413.80



Town of Yacolt

Request for Council Action

Proposed Meeting Date: Monday, March 05, 2018 Agenda Item:

Contact Information for Person/Group/Department Requesting Council Action:

Requester's Name Staff

Group Name (if applicable)

Address

Daytime Phone

Alternate Phone

E-Mail Address

Item Title:

Verification of Ordinance Publication - Update

Action Requested of Council:

Give an update on the proof of publications for ordinances and resolutions.

Proposed Motion:

None

Summary / Background:

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Governing Legislation:

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Budget/Finance Impacts:

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Attachments, (previous ordinance, resolution, proposed ordinance, etc.):

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Staff Contact(s):

Assistant Clerk



Town of Yacolt

Request for Council Action

Proposed Meeting Date: Monday, March 05, 2018 Agenda Item:

Contact Information for Person/Group/Department Requesting Council Action:

Requester's Name Council

Group Name (if applicable)

Address

Daytime Phone

Alternate Phone

E-Mail Address

Item Title:

Personnel Policy Update

Action Requested of Council:

Proposed Motion:

Summary / Background:

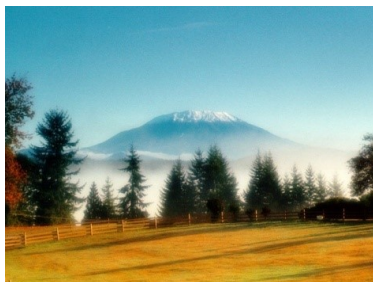
Governing Legislation:

Budget/Finance Impacts:

Attachments, (previous ordinance, resolution, proposed ordinance, etc.):

Staff Contact(s):

Assistant Clerk, Attorney



Town of Yacolt

Request for Council Action

Proposed Meeting Date: Monday, March 05, 2018 Agenda Item:

Contact Information for Person/Group/Department Requesting Council Action:

Requester's Name Staff, Council

Group Name (if applicable)

Address

Daytime Phone

Alternate Phone

E-Mail Address

Item Title:

Employee Health Insurance Benefits

Action Requested of Council:

Proposed Motion:

Summary / Background:

The Council has been reviewing options for employee health benefits. Attached is all of the information that AWC has. The bottom of the Master Participation Agreement has a paragraph that states that by signing you agree to the Trust Agreement. My phone call to AWC let me know that there is no other contract that is signed by the town with them. The Administrative Guide are their rules and regulations for participation.

Governing Legislation:

Budget/Finance Impacts:

Attachments, (previous ordinance, resolution, proposed ordinance, etc.):

Administrative Guide
Trust Agreement
Master Participation Agreement
Benefits Costs
Employee Cost to the Town

Staff Contact(s):

Assistant Clerk, Attorney



2018 Administrative Guide

Association of Washington Cities
Employee Benefit Trust



Welcome!

This guide helps you with most of your day-to-day administration of AWC Trust health plans and programs. Visit awctrust.org for forms, resources, updates and more information.

As a member, you have access to robust online resources. Login for members only information.

Looking at medical plan options? Contact our staff for a plan comparison. A blank AWC Employer Master Participation Agreement is in the pocket for your transition needs.

awctrust.org

2	The Trust
3	Our partners
5	Plan choices
15	Participation criteria
19	Plan changes
21	Rates & billing
29	Retiree rates
31	Compliance

Association of Washington Cities Employee Benefit Trust

AWC Employee Benefit Trust mission

The mission of the AWC Employee Benefit Trust is to provide quality benefit programs and insurance services to Washington cities and towns in an efficient and cost-effective manner through timely information, technical assistance, member education and advocacy.

Governance – Guided by our members

The Trust is governed by members. All governing bodies consist of Trust member cities.

The Employee Benefits Advisory Committee (EBAC) is the recommending body that reviews program offerings, provisions and operations of the Trust. EBAC recommendations are reviewed by the Board of Trustees (BOT), the final decision making body for the Trust. The BOT has fiduciary responsibility for the Trust and Health Care Program and consists of elected officials in four regions of Washington, from cities & towns participating in the Trust programs. More information at awctrust.org.

AWC Employee Benefit Trust goals

- Maintain the Trust's fiscal health and sustainability.
- Manage the rate of increase in health care costs for the Trust and its members.
- Maintain the Trust as the leader in addressing members' benefit needs in the changing health care environment.
- Increase member awareness and knowledge of the Trust's scope and effectiveness.
- Utilize innovations and technology in plan design and education efforts.
- Increase participation in total health management.

Association of Washington Cities

Mission

AWC's mission is to serve our members through advocacy, education and services.

Vision

AWC is a highly respected voice of cities and towns before the Legislature, Congress, government agencies and others. We are the leader in providing valuable services and continuing education for our membership. We are the catalyst for promoting communication between cities and towns and for developing a broad public understanding of the important roles of cities and towns across the state.

Employee Benefit Trust staff

Manager

Beverly Lakey – beverlyl@awcnet.org

Manages all aspects of benefits and health promotion in the Trust

Trust operations & benefits

Shilah Miller – shilahm@awcnet.org

Employee Benefits Representative – Customer service, technical assistance

Heidi Buswell – heidib@awcnet.org

Employee Benefits Specialist – Technical assistance, plan changes

Tanya Campbell – tanyac@awcnet.org

Employee Benefits Specialist – Eligibility, enrollment, reconciliations

Darla Mansfield – darlam@awcnet.org

Employee Benefits Supervisor – Supervises benefits staff, administers benefit programs, onsite education/presentations

Field service

Karissa McLaughlin – karissam@awcnet.org

Benefits Coordinator – Coordinates field work & the Trust's education program, gives benefit presentations, and helps with benefit administration

Andy Clarke – andyc@awcnet.org

Marketing-Field Service Coordinator – Benefit fairs, Member Pooling Program promotion

Health promotion

Niki Charneski – nikic@awcnet.org

Health Promotion Specialist – Health screenings, health questionnaire, coaching programs

Jon Smith – jons@awcnet.org

Health Promotion Consultant – Member education, training, wellness campaigns

Julie McDowell – juliem@awcnet.org

Health Promotion Supervisor – Supervises wellness staff, administers health promotion programs, onsite education/presentations

Our partners in health

Great partnerships bring great value to the benefits and programs we provide to our members. We only partner with the best vendors, administrators and carriers in the business. The Trust negotiates the contracts for the pool. Members see the benefits in lower administrative fees and higher service levels.

Billing and COBRA administrator

Northwest Administrators

1-866-239-0444

nwadmin.com

Billing/Eligibility – Kelly Pinkston

COBRA – Carolene Roberts

Online Billing – Amy Song

Premium payment

AWC Employee Benefit Trust

Box 84303

Seattle, WA 98124-5603

Consulting nurse service

Regence (Advice24)

1-800-267-6729

Asuris (Advice24)

1-866-523-0078

Kaiser Permanente

Western WA

1-800-297-6877

Eastern WA

1-800-826-3620

Dental

Delta Dental of Washington

1-800-554-1907

deltadentalwa.com/AWC

Willamette Dental

1-800-360-1909

willamettedental.com/AWC

Dependent eligibility verification

Alight

1-800-725-5810

Employee Assistance Program

ComPsych

1-800-570-9315

guidanceresources.com

First time user Web ID: trusteeap71

FSA, HRA & HSA

Navia Benefit Solutions

1-425-452-3500

naviabenefits.com

HSA Bank

1-866-357-5232

hsabank.com

Health coaching

Aduro

Health Central at awctrust.org

Health Central

Jiff support

1-855-716-2888

Life and long-term disability

The Standard

1-425-283-1062

Medical

Regence BlueShield

1-800-752-9985

regence.com

Asuris Northwest Health

1-800-670-6550

asuris.com

Kaiser Permanente

1-888-901-4636

kp.org/wa

Vision

Vision Service Plan

1-800-877-7195

vsp.com



Plan choices

It's all about choices

We have health plan choices to meet your needs. Plans designed just for you, with comprehensive coverage, and differing levels of premium costs to fit your budget.

Employers get flexibility and one-stop shopping for all of your health care needs. The Trust offers:

- 8 medical plan choices
- Plan A, Medicare Advantage, & Kaiser Permanente \$0 copay for LEOFF I coverage
- 6 medical retiree plan choices
- 10 dental plan choices plus five orthodontia riders
- 2 retiree dental plan choices
- 4 vision plan options, plus rider
- Employee Assistance Program (EAP) choices
- Long-term Disability (LTD) choices
- Life insurance, basic life & additional life choices

Tax-favored account administration

The Trust provides tax-favored account administration through two different partners.

Offering administration of:

- Medical Flexible Spending Accounts (FSA)
- Dependent Care Flexible Spending Accounts (FSA)
- Health Reimbursement Arrangements (HRA)
- Health Savings Accounts (HSA)

Retiree medical & dental coverage

Eligible retirees have access to medical and dental coverage, Health Central and health promotion resources. With several retiree options, it's a great benefit of membership. Minimum entrance criteria applies – check awctrust.org for details.

Communication is key

As a member of the Trust, you'll receive many communications about your health benefits, support and administration, health promotion program assistance, and more. Our monthly electronic employer newsletter, *For Your Health*, is focused on what employers want and need to know. Employees also receive communications about their benefits by mail or through Health Central. More information available at awctrust.org.

Health promotion keeps costs low

We take an integrated approach to lowering health care cost trend, with the goal of connecting people to meaningful resources that enhance their health. The indirect costs of poor health hit employees and employers hard. Our medical plans provide comprehensive coverage, and a robust set of health management services designed to meet people wherever they are in their journey to good health and well-being.

- Health promotion programs
- Disease and condition management
- Consulting nurse service
- Employee assistance program

Promoting a healthy workplace matters

We rely on a strong partnership between the Trust and its member employers. We work with you to build a healthy workplace culture and design a wellness program that speaks to the needs and interests of your workforce. Whether you have 5 employees or 500, we can help you build a successful wellness program.

Health Central

Each insured employee spouse and retiree can register their personalized, secure account with access to programs, tools and resources, designed to encourage healthy behaviors. Users choose from an array of wellness programs and rewards and access personalized Trust benefit plan information and more. Go to awctrust.org or Jiff-Health Benefits in the app store (Jiff token AWCTRUST).

Become a WellCity

Start planning now for the WellCity Award.

Members that meet the WellCity standards receive a 2% premium discount on medical premiums. WellCities also benefit from reduced costs in sick days, disability, workers' compensation, impaired performance & lost productivity. And with a healthy culture, comes improved employee health, morale and increased productivity to serve citizens.

Steps to WellCity Success



- Plan your program (year 1)
- Implement your program (year 2)
- Apply for the AWC WellCity Award (year 3)
- Get a 2% premium discount for medical premiums all year long! (year 4)

Medical plan choices

All our medical plans come with access to our nationally recognized health promotion program. We offer a variety of medical plans to meet the needs of employers and employees. Offering both Regence/Asuris and Kaiser Permanente health plans.

Visit awctrust.org to find:

- Medical **Summaries of Benefits and Coverage (SBC's)**
- Medical **plan booklets**
- **Retiree entrance criteria**

Medical plans

Regence BlueShield/Asuris Northwest Health

Regence is a non-profit that utilizes the broader Blue Cross/BlueShield network to provide coverage throughout the US and abroad. They operate as Asuris Northwest Health in most areas of eastern Washington. The benefits are comprehensive, and the provider network is expansive, with a choice of many member pharmacies. Member physicians must be used for the highest level of payment.

Plan design

Employers can choose from multiple plan options that have differing deductibles, copay amounts and coverage levels.

Plan design

AWC HealthFirst® 250 plan

AWC HealthFirst® 500 plan

High Deductible Health Plan with Health Savings Account (HSA)

New! Accountable Health Network 250 plan

Plan A – for LEOFF I's

Medicare Advantage plan – for LEOFF I retirees

Kaiser Permanente

Kaiser Permanente offers coordinated-care plans with care provided by Kaiser Permanente physicians and clinicians at Kaiser Permanente operated facilities. In service areas where Kaiser Permanente doesn't own facilities, they contract with local hospitals and clinicians to meet the needs of their members. The service area is limited and there may not be any Kaiser Permanente facilities or contracted providers in your area.

Plan design

Several different plan options are available with differing deductibles, copay amounts and coverage levels. While the majority of plans are the traditional HMO plan design, we offer one point of service or preferred provider plan that covers in-network and out-of-network services.

Plan design

Kaiser Permanente \$20 copay, \$200 deductible plan

Kaiser Permanente \$20 copay, \$500 deductible plan

Kaiser Permanente High Deductible Health Plan with Health Savings Account (HSA)

Kaiser Permanente Access PPO

Kaiser Permanente \$0 copay – for LEOFF I retirees

Medicare Advantage plan – for LEOFF I retirees

Health promotion

We believe promoting a healthy workplace matters

When employers place employee health among their core values, they create a workplace that enhances employee well-being. Employees enjoy greater health and job satisfaction. Your organization and community benefit from more productive, engaged employees. These services & tools are included in all medical plans.

For employees		For employers	
Tools & services		Training	Program planning
<p>Health Central, awctrust.org The personalized, secure health and benefits resource. Wellness programs and tools, benefit plan booklets, summaries and contact info. For the Jiff-Health Benefits app use the Jiff token AWC Trust.</p>		<p>Onsite training & consultation Tailored to your needs.</p>	<p>WellCity Standards & Award Meet the standards and reap the rewards including a 2% medical premium discount.</p>
<p>Consulting nurse service Treatment options, decision support, available 24/7.</p>	<p>Onsite health screenings Biometric tests and private consultations, scheduled in odd years.</p>	<p>Management & supervisor training Learn to support employee health & effectively leverage EAP services.</p>	<p>Workplace Wellness Planner Your guide to a results-oriented wellness program.</p>
<p>Digital health coaching Available for Health Central app users. 6-week self-directed program. Choose from 10+ topics.</p>	<p>Telephonic health coaching A personal health coach to help participants reach their health goals. Unlimited calls on request. No unsolicited calls.</p>	<p>Webinars View live or on demand. Educational & instructional topics.</p>	<p>Population health report Health assessment summary data on your population.</p>
<p>Employee Assistance Program (EAP) Confidential counseling on grief, relationships, finances, legal matters and more.</p>	<p>Telehealth Access to a doctor via phone or secure video to treat non-emergency conditions.</p>	<p>Regional wellness planning forums Learn, exchange, discuss.</p>	<p>Behavior change campaigns Ready to implement with instructions, materials & incentives.</p>
<p>Health assessment My Health Discovery health assessment with personalized action steps.</p>	<p>Wellness newsletter Delivered to your home with health tips and benefits information that matters to you.</p>	<p>Healthy Worksite Summit Two days of training, local and national experts.</p>	<p>Mini-grants Up to \$500 for your program each year.</p>
		<p>Mentoring opportunities Learn from the success of others.</p>	<p>AWC Wellness Connection Wellness networking site. Share ideas with coordinators around the state.</p>
			<p>eWellCity Online planning tools and WellCity Award application.</p>
			<p>Program planning tools Tools, templates, and resources to design your program.</p>



Our services and tools for employers are designed to help you create a successful health promotion program and earn the WellCity Award.

Dental plan choices

We offer a variety of dental plans to meet your needs. Offering both Delta Dental and Willamette Dental.

Delta Dental of Washington

Delta Dental has worked to improve oral health by emphasizing preventive care and making dental coverage more affordable. Nearly 90% of Washington dentists are in-network, giving members a wide choice for obtaining dental care.

Plan design

Our Delta Dental plans have different coverage levels and annual dollar limits. We offer constant level plans where payment stays the same, no matter how frequently you see the dentist. We also offer incentive level plans that reward users with higher payment levels each year they see the dentist. An orthodontia rider can be added to any Delta Dental plan.

Employee benefits

	Class I* <i>Diagnostic/ Preventive: Exam, x-ray, cleaning & fluoride</i>		Class III <i>Major: Crowns, onlays</i>	Class III <i>Prosthetics, bridges, partials</i>	<i>Max: Jan. 1 – Dec. 31</i>
Plan A	100% – 70% Incentive			50%	\$1,000
Plan B	100% – 70% Incentive			50%	\$1,000
Plan C	70%			50%	\$1,000
Plan D	100%	80%	50%	50%	\$1,000
Plan E	100% – 70% Incentive			50%	\$2,000
Plan F	100% – 70% Incentive			50%	\$1,500
Plan G	100%	80%	50%	50%	\$2,000
Plan J	100% – 70% Incentive*			50%	\$1,500

*Class I benefits do not count toward annual maximum.

Visit awctrust.org to find:

- Dental **plan summaries**
- Dental **plan booklets**
- **Retiree entrance criteria**

Orthodontia riders

Plan I	Dependent children 50% to \$500 lifetime maximum
Plan II	Dependent children 50% to \$1,000 lifetime maximum
Plan III	Dependent children and adults 50% to \$1,000 lifetime maximum
Plan IV	Dependent children 50% to \$2,000 lifetime maximum
Plan V	Dependent children and adults 50% to \$2,000 lifetime maximum

Willamette Dental

Willamette Dental is the largest multi-specialty group dental practice in the Pacific Northwest. They focus on proactive dental care and have specific facilities and member dentists you must use to receive the benefits of the plan. You and your member dentist will create a dental health plan for you and your covered family members.

Plan design

Two plans are offered. One with a \$10 copay and one with a \$15 copay. Both are comprehensive plans that cover the same benefits, but at differing patient out-of-pocket amounts. Orthodontia is covered on both plans, and there is no annual plan maximum.

Employee benefits

	\$10 copay plan	\$15 copay plan
Diagnostics & preventative		
Exams, x-ray, cleaning, and fluoride	\$10 copay, then paid at 100%	\$15 copay, then paid at 100%
Restorative		
Oral surgery, root canals, fillings	\$10 copay, then paid at 100%	\$15 copay, then paid at 100%
Extractions, crowns/bridges, dentures		\$80/\$150/\$300 copay then paid at 100%
Endodontics & periodontics		
Root planing, root canal therapy	\$30 copay, then paid at 100%	\$60-\$150 copay, then paid at 100%
Orthodontia		
Pre-orthodontic service	\$150 copay, then paid at 100%	\$150 copay, then paid at 100%
Comprehensive orthodontia	\$1,000 copay, then paid at 100%	\$1,500 copay, then paid at 100%
Annual maximum	No annual plan maximum	No annual plan maximum

Visit awctrust.org to find:

- Dental **plan summaries**
- Dental **plan booklets**
- **Retiree entrance criteria**

Vision plan

We offer a variety of vision plans through Vision Service Plan (VSP). The second pair rider can be added to any plan except the low-option vision plan.

Visit awctrust.org to find:

- Vision **plan summaries**
- Vision **plan booklets**
- Information about VSP's hearing aid discount program

Vision Service plan (VSP)

\$0, \$10 & \$25 copay plans	Low-option vision plan
<p>Copay applies to materials only.</p> <p>The vision benefit includes:</p> <ul style="list-style-type: none">• One eye exam, paid in full, every 12 months.• One pair lenses, paid in full (to allowable charge), every 12 months.• One pair frames, paid in full (to allowable charge), every 24 months.	<p>A lower cost vision option, providing good coverage. Exam, lenses and frames covered (to allowable charge) one time every 24 months. Copay is \$10 for exam, \$15 for materials. The plan does not cover tinting, coating or over sizing. Smaller allowance for contact lenses.</p>

Second pair rider

A second pair rider can be added to the \$0, \$10 or \$25 copay plans. This provides a second pair of glasses (to allowable charge), every 24 months for a \$20 copay.

Non-VSP providers

VSP providers give you the best value for your eye care needs. The material costs are based on wholesale amounts, rather than much higher retail costs. However, members can see non-VSP providers and get a partial reimbursement for exam, lenses and/or frames.

Affiliate program

Members using retail chain affiliate providers (including Costco) receive higher benefits than the out of network benefits.

VSP providers can be found at vsp.com.

Group life insurance

The Trust offers life insurance choices from The Standard. AD&D coverage, and dependent life insurance can be added to the employer-paid basic life coverage. Optional employee-paid additional life insurance is available to groups purchasing basic life.

Visit awctrust.org to find:

- Life insurance **certificate of coverage**
- Information about The Standard's travel assistance program
- Sample templates

The Standard

Group basic life insurance

Designed to meet your needs. Choose from three types of coverage:

Flat benefit amount

Employees covered for identical dollar amounts of life insurance. (i.e., \$10,000, \$25,000 etc.)

Classification

Employees covered for various amounts of group life insurance based on "classification" or "position". (i.e., union, non-union, department head, bargaining unit, etc.)

Salary-based

Employees covered for various amount of life insurance based on a multiple of earnings (rounded up to the next higher \$1,000).

The maximum coverage available is 5 times annual earnings, up to \$500,000 and the minimum is 50% of annual earnings, subject to a minimum benefit of \$10,000/employee.

Plan features

- Maximum coverage - 5 times annual earnings, up to \$500,000
- Minimum coverage - 50% of annual earnings, but no lower than \$10,000

Accidental Death & Dismemberment (AD&D)

This optional coverage provides an amount equal to your basic life insurance benefit for bodily injury or death from accidental means.

Dependent life insurance

This optional coverage provides life insurance coverage for the employee's eligible dependents including spouse/domestic partner, child(ren) to age 26:

Option 1	\$1,000 benefit
Option 2	\$2,000 benefit
Option 3	\$5,000 benefit
Option 4	\$10,000 benefit

Additional life insurance

Additional life insurance is available to groups purchasing the basic term life insurance. Features:

- Additional life insurance is available to the employee and spouse/domestic partner through payroll deduction.
- Spouse coverage is available at 50% of the employee's additional life amount.
- Additional life insurance is available in increments of \$10,000 up to a maximum of \$300,000 for employees. Increments of \$5,000 up to \$150,000 for spouses.
- Monthly rates are based upon the insured's current age on January 1 of the current year and are adjusted annually thereafter on January 1.
- Guarantee issue amounts are \$80,000 for the employee and \$20,000 for the spouse when enrolling within 31 days of initial eligibility.
- Evidence of insurability forms are required for amount over the guarantee issue amount, and for all amounts when applying outside of the guarantee issue period.
- Coverage outside of guarantee issue amounts becomes effective the first of the month following the date the application is approved by The Standard.

Long-Term Disability (LTD)

Offering different payment levels and waiting periods to best coordinate with your employer sick leave plan.

The Standard

Long term disability pays a portion of an employee’s salary should they be disabled and unable to work for an extended time.

Option 1	Option 2	Option 3	Option 4
60% benefit – 90-day waiting period	60% benefit – 180-day waiting period	67% benefit – 90-day waiting period	67% benefit – 180-day waiting period

Visit awctrust.org to find:

- LTD **certificate of coverage**
- Sample template

Low-risk LTD option

Lower rate plan, same great benefits! Choose any of the plan designs above. Employers covering safety employees (police, fire), transit employees, or electrical workers through the Trust are not eligible for this LTD option.

Plan design

- Maximum monthly benefit – \$12,000
- Minimum monthly benefit is \$100 or 10% of monthly salary
- Benefits are reduced by other disability income, including Social Security and L&I

Employee Assistance Program (EAP)

The Trust partners with ComPsych to provide EAP services. ComPsych is the largest provider of EAP services in the world. Their global service center is staffed by dedicated clinical, legal, financial, wellness, behavioral and work life experts. Coverage includes access to the robust website resources, financial resources, legal resources, and excellent supervisory resources.

ComPsych

The Employee Assistance Program is a free, confidential resource for employees. The EAP includes:

- Counseling (including marital issues)
- Legal assistance
- Financial assistance
- Work-life assistance
- Supervisory tool
- Robust online resources
- Onsite training
- Critical incident debriefing

As an added benefit, once enrolled on the EAP, dependents and everyone living in the employee's home can use the EAP – free of charge. Those covered have from one up to three free visits per issue, with an EAP counselor.

Plan design

The 1-3 session plan is automatically included at no cost with all Trust benefit plans. Buy-up plans are available to increase counseling sessions to 5 or 8. Coverage can also be purchased separately for employees with no other Trust coverage.

EAP resources

Extensive online resources at: **guidanceresources.com** (web id is: **trusteap71**)

Call 24/7 at 1-800-570-9315

Get the Guidance Resources® Now app on your Apple or Android device

Visit awctrust.org to find:

- EAP **brochure**
- Flyers on a variety of topics
- Onsite presentation topic list
- **EAP supervisor and manager** toolkit and overview flyer

Tax-favored account administration

The Trust offers two options for providing tax-favored account administration for Health Reimbursement Arrangements (HRA), Flexible Spending Accounts (FSA), and Health Savings Accounts (HSA).

We have partnered with Navia Benefit Solutions and HSA Bank for tax-favored account administration.

Visit awctrust.org to find:

- An **overview of FSA, HRA, HSA** and more
- IRS publication
- Information on tax favored accounts, including **frequently asked questions**

Navia Benefit Solutions	HSA Bank
Navia Benefit Solutions administers: <ul style="list-style-type: none">• Health Savings Accounts (HSA)• Flexible Spending Accounts (FSA) both medical FSA and dependent care FSA• Health Reimbursement Arrangements (HRA)	HSA Bank specializes in administering Health Savings Accounts (HSA)

Participation criteria

The Trust serves cities, towns and certain quasi-municipal entities in Washington. This section reviews the Trust underwriting rules and other participation criteria. More comprehensive participation criteria is available at awctrust.org.

General participation criteria

- Cities, towns and quasi-municipal entities must be members of the Association of Washington Cities to participate in the Trust.
- Cities, towns and quasi-municipal entities must approve, by resolution, the AWC Trust Health Care Program's Interlocal Agreement for participation in the self-insured programs (medical, Delta Dental, vision.)
- Employers must complete an AWC Employer Master Participation Agreement.
 - Quasi-municipal entities may be eligible to apply for enrollment with the Trust. Strict criteria are used to determine entrance. A non-city entity application must be completed, and if eligible, will be brought before the AWC Trust Board of Trustees for review.
- Monthly premiums are due by the 10th day of the month.
- 75% of employees must participate in an employer-sponsored health plan.
- An employer may break out defined work groups or bargaining units so long as:
 - The work group or bargaining unit consists of at least 5 employees.
 - Special rules apply for departments including LEOFF I participants.

Open enrollment

- Open enrollment for medical, dental and vision plans occurs annually with an effective date of January 1. AWC Combined Insurance Enrollment Forms with open enrollment changes should be submitted to the Trust in the months of November and December.
- Open enrollment does not apply to retirees (including LEOFF I's) or their dependents.

Employee requirements

- Employees are eligible for coverage the first of the month following the date of hire unless otherwise noted on the employer's AWC Employer Master Participation Agreement.
- All regular employees working a minimum of 20 hours per week are eligible to participate.
- Seasonal employees working a minimum of 20 hours per week are eligible to participate.
- AWC Combined Insurance Enrollment Forms must be completed for the following:
 - New employee benefit enrollment.
 - Changes to existing coverage, including adding/dropping a dependent, or changing health plans.
- AWC Combined Insurance Enrollment Forms must be completed in a timely manner and sent to the Trust.

- Employees must submit dependent verification documentation for continued dependent enrollment.

Dependent criteria

Dependent coverage is available on Trust sponsored health plans. Dependent verification documentation is required for enrollment. Participation criteria for dependents, including age limits, loss of other coverage, stepchildren, new spouses, domestic partners, newborns and adopted children is available at awctrust.org.

Elected official participation criteria

50% of all elected officials must be enrolled on a Trust-sponsored medical plan. For example, if a city has a mayor and seven council members, at least four individuals must enroll in the medical program. There is no employer contribution requirement, the employer can pay 0-100% of premium.

Established participation levels and employer contribution requirements apply for all other benefit programs. If authorized by city council, mayors in a strong mayor form of government can participate.

See specific elected official participation criteria at awctrust.org.

Governance

The Trust Agreement is the Trust's legal governing document. It contains information relating to the formation of the Trust, the joint self-insured Health Care Program, Board of Trustees responsibilities and powers, Employee Benefits Advisory Committee responsibilities and powers, employer membership requirements and more. Available at awctrust.org.

Medical participation criteria

- Employers can offer Regence/Asuris and Kaiser Permanente plan options to employees
- If offering Trust medical, 75% of eligible employees must be insured on a Trust-sponsored medical plan (or employer offered HMO).
- Employers with less than 5 employees total must have 100% of eligible employees enrolled.
- Employers may offer more than one Trust-sponsored Regence/Asuris or Kaiser Permanente plan provided:
 - 100% of the employees in a work group must have the same plan with each carrier
 - Split carrier coverage for employee & family members is not allowed.
- Employers can offer Regence/Asuris High Deductible Health plan or Kaiser Permanente High Deductible Health Plan along with other "core" Regence/Asuris and Kaiser Permanente plans.
- Employer can offer the Kaiser Permanente Access PPO plan.
- If dependent coverage is offered, 75% of dependents without other medical insurance must be enrolled.

LEOFF I participation criteria

- If LEOFF I personnel are insured:
 - 75% of all eligible employees must be insured on a Trust-sponsored medical plan (or employer- offered HMO).
 - In the police dept, 75% of the entire dept must be insured in a Trust-sponsored medical plan (or employer-offered HMO).
 - In the fire dept, 75% of the entire dept must be insured in a Trust-sponsored medical plan (or employer-offered HMO).
 - 100% of eligible LEOFF I's not on Medicare and on Medicare must be insured on a AWC medical plan.
- LEOFF I actives are only eligible for Regence/Asuris Plan A.
- Plan A LEOFF I retirees are only eligible for Regence/Asuris Plan A, or Medicare Advantage Plan (if enrolled on Medicare) and Kaiser Permanente \$0 Copay Plan or Medicare Advantage Plan (if enrolled on Medicare).
- 100% of the medical premium must be employer paid.
- LEOFF retirees can change coverage between Regence/Asuris and Kaiser Permanente one time during open enrollment. Plan transition is also allowed if the LEOFF I is covered on Kaiser Permanente and moves outside the Kaiser Permanente service area.

Regence Medicare Advantage Plan for LEOFF I retirees

The Trust offers a Medicare Advantage Plan for LEOFF I retirees that offers significant premium savings to employers, while still offering comprehensive benefit coverage. Participation criteria for this plan can be found at awctrust.org.

Health promotion benefits

- The employee must participate in a Trust medical plan to be eligible for Trust health promotion program benefits. Spouses enrolled in a Trust medical plan are also eligible.
- Retirees on Trust medical plans are eligible for Trust health promotion program benefits.

Dental and vision participation criteria

- 75% of all eligible employees must be enrolled on the dental and/or vision plan.
- If dependent coverage is offered, 75% of dependents without other dental and/or vision insurance must be enrolled.
- LEOFF I retirees are not eligible to enroll on active dental and/or vision plans.

Life and LTD participation criteria

- 100% enrollment of all eligible employees is required.
- LEOFF I retirees are not eligible to enroll on active life or LTD.

Life insurance special participation criteria

- The Standard reserves the right to not insure any employer that has a disproportional number of employees in hazardous occupational classes.
- Additional life insurance premium can be 100% employee paid by payroll deduction.

Long-term disability special participation criteria

For employers covering over 49 lives, employee contribution is allowed, as long as 75% of the eligible employees are enrolled.

Employee Assistance Program (EAP) participation criteria

- 100% enrollment of all eligible employees is required.
- LEOFF I retirees are not eligible to enroll on EAP buy-up programs.
- Seasonal/temporary employees are eligible for EAP coverage
- Volunteer employees are eligible for EAP coverage
- Employees working less than 20 hours per week are eligible for EAP coverage



Plan changes

Medical insurance plans

Need a comparison of Trust medical plans?

Contact Trust staff at benefitinfo@awcnet.org. Trust staff are available to answer questions via phone, conference call or in person to review plan options.

This section outlines the employer responsibilities and the few steps required to transfer employees to other Trust-sponsored plans.

1. The employer must notify the Trust 60 days prior to the change by completing an **AWC Employer Master Participation Agreement and**
 - a. If the entire insured employer group is transitioning to the same plan at the same time, no names are needed OR
 - b. If a bargaining unit or workgroup (see participation criteria for definition) are changing, then the name of the group, first name, and last name of all the affected employees must be submitted with the AWC Employer Master Participation Agreement.
2. Employers newly enrolling on medical (Regence/Asuris/Kaiser Permanente), dental (Delta Dental), or vision (VSP) must approve by resolution the AWC Trust Healthcare Program's Interlocal Agreement and submit their resolution and signed Interlocal Agreement for participation in these self-insured plans.

Terminating all Trust coverage

Employers with 250 or more employees

Written notification of total employer coverage termination must be sent to the AWC Trust office one year prior to termination date. Effective date of termination is December 31 only, therefore notice must be provided to the Trust by the January 1 prior to the December 31 termination date.

Employers with under 250 employees

Written notification of total employer coverage termination must be sent to the AWC Trust office six months prior to termination date. Effective date of termination is December 31 only, therefore notice must be provided to the Trust by the July 1 prior to the December 31 termination date.

Terminate a group or line of coverage

Employers of any size terminating a group or line of coverage must notify the Trust a minimum of 60 days prior to termination by completing an AWC Employer Master Participation Agreement in order to facilitate a smooth transition. Terminations are allowed the first of any month following the 60 day notification period.

Upon notification of plan termination, the AWC Trust will notify the member jurisdiction of impacted COBRA beneficiaries and retirees.

Re-entry of cities/towns into the AWC Trust has no restrictions at this time; however, jurisdictions must commit to a minimum of three years of participation in the Trust.

Board of Trustees may terminate a participating employers participation in the Trust for cause; when required by law or at its discretion with 60 days written notice.

Rescission of coverage

Under the Patient Protection and Affordable Care Act (PPACA) section 2712 provides Interim Final Rules regarding rescission of coverage. A rescission is a termination of coverage that has a retroactive effect. Under these rules, a health plan cannot rescind an individual's coverage (employee, spouse, dependents) except where there is a case of fraud or an intentional misrepresentation of material fact.

The Trust is no longer able to carry out requests for retroactive terminations and refund of premiums for more than 90 days – in some cases this may amount to looking back 60 days plus the current month – unless the federally required conditions have been met.

Termination window

A small window for retroactive terminations is available, only if the employee has paid no premium and had no expectation of coverage after the requested effective date of cancellation. Trust staff must confirm that these conditions have been met with the member employer and insurance company before fully processing the retroactive termination.

Life insurance & Long-term disability insurance

Employers adding or making a change to their Standard life or LTD coverage will also need to complete a Standard Insurance Participation Agreement.



Rates & billing

Premium payment

Online Billing is the Trust's web based electronic premium billing. Using Online Billing, you can still pay with a paper check, or use ACH to have an electronic transfer occur each month. It's your choice.

The Online Billing system makes receiving and calculating your billing a breeze.

- Receive your bill as soon as it is generated.
- Access your bill online when it is convenient for you.
- Premium calculations are automated, updating each January 1, or when an employee changes a coverage level.
- Valuable reporting options assist you and your payroll/finance department.

Reporting includes:

- **W-2 reporting premiums** report for employers filing more than 250 W-2's that calculates medical and EAP premiums for IRS reporting.
- **Dependents age 26 in 90 days** – lets you know when dependents are no longer eligible for coverage
- **Coverage details by department** – helps you with budgeting

Sign up for Online Billing

Signing up for Online Billing just takes a few minutes. Live and recorded webinars are offered to help you learn about or brush up on the features. Visit awctrust.org or contact Trust staff at benefitinfo@awcnet.org.

Due date

Premiums are due by the 10th of each month (for that month's premiums).

Employer contribution requirements

Medical premiums

Employers must pay a minimum of 50% of the employee's medical premium.

Employers must pay 100% of LEOFF I active and retiree medical premiums.

Dental and vision premiums

Employers must pay 75% of dental and vision premiums for employees and all covered family members.

Basic life, AD&D, dependent life, long term disability premiums

Employers must pay 100% of the premium.

EAP premiums

EAP coverage (1-3 sessions) is provided free of charge to all employees covered on any Trust plan. If an EAP buy-up option (1-5 or 1-8) is provided, the employer must pay 100% of that premium.

For employees not on any other Trust coverage, the employer must pay 100% of the premium for that employee.

Special underwriting rule - long term disability

For groups over 49 lives, employee contributions are allowed. However, 75% of the eligible employees must be enrolled in the plan.

Regence BlueShield/Asuris Northwest Health

WellCity discount

Cities that earned the 2017 WellCity Award receive a 2% premium discount on all medical premiums in 2018.

Contact Trust health promotion staff to find out how you can earn the WellCity Award and premium discount.

AWC HealthFirst® 250 plan		
	2018 WellCity rate*	2018 rate
Employee	719.48	734.16
Spouse	725.51	740.32
First dependent	357.41	364.70
Second dependent	295.47	301.50
No additional charge for three or more dependents.		

The 2018 rate reflects a 7.2% increase over prior year.

AWC HealthFirst® 500 plan		
	2018 WellCity rate*	2018 rate
Employee	676.12	689.92
Spouse	682.57	696.50
First dependent	335.49	342.34
Second dependent	278.79	284.48
No additional charge for three or more dependents.		

The 2018 rate reflects a 7.2% increase over prior year.

LEOFF 1 medical plans

Medicare Advantage plan – LEOFF I retirees only	
	2018 rate
LEOFF I retirees	631.64

The 2018 rate reflects a 4% increase over prior year.

High Deductible Health plan with Health Savings Account		
	2018 WellCity rate*	2018 rate
Employee	500.31	510.52
Spouse	506.48	516.82
First dependent	253.96	259.14
Second dependent	207.94	212.18
No additional charge for three or more dependents.		

The 2018 rate reflects a 13.2% increase over prior year.

NEW! Affordable Health Network 250 plan		
	2018 WellCity rate*	2018 rate
Employee	686.96	700.98
Spouse	692.72	706.86
First dependent	341.26	348.22
Second dependent	282.12	287.88

Plan A – LEOFF I plan		
	2018 WellCity rate*	2018 rate
LEOFF I active	1,158.65	1,182.30
LEOFF I retirees not on Medicare parts A & B	N/A	1,559.26
LEOFF I retirees on Medicare parts A & B	N/A	1,215.80

The 2018 rate reflects a 7.2% increase over prior year.

**Rounding in NWA billing system could show a minor discrepancy. Actual WellCity premium reflected on billing.*

Kaiser Permanente

WellCity discount

Contact Trust health promotion staff to find out how you can earn the WellCity Award and premium discount.

\$20 copay/\$200 deductible plan		
	2018 WellCity rate*	2018 rate
Employee	566.44	578.00
Spouse	556.99	568.36
First dependent	284.22	290.02
Second dependent	284.22	290.02
No additional charge for three or more dependents.		

The 2018 rate reflects a 7.6% increase over prior year.

\$20 copay/\$500 deductible plan		
	2018 WellCity rate*	2018 rate
Employee	523.95	534.64
Spouse	515.23	525.74
First dependent	262.89	268.26
Second dependent	262.89	268.26
No additional charge for three or more dependents.		

The 2018 rate reflects a 7.6% increase over prior year.

LEOFF 1 medical plans

\$0 copay plan (for LEOFF I only)		
	2018 WellCity rate*	2018 rate
LEOFF I retirees not on Medicare	N/A	1,919.68
LEOFF I retirees on Medicare	N/A	453.53

**Rounding in NWA billing system could show a minor discrepancy. Actual WellCity premium reflected on billing.*

High Deductible Health plan with Health Savings Account		
	2018 WellCity rate*	2018 rate
Employee	471.28	480.90
Spouse	461.83	471.26
First dependent	236.00	240.82
Second dependent	236.00	240.82
No additional charge for three or more dependents.		

The 2018 rate reflects a 7.6% increase over prior year.

Kaiser Permanente Access PPO		
	2018 WellCity rate*	2018 rate
Active employee	569.50	581.12
Spouse	560.36	571.80
First dependent	285.83	291.66
Second dependent	285.83	291.66
No additional charge for three or more dependents.		

The 2018 rate reflects a 7.6% increase over prior year.

Delta Dental of Washington

Dental	
	2018 rate
Plan A	
Employee	52.78
Employee + 1 dependent	100.21
Employee + 2 or more dependents	158.28
Plan B	
Employee	46.52
Employee + 1 dependent	86.54
Employee + 2 or more dependents	142.66
Plan C	
Employee	38.02
Employee + 1 dependent	73.23
Employee + 2 or more dependents	119.72
Plan D	
Employee	48.99
Employee + 1 dependent	103.42
Employee + 2 or more dependents	153.10

Willamette Dental

Dental	
	2018 rate
\$10 copay plan	
Employee	60.79
Employee + 1 dependent	113.87
Employee + 2 or more dependents	181.43

	2018 rate
Plan E	
Employee	48.69
Employee + 1 dependent	90.53
Employee + 2 or more dependents	148.87
Plan F	
Employee	54.79
Employee + 1 dependent	103.63
Employee + 2 or more dependents	162.21
Plan G	
Employee	53.65
Employee + 1 dependent	101.50
Employee + 2 or more dependents	167.80
Plan J	
Employee	56.65
Employee + 1 dependent	107.15
Employee + 2 or more dependents	167.73

The 2018 rate reflects a 0% increase over prior year.

	2018 rate
\$15 copay plan	
Employee	49.90
Employee + 1 dependent	96.16
Employee + 2 or more dependents	158.77

The 2018 rate reflects a 0% increase over prior year.

Orthodontia	
	2018 rate
Plan I	
Employee	.00
Employee + 1 dependent	.16
Employee + 2 or more dependents	9.69
Plan II	
Employee	.00
Employee + 1 dependent	.41
Employee + 2 or more dependents	19.36
Plan III	
Employee	1.23
Employee + 1 dependent	3.05
Employee + 2 or more dependents	21.78
Plan IV	
Employee	.00
Employee + 1 dependent	1.04
Employee + 2 or more dependents	34.74
Plan V	
Employee	2.44
Employee + 1 dependent	5.69
Employee + 2 or more dependents	39.03

The 2018 rate reflects a 0% increase over prior year.

Vision Service Plan (VSP)

Vision	
	2018 rate
\$0 copay plan	
Employee	11.30
Employee +1 dependent	22.60
Employee + 2 or more dependents	33.90
\$10 copay plan	
Employee	9.82
Employee +1 dependent	19.64
Employee + 2 or more dependents	29.46
\$25 copay plan	
Employee	7.96
Employee +1 dependent	15.92
Employee + 2 or more dependents	23.88
Low option plan	
Employee	6.29
Employee +1 dependent	12.58
Employee + 2 or more dependents	18.87
Second pair option rider (can be added to any of the plans above, except the low option plan)	
Employee	1.09
Employee +1 dependent	2.18
Employee + 2 or more dependents	3.27

The 2018 rate reflects a 0% increase over prior year.

ComPsych

Employee Assistant Program (EAP)	
	2018 rate
Buy up plans	
Buy up to 1-5	.16
Buy up to 1-8	.26
Rate for employee with no Trust benefits	
1-3 session*	1.49
1-5 session	1.65
1-8 session	1.75

The 2018 rate reflects a 0% increase over prior year.

*1-3 session program is automatically included with all benefit plans for no additional cost.

Note: Premium rate is per employee per month. Benefit covers employee, dependents, and any individual living in the employee's household.

Tax-favored account administration

Navia Benefit Solutions	
	2018 rate
FSA monthly fee	4.15
FSA – monthly min \$50	
HRA monthly admin fee	3.00 - 4.00*
HRA – monthly min \$75	
HSA monthly admin fee	2.00

The 2018 rate reflects a 0% increase over prior year.

*Fee will vary based on employer parameters and complexity of plans.

Note: Rate is per employee per month

HSA Bank	
	2018 rate
HSA monthly account maintenance fee	2.25**

The 2018 rate reflects a 0% increase over prior year.

**Fee waived if account balance is \$3,000 or more.

Note: Rate is per employee per month

The Standard

Long-term disability			
	Maximum monthly benefit	Minimum monthly benefit	2018 monthly rate of payroll
Option 1:			
60% benefit 90-day elimination	\$12,000	10%/\$100	.404%
Option 2:			
60% benefit 180-day elimination	\$12,000	10%/\$100	.341%
Option 3:			
67% benefit 90-day elimination	\$12,000	10%/\$100	.516%
Option 4:			
67% benefit 180-day elimination	\$12,000	10%/\$100	.433%

The 2018 rate reflects a 0% increase over prior year.

Low risk group rates			
	Maximum monthly benefit	Minimum monthly benefit	2018 monthly rate of payroll
Option 1:			
60% benefit 90-day elimination	\$12,000	10%/\$100	.331%
Option 2:			
60% benefit 180-day elimination	\$12,000	10%/\$100	.280%
Option 3:			
67% benefit 90-day elimination	\$12,000	10%/\$100	.423%
Option 4:			
67% benefit 180-day elimination	\$12,000	10%/\$100	.355%

The 2018 rate reflects a 0% increase over prior year.

Employers covering safety employees (police, fire, transit employees or electrical workers) through the Trust are not eligible for low risk rates.

Entities with more than 100 employees will be individually underwritten by Standard Insurance.

Note: If employee is out of the office on sick/vacation/donated leave due to a disability, *the employer will want to continue paying LTD and life premiums.*

Standard Insurance will review the LTD disability claim form and documentation to make a disability determination. Both the employee and the employer will receive the approval/denial letter from Standard Insurance.

If the employee qualifies for “total disability,” then “waiver of premium” will apply once the employee has met their waiting period. At that time, the employer will discontinue paying the LTD premiums. The benefit will remain in force for the disabled employee.

For additional information on the LTD process, feel free to contact an AWC Trust staff member at benefitinfo@awcnet.org.

The Standard

Group life	
	2018 rate
Group basic life	0.15
Accidental death & dismemberment	0.04
Dependent life plan 1	0.34
Dependent life plan 2	0.64
Dependent life plan 3	1.00
Dependent life plan 4	2.00

The 2018 rate reflects a 0% increase over prior year.

Premium for basic life and AD&D is per \$1,000 benefit per month.

Premium for dependent life is per family per month.

Employees age 65 or greater

Life insurance benefits (basic, AD&D, additional life) decrease when employees are age 65 and older. Age band changes are adjusted annually on January 1. This affects the premium.

- Age 65 – 69: Pay 65% of the premium
- Age 70 – 74: Pay 50% of the premium
- Age 75 – 79: Pay 30% of the premium
- Age 80 and greater: Pay 20% of the premium

Additional life									
Amount of insurance	Ages: 30	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69
\$100,000	6.00	8.00	9.00	15.00	23.00	40.00	67.00	92.00	154.00
\$90,000	5.40	7.20	8.10	13.50	20.70	36.00	60.30	82.80	138.60
\$80,000	4.80	6.40	7.20	12.00	18.40	32.00	53.60	73.60	123.20
\$70,000	4.20	5.60	6.30	10.50	16.10	28.00	46.90	64.40	107.80
\$60,000	3.60	4.80	5.40	9.00	13.80	24.00	40.20	55.20	92.40
\$50,000	3.00	4.00	4.50	7.50	11.50	20.00	33.50	46.00	77.00
\$40,000	2.40	3.20	3.60	6.00	9.20	16.00	26.80	36.80	61.60
\$30,000	1.80	2.40	2.70	4.50	6.90	12.00	20.10	27.60	46.20
\$20,000	1.20	1.60	1.80	3.00	4.60	8.00	13.40	18.40	30.80
\$10,000	0.60	0.80	0.90	1.50	2.30	4.00	6.70	9.20	15.40

Age band changes are adjusted annually on January 1.

Maximum additional life amount for employee is \$300,000 or five times your annual earnings, whichever is less, and maximum additional life amount for spouses is \$150,000. Rates for insurance amounts above those listed in this guide are posted at awctrust.org.



Retiree rates

Retiree medical

Retiree Regence/Asuris

AWC HealthFirst® 1000 retiree plan	
	2018 rate

Retirees not on Medicare	
Retiree	863.64
Spouse	871.18
First dependent	244.22
Second & all other dependents	193.14

The 2018 rate reflects a 17.6% increase over prior year.

AWC HealthFirst® 2500 retiree plan	
	2018 rate

Retirees not on Medicare	
Retiree	754.08
Spouse	759.56
First dependent	213.52
Second & all other dependents	169.02

The 2018 rate reflects a 17.6% increase over prior year.

Plan R-1500 retiree plan	
	2018 rate

Retirees not on Medicare	
Retiree	1,304.75
Spouse	1,310.03
First dependent	371.44
Second & all other dependents	312.63

The 2018 rate reflects a 0% increase over prior year.

Medicare Advantage plan (non-LEOFF I)	
	2018 rate

Retiree w/ Medicare A&B	395.23
Spouse w/ Medicare A&B	395.23

The 2018 rate reflects a 0% increase over prior year.

Retiree Kaiser Permanente

Kaiser Permanente Retiree plan	
	2018 rate

Retirees not on Medicare Parts A&B	
Retiree	1,326.50
Spouse	1,287.84

The 2018 rate reflects a 7.6% increase over prior year.

On Medicare Parts A&B - Inside GH service area	
Retiree	453.53
Spouse	453.53

The 2018 rate reflects a 0% increase over prior year.

Dependent children of all retirees	
First dependent	385.90
Second & all other dependents	481.00

The 2018 rate reflects a 7.6% increase over prior year.

LEOFF 1 retiree rates are located on page 22 and 23.

Retiree dental

Delta Dental of Washington

Retiree PPO Dental plan	
	2018 rate
Retiree	61.54
Retiree + spouse	125.42
Retiree + child(ren)	124.57
Retiree + spouse + child(ren)	187.11
No additional charge for three or more dependents.	

The 2018 rate reflects a 0% increase over prior year.

Willamette Dental

Retiree dental plan	
	2018 rate
Retiree	58.60
Retiree + spouse	119.29
Retiree + child(ren)	118.63
Retiree + spouse + child(ren)	178.30
No additional charge for three or more dependents.	

The 2018 rate reflects a 0% increase over prior year.

Compliance

COBRA requirements & administration

All employers participating with the Employee Benefit Trust must adhere to COBRA law.

Although COBRA law is complex, and ever-evolving, Trust members have minimal, well defined requirements:

- Employer must distribute an **initial notification of COBRA rights letter** (this letter is available at awctrust.org)
- Employer must complete & submit a **COBRA Notice to Administrator Form** when a qualifying event occurs

As a service to members, the Trust sends out an annual COBRA Notice to all covered employees at their homes. Employers are still required to provide this notice to all new employees.

Northwest Administrators assumes all other COBRA notification requirements & billing responsibilities.

Premiums

The employee or qualified beneficiary pays the entire cost of COBRA coverage plus a 2% administrative fee. The Trust bills the COBRA recipient directly, collects the monthly premiums, and transmits eligibility to the appropriate health carriers. COBRA rates are available at awctrust.org.

Benefits offered

Medical, dental, vision and the Employee Assistance Plan are all benefits offered via COBRA. The benefits offered are identical to those provided under the employer's health plan.

Administration for HRA & FSA

FSA's and HRA's are subject to COBRA law. If you purchase your FSA and/or HRA from the Trust, Navia Benefit Solutions will handle all your COBRA administration.

See awctrust.org for more information on:

- COBRA qualifying events
- Timelines for notification
- COBRA Notice to Administrator forms for employees, and spouse/dependent
- COBRA administrator requirements
- Frequently asked COBRA questions

Exchange Notice

Under the Patient Protection and Affordable Care Act, all employers are required to give their employees, within 14 days of hire, a copy of the State Health Care Exchange Notice. This notice must be given to all newly hired employees, regardless if they are eligible for employer insurance coverage or not.

Contact Trust staff for an Exchange Notice template.

Uniformed Services Employment and Reemployment Rights Act (USERRA)

USERRA protects the rights of employees called to active duty to be reinstated on the employer's group health plan with no preexisting conditions or waiting periods. The employee does not need to elect USERRA continuation coverage to be entitled to this full reinstatement.

USERRA gives service members access to continuation coverage. While similar to COBRA continuation coverage, it is separate and different. USERRA extends the coverage for a service member up to a full 24 months of USERRA Continuation Coverage.

If you have an employee called to active duty, contact Trust staff for more information on USERRA.





AWC Employee Benefit Trust
1076 Franklin St SE
Olympia, WA 98501-1346
360.753.4137
800.562.8981 Toll Free
360.753.0149 Fax

awctrust.org



Trust Agreement Governing

Association of Washington Cities
Employee Benefit Trust

Amended and Restated
Effective May 1, 2016

Table of Contents

	Page
Preamble	4
Article I—Declaration of Trust	
1. Name	5
2. Purpose	5
3. Duration of Trust Fund	5
4. Term of Trust Agreement	5
5. Code Compliance	5
Article II—Definitions	6
Article III—The Trustees	
1. The Board of Trustees	9
2. Agents for Service of Process	9
3. Chair and Vice Chair of the Board of Trustees	9
4. Terms of Board of Trustee Members	9
5. Election of Regional Trustees	9
6. Acceptance of Board of Trustees Membership	9
7. Successor Trustees in the Event of a Vacancy	10
8. Termination	10
9. No Impairment Caused by Vacancies	10
10. Return of Books and Records	10
Article IV—Trust Fund Administration	
1. Manner of Voting	11
2. Constitution of a Quorum	11
3. Motions	11
4. Prohibition of Proxies	11
5. Board of Trustees Meetings	11
6. Duties of Chair and Vice Chair	12
7. Signature Authority	12
8. Expenses	12
9. Benefits to Trustees Not Prohibited	12
10. Health Care Program Administration	12
Article V—Employee Benefits Advisory Committee	
1. EBAC Structure	13
2. EBAC Appointment and Election	13
3. Term of Appointment	13
4. EBAC Chair and Vice Chair	13
5. Appointment of Successor EBAC Members	13

Article VI—Trustee Responsibilities

1. General Duty - Receipt of Contributions and Creation and Administration of Benefits	14
2. Compliance with the Internal Revenue Code	14
3. FICA and Income Tax Withholding and Reporting	14
4. Payments to and from Trust Fund	14
5. Application of Trust Fund Assets	14
6. Fiduciary Standards	14
7. Deposits	14
8. Investments	15
9. Fidelity Bond	15
10. Records	16
11. Reports	16
12. Audit	16
13. Benefit Descriptions	16
14. Documents to be Examined or Furnished	16
15. Funding and Reserve Requirements	16
16. Claims and Appeals Procedures	17

Article VII—Trustee Powers

1. General Powers	18
2. Specific Powers Discretionary	18
3. Allocation of Responsibilities to Committees	18
4. Delegation of Responsibilities	18
5. Benefits Currently Being Provided	19
6. Additional Benefits	19
7. Benefit Design	19
8. Means of Providing Benefits	19
9. Facility of Payment	19
10. Self-Payments by Participating Employees	19
11. Administrative Agent	19
12. Banking Services	19
13. Other Professional and Non-Professional Help	20
14. Obtaining of Necessary Premises, Equipment and Supplies	20
15. Insurance	20
16. Borrowing Money	20
17. Reserve Funds	20
18. Payment of Taxes	20
19. Refunds of Contributions Erroneously Paid	20
20. Prosecution of Legal Actions or Claims	20
21. Defense of Legal Actions or Claims	20
22. Compromise of Legal Actions or Claims	20
23. Penalties for False or Withheld Information	21
24. Correction of Errors	21
25. Participation Agreements	21
26. Participation in Certain Non-Profit Organizations	21
27. Participation in Non-Profit Educational Organizations	21
28. Reciprocity	21
29. Coordinated Administration	22
30. Mergers	22
31. Interpretation and Application of Documents	22

Article VIII—Contributions and Collections

1.	Contributions	23
2.	Contribution Reporting Forms	23
3.	Contribution Due Date	23
4.	Delinquent Contributions	23
5.	Liquidated Damages and Interest	23
6.	Attorney Fees and Court Costs	23
7.	Venue of Collection Actions	23

Article IX—Joining, Participating and Terminating Participation in the Trust

1.	Joining the Trust	24
2.	Participating in the Trust	24
3.	Terminating Participation in the Trust	25

Article X—Limitations

1.	Liabilities and Debts of Trust Fund	26
2.	Liabilities and Debts of Participating Parties	26
3.	Personal Liabilities of Trustees	26
4.	Judgments Against Trust Fund	26
5.	Participating Parties' Rights	26
6.	Cessation of Participation	26
7.	Protection of Trust Fund, Contributions and Benefits	26
8.	Reliance Upon Written Documents	27
9.	Agents of Trust Fund	27

Article XI—Miscellaneous

1.	Trust Fund Offices	28
2.	Applicable Laws and Regulations	28
3.	Service in More Than One Fiduciary Capacity	28
4.	Notices	28
5.	Severability	28
6.	Titles and Words	28
7.	Accounting Period	28
8.	Nondiscrimination	28

Article XII—Amendments and Termination

1.	Amendments	29
2.	Termination	29
3.	Allocation Upon Termination	29
4.	Continuation of Powers and Duties of Trustees	29

Appendix I	30
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Signatory Parties	31
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Preamble

Whereas, the Association of Washington Cities ("AWC") is a not-for-profit membership association established pursuant to the laws of the State of Washington for the purpose of providing various services to and on behalf of its member cities; and

Whereas, after the Washington State Legislature established the state retirement system for Law Enforcement Officers and Fire Fighters in 1969 ("LEOFF I"), requiring employers of

full-time law enforcement officers and fire fighters to pay for their health coverage while working and during retirement; and

Whereas, Washington cities and towns asked the AWC to assist them with a program that would comply with the LEOFF I medical coverage mandate; and

Whereas, in response to the Washington cities' and towns' request, the AWC Board of Directors decided to establish and sponsor a health and welfare benefit trust for the sole purpose of providing health and welfare benefits, including coverage that complied with the LEOFF I medical coverage mandate, to AWC-member cities and towns; and

Whereas, the Signatory Parties declared and established a Trust Fund known as the Association of Washington Cities Employee Benefit Trust (the "Trust") in 1969 and adopted the Trust Agreement governing the Trust ("Trust Agreement") as of January 1, 1986, and subsequently amended the Trust Agreement in December, 2003, on September 25, 2008, January 1, 2010, July 1, 2013, January 1, 2014, and July 1, 2015; and

Whereas, on June 20, 1989, the Trust was approved by the Internal Revenue Service as a voluntary employees' beneficiary association ("VEBA"), within the meaning of Section 501(c)(9) of the Code, to provide for the payment of certain life, sick, accident, or other benefits as described in Section 501(c)(9) of the Code; and

Whereas, any or all of the AWC-member cities and towns had either entered into collective bargaining agreements or other agreements calling for the provision of health and/or other welfare benefits for any or all of their employees and retirees; and

Whereas, the Trustees have determined that it is necessary to amend the Trust Agreement to revise the criteria applicable to non-city entities that wish to join the Trust; and

Now, therefore, in order to revise the criteria applicable to non-city entities that wish to join the Trust, and to effect certain other changes, the Signatory Parties restate the Trust Agreement, as set forth in the following pages, effective May 1, 2016.

Article I

Declaration of Trust

1. Name

The name of the Trust Fund is:

**ASSOCIATION OF WASHINGTON CITIES
EMPLOYEE BENEFIT TRUST**

The Trustees may hold property, enter into contracts, and in all matters act in behalf of the Trust Fund in such name. The Trust Fund may sue or be sued in such name.

2. Purpose

The purpose of the Trust Fund is to provide an entity to which Contributions from Participating Employers and Contributions from Participating Employees (if any) can be paid and through which the Trustees can create and administer one or more Benefit plans or programs for the Participating Employees, on whose behalf the Contributions have been paid, and their Beneficiaries.

3. Duration of Trust Fund

The Trust Fund shall continue in existence on an indefinite basis, contemporaneously with the term of this Trust Agreement.

4. Term of Trust Agreement

This Trust Agreement became effective January 1, 1986, and continues indefinitely until such time as it may be terminated in accordance with the provision of Article XIII hereof.

5. Code Compliance

The Trust is a VEBA trust within the meaning of Section 501(c)(9) of the Code and is intended to qualify for exemption from federal income taxation. The Trust shall be interpreted consistent with the intent of Section 501(c)(9) of the Code and administered for the exclusive benefit of Participating Employees and their Beneficiaries, in a non-discriminatory manner, solely to provide benefits in accordance with the Trust.

Article II

Definitions

The following definitions shall govern in this Trust Agreement:

1. "Affordable Care Act" - the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010, as amended, including the Additional Market Reforms included in Section 9815 of the Code, and including all regulations promulgated pursuant thereto. When reference is made to an incorrect or outdated Affordable Care Act provision, the reference shall be reformed to indicate the proper Affordable Care Act provision that is consistent with the context and intended meaning.
2. "Association" or "AWC" - the Association of Washington Cities.
3. "AWC Board of Directors Districts" or "Districts" - the districts as determined by the AWC Board of Directors and reflected on Appendix I, which is part of this Trust Agreement. If, after the effective date of the May 1, 2016 restatement of the Trust Agreement, the AWC Board of Directors redraws the districts, the relevant Trust Agreement provisions and Appendix I shall be deemed to be updated as of the effective date of the redrawn districts, and Appendix I can be replaced without amendment to the Trust Agreement.
4. "AWC Trustees" - the individuals described in Article II, Section 30(a).
5. "Beneficiary" - any dependent of a Participating Employee, who is entitled to benefits, as defined in a Benefit program document; also, any person designated by a Participating Employee or dependent, or by the terms of a Benefit program document, to receive benefits upon the death of such Participating Employee or dependent.
6. "Code" - the Internal Revenue Code of 1986, as amended, and including all regulations promulgated pursuant thereto. When reference is made to an incorrect or outdated Code provision, the reference shall be reformed to indicate the proper Code provision that is consistent with the context and intended meaning.
7. "Contributions" - any of the following:
 - (a) payments required of a Participating Employer, or of Participating Employees for the purpose of providing Insured Benefits to Participating Employees and Beneficiaries; or
 - (b) payments required of a Participating Employer or of Participating Employees based on the reasonable estimate of the cost, determined on an actuarial basis, for the purpose of providing the Health Care Program to Participating Employees and Beneficiaries.

Notwithstanding the foregoing, prior to the commencement of a Plan Year, the payments required under (a) and (b) shall be determined and will remain in effect for such Plan Year. In addition, any self-payments made by Participating Employees are made pursuant to any self-payment rules adopted by the Trustees.
8. "Core Medical Benefit Plans" - the Trust's core medical benefit plan offerings are those administered by Regence/Asuris Northwest Health or Group Health Options, or any other medical benefit plan determined by the Trust to be a core medical benefit plan.
9. "Employee Benefits Advisory Committee" or "EBAC" - a Standing Committee of the Trust as described in Article V and responsible for monitoring existing Trust Benefits and services, developing and recommending new Trust benefit programs and services, overseeing rate renewals for all Trust Benefits and programs, and monitoring vendor performance.
10. "EBAC Trustees" - the individuals described in Article II, Section 30(b).
11. "Health Care Program" - the joint self-insured program created by the Interlocal Agreement, approved and qualified under Chapter 48.62 RCW, effective January 1, 2014, for the purpose of offering self-insured health care (including but not limited to, medical, dental, vision, prescription drug, wellness, mental health and substance abuse and employee assistance) coverage and benefit options through the HCP Account to Participating Employees and Beneficiaries. The Health Care Program is governed by the Trust Agreement, Interlocal Agreement and any other document adopted by the Trustees for this purpose. The Trust Agreement serves as the bylaws for the Health Care Program.

12. "Health Care Program Account" or "HCP Account" - the designated account within the Trust created by the Interlocal Agreement to provide for payment of Health Care Program benefits to Participating Employees and Beneficiaries, and subject to the requirements of Chapter 48.62 RCW.
13. "Insured Benefits" - any plan or program established and offered by the Trust for the purpose of providing Participating Employees and Beneficiaries with healthcare (including, but not limited to, medical, dental, vision, prescription drug, wellness, mental health and substance abuse and employee assistance), and other welfare benefits, including but not limited to, accident, disability, long-term care, death or salary protection benefits that are insured by an insurance carrier.
14. "Interlocal Agreement" - the Association of Washington Cities Employee Benefit Trust Health Care Program Interlocal Agreement, made and entered into by and among the Board of Trustees and Participating Cities and certain Non-City Entities under the authority of Chapters 48.62 and 39.34 RCW to create the joint self-insurance health care program. The Interlocal Agreement is incorporated by reference into this Trust Agreement, but only for purposes of the Health Care Program and the Health Care Program Account.
15. "HIPAA" - the Health Insurance Portability and Accountability Act of 1996, including the privacy regulations set forth in 45 C.F.R. Part 160 and 45 C.F.R. Part 164, Subparts A and E, and the security regulations set forth in 45 C.F.R., Subpart C. When reference is made to an incorrect or outdated HIPAA provision, the reference shall be reformed to indicate the proper HIPAA provision that is consistent with the context and intended meaning.
16. "Non-City Entity" - any public agency, public corporation, intergovernmental agency, political subdivision or related private, non-profit membership association, within the State of Washington that has met the requirements of Article IX, Section 1(b)(i) and (ii) or is a grandfathered non-city entity. "Non-City Entity" for purposes of the Health Care Program means any public agency, public corporation, intergovernmental agency or political subdivision within the State of Washington that meets the requirements of Article IX, Section 1(b)(i) and (ii). Pursuant to Chapter 48.62 RCW, private, non-profit membership associations within the State of Washington are ineligible to participate in the Health Care Program.
17. "North East Region" - Districts 1, 3 and 9.
18. "North West Region" - Districts 7, 8, 11, 12 and 14.
19. "Participating City" - any city or town within the State of Washington that has met the requirements of Article IX, Section 1(a).
20. "Participating Employee" - any individual employed by a Participating Employer and for whom the employer makes Contributions to the Trust Fund, and any individual who may have been so employed but is subsequently laid off, terminated, or retired.
21. "Participating Employer" - any of the following:
 - (a) A Participating City; or
 - (b) A Non-City Entity.
22. "Participation Agreement" - a written agreement between a Participating City or a Non-City Entity and the Trustees, and any supplement, amendment, continuation, or renewal thereof, that obligates the Participating City or Non-City Entity to:
 - (a) make Contributions to the Trust Fund; and
 - (b) subscribe to the terms and conditions of the Trust Agreement, Underwriting Rules and any other referenced Trust documents; and, if applicable, the Interlocal Agreement.
23. "Plan Year" - the calendar year.
24. "RCW" - the Revised Code of Washington as amended, and including all regulations promulgated pursuant thereto. When reference is made to an incorrect or outdated RCW provision, the reference shall be reformed to indicate the proper RCW provision that is consistent with the context and intended meaning.
25. "Regional Trustees" - the individuals described in Article II, Section 30(c).
26. "Signatory Parties" - the parties who created and amended the Trust Agreement and whose signatures appear on the last page hereof (or their lawful successors).
27. "South East Region" - Districts 2 and 4.
28. "South West Region" - Districts 5, 6, 10 and 13.
29. "Standing Committee" - a permanent committee of the Board of Trustees.

30. "Trustees" or "Board of Trustees" - the following individuals and their successors:
- (a) the two individuals who are (i) members of the AWC Board of Directors; (ii) appointed by the President of the AWC Board of Directors to serve as Trustees; and (iii) from a Participating City that participates in one of the Trust's Core Medical Benefit Plans;
 - (b) the Employee Benefits Advisory Committee Chair and the Employee Benefits Advisory Committee Vice Chair; and
 - (c) an individual elected pursuant to the requirements and procedures in Article III, Section 5 to serve as the trustee from one of the following regions:
 - (i) North East Region (known as the "North East Region Trustee");
 - (ii) North West Region (known as the "North West Region Trustee");
 - (iii) South East Region (known as the "South East Region Trustee"); and
 - (iv) South West Region (known as the "South West Region Trustee").

Individuals from Non-City Entities are not eligible to serve as Trustees.

31. "Trust" or "Trust Fund" - the entity created by this Trust Agreement, and all property and money held by such entity, including all contract rights and records.
32. "Underwriting Rules" - the separate written rules adopted by the Board of Trustees governing participation of cities and non-city entities in the Trust. The Underwriting Rules include, but are not limited to, general participation requirements, elected official participation criteria and Insured Benefits or Health Care Program participation, eligibility and waiting period requirements. The Board of Trustees reserves the right to amend, modify or terminate the Underwriting Rules at any time and for any reason.
33. "VEBA" - a voluntary employees' beneficiary association, within the meaning of Section 501(c)(9) of the Internal Revenue Code of 1986, as amended.

Article III

The Trustees

1. The Board of Trustees

The Trust Fund and its Insured Benefits and the Health Care Program shall be administered by the Board of Trustees.

2. Agents for Service of Process

Each Trustee shall be considered as an agent of the Trust Fund for the purpose of acceptive service of legal process, provided that the Trustees may designate their administrative agent, or another person, as agent of the Trust Fund for this purpose.

3. Chair and Vice Chair of the Board of Trustees

(a) Chair

Any Trustee can nominate a Regional Trustee for the Chair position. The Board of Trustees will then elect, by simple majority of those Trustees voting, the Regional Trustee who will serve as Chair of the Board of Trustees.

(b) Vice Chair

Any Trustee can nominate an AWC Trustee or a Regional Trustee for the Vice Chair Position. The Board of Trustees will then elect, by a simple majority of those Trustees voting, the AWC Trustee or the Regional Trustee who will service as Vice Chair of the Board of Trustees.

(c) EBAC Trustees

EBAC Trustees are not eligible to serve as Chair or Vice Chair of the Board of Trustees.

(d) Terms of Chair and Vice Chair

The term of the Chair and Vice Chair positions shall be the lesser of the Regional Trustee's or the AWC Trustee's term, as applicable, or two years. Election to either Chair or Vice Chair shall not constitute a vacancy of either the Regional Trustee's or the AWC Trustee's position as a Regional Trustee or an AWC Trustee, as applicable.

4. Terms of Board of Trustees Members

(a) AWC Trustees

Each AWC Trustee's term shall be the lesser of his or her term on the AWC Board of Directors, or two years.

Notwithstanding the foregoing, for the term beginning on or after June 30, 2015, one AWC Trustee will serve a one-year term to ensure that AWC Trustees' terms are staggered.

(b) Regional Trustees

Each Regional Trustee shall serve a three-year term commencing on the July 1 immediately following the date he or she is elected as a Regional Trustee.

(c) EBAC Trustees

Each EBAC Trustee's term shall be equal to his or her term(s) as EBAC Chair or EBAC Vice Chair, as applicable.

5. Election of Regional Trustees

(a) General Election

In May or June of each year, the mayor of any Participating City may nominate an elected official from a Participating City that participates in one of the Trust's Core Medical Benefit Plans.

The mayors of the Participating Cities in the applicable region will elect, by simple majority of those mayors voting, the individual(s) to serve as Regional Trustee(s).

(b) Special Election

In the event of a Regional Trustee's vacancy as described in Article III, Section 7, the mayor from any Participating City may nominate an elected official from a Participating City within the region of the vacating Regional Trustee. This off-cycle nominating process must begin and be completed within thirty (30) days following the date of a Regional Trustee's vacancy.

Immediately following the above described nominating process, a special election for the vacating Regional Trustee's unexpired term will be conducted, and the mayors of the vacating Regional Trustee's region will elect, by simple majority of those mayors voting, the individual to serve the remaining unexpired term of the vacating Regional Trustee.

6. Acceptance of Board of Trustees Membership

An AWC Trustee or an EBAC Trustee accepts his or her position as a member of the Board of Trustees on the date he or she becomes an AWC Trustee or an EBAC Trustee. A Regional Trustee accepts his or her position as a member of the Board of Trustees on July 1 following the date of his or her election as Regional Trustee, as described in Article III, Section 5.

7. Successor Trustees in the Event of a Vacancy

In the event of a Trustee's vacancy due to an occurrence of an event described in Article III, Section 8, such vacancy shall be filled as follows:

(a) AWC Trustee

In the event of an AWC Trustee's vacancy, a successor or replacement AWC Trustee shall be appointed by the President of the AWC Board of Directors to complete the unexpired term of the vacating AWC Trustee.

(b) Regional Trustee

In the event of a Regional Trustee's vacancy, a successor or replacement Regional Trustee shall be elected by a special election in accordance with Article III, Section 5(b), following a nominating process in accordance with Article III, Section 5(b).

Any such successor Regional Trustee shall complete the unexpired term of the vacating Regional Trustee.

(c) EBAC Trustee

In the event of an EBAC Trustee's vacancy, a successor or replacement EBAC Trustee shall be filled in accordance with the election procedures in Article V, Section 4.

8. Termination

(a) General Termination Events

A Trustee shall be automatically terminated in the event of one of the following:

- (i) a Trustee's Participating City terminates participation in the Trust;
- (ii) a Trustee's Participating City ceases to participate in a Core Medical Benefit Plan;
- (iii) a Trustee resigns from elected office or his or her elected office position terminates;
- (iv) a Trustee dies; or
- (v) a Trustee is unable to complete his or her term as a Trustee for any other reason.

(b) Termination for Failure to Attend Meetings

A Trustee shall be automatically terminated if such Trustee fails to attend three (3) consecutive meetings of the Trustees, unless he or she was not excused from attendance by specific action of the remaining Trustees noted in the minutes.

(c) Termination for Conviction of a Crime

A Trustee shall be automatically terminated if such Trustee is convicted of any of the crimes listed in 29 U.S.C. § 1111(a).

(d) Termination for Mental Incapacity

A Trustee shall be automatically terminated if such Trustee is declared mentally incompetent by court decree.

(e) Resignation

A Trustee may voluntarily resign his or her position as Trustee at any time. Such resignation shall be effective upon the resignation date specified in a written notice of resignation addressed to the Chair or Vice Chair of the Board of Trustees.

The foregoing shall not relieve the resigning Trustee of liability from actions taken while he or she was a Trustee, either individually or as a member of the Board of Trustees.

9. No Impairment Caused by Vacancies

No vacancy in the position of Trustee shall impair the power of the remaining Trustees to administer the affairs of the Trust Fund so long as a quorum exists as specified in Article IV, Section 2.

10. Return of Books and Records

In the event of the termination, resignation, or death of a Trustee, the Trustee (or the Trustee's legal guardian, heirs, or personal representative) shall, upon the request of the Chair or the Vice Chair of the Trustees, turn over to the Chair or Vice Chair any and all records, books, documents, monies, and other property in the possession of the Trustee, or under the Trustee's control, that belong to the Trust Fund or that were received by the Trustee in his or her capacity as Trustee.

Article IV

Trust Fund Administration

1. Manner of Voting

Any action to be taken by the Trustees at a meeting shall be determined by a majority vote of those Trustees at the meeting.

2. Constitution of a Quorum

To constitute a valid regular or special meeting of the Trustees, a quorum must be present. A quorum shall consist of a simple majority of the Trustees then serving.

3. Motions

Any Trustee including the Chair or Vice Chair may offer or second any motion or resolution presented for the Trustees' consideration.

4. Prohibition of Proxies

To encourage full attendance at meetings of the Trustees and due consideration of the matters being voted upon, there shall be no proxies. A Trustee must be present in order to cast a vote.

5. Board of Trustees Meetings

(a) Regular Meetings

The Trustees shall hold regular periodic meetings consistent with the needs of Trust Fund business, provided that there shall be at least two (2) regular meetings held during each calendar year. The Trustees shall determine the time and place of all regular meetings.

(b) Special Meetings

Either the Chair or the Vice Chair or any two (2) Trustees may call a special meeting. The meetings shall be held at such place and time as the Chair, Vice Chair or the two (2) Trustees calling the meeting may prescribe. Only business within the purposes described in the meeting notice may be conducted.

(c) Notice of Meeting

Notice of the place, date and time of the regular meetings and notice of the place, date, time and purpose or purposes of special meetings shall be delivered not less than five (5) days before the date of the meeting, either (i) by tangible medium transmitted by mail, private carrier, personal delivery, telephone, wire or wireless equipment which transmits a facsimile of the notice, (ii) by electronic transmission in accordance with applicable law, or (iii) in any other manner approved by law, by or at the direction of the Chair or Vice Chair, to each Trustee of record entitled to notice of such meeting. Notice given in accordance with the foregoing shall be effective when and as provided under applicable law.

(d) Waiver of Notice

Except where expressly prohibited by law or this Trust Agreement, notice of the place, date, time and purpose or purposes of any meeting may be waived by any Trustee at any time, either before or after the meeting. Such waiver may be provided by the Trustee either (i) in an executed and dated written record or (ii) if the Trust has designated an address, location or system to which such waiver may be electronically transmitted and such waiver is electronically transmitted to such designated address, location, or system, in an executed and dated electronically transmitted record. Attendance at the meeting in person waives objection to lack of notice or defective notice of the meeting unless the Trustee at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. A Trustee waives objection to consideration of a particular matter at a meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

(e) Telephone Meetings

Trustees may participate in a regular or special meeting by means of a conference telephone or any similar communications equipment that enables all persons participating in the meeting to hear each other during the meeting. Participation by such means shall constitute presence in person at a meeting.

(f) Action Without a Formal Meeting

In performing the duties set forth in the Trust Agreement, the Trustees may take action without a formal meeting by means of: (i) a conference telephone call, arranged by the Chair, Vice Chair or the administrative agent, in which all Trustees participate; (ii) the presentation of a written motion or resolution sent to all Trustees by the Chair, Vice Chair or the administrative agent and the subsequent obtaining of Trustee votes on the motion or resolution in telephone calls placed to each Trustee by the Chair, Vice Chair or administrative agent; or (iii) the presentation of a written motion or resolution sent to all Trustees by the Chair, Vice Chair or the administrative agent and the subsequent obtaining of Trustee votes on the motion or resolution in letters sent by each Trustee to the Chair, Vice Chair or the administrative agent.

Any action under this section shall be reported in the minutes of the next formal meeting.

6. Duties of Chair and Vice Chair

The Chair shall chair the meetings of the Trustees, shall appoint all committees, other than Standing Committees, and shall carry out such other duties as the Trustees may assign.

The Vice Chair, in the absence of the Chair, shall act in the place of the Chair and perform the Chair's duties.

7. Signature Authority

The signatures of Chair and the Vice Chair or of any two authorized Trustees shall be necessary and sufficient to bind the Trust, and a copy of this Trust Agreement may be shown to the appropriate parties to confirm the same. Signature authority may be delegated by action of the Board of Trustees, and a copy of such action may be shown to the appropriate parties to confirm same. All persons doing business with the Trust Fund may rely on such signatures.

8. Expenses

Each Trustee shall be reimbursed out of the Trust Fund for all expenses properly and actually incurred by such Trustee in the administration of the Trust Fund.

All reasonable expenses which are necessary to operate and administer the Trust Fund, including fees paid to persons employed by the Trustees, shall be paid from Trust assets.

Trustees shall not be entitled to compensation for the performance of their duties as Trustees.

9. Benefits to Trustees Not Prohibited

Nothing in this Trust Agreement shall prohibit a Trustee from receiving Insured Benefits or Health Care Program benefits, if the Trustee is otherwise eligible for the same as a Participating Employee or as a Beneficiary of a Participating Employee.

10. Health Care Program Administration

The Trustees shall administer the Health Care Program in accordance with the Interlocal Agreement, and the rules set forth in this Article IV, Section 10.

The Health Care Program shall be administered separately from the non-Health Care Program portion of the Trust Fund, but in accordance with and subject to the rules in Article IV, Sections 1-4 and 6-9. The Board of Trustees shall hold separate Health Care Program meetings, which shall be held in accordance with Article IV, Section 5 and with the requirements of the Open Public Meetings Act as described in Chapter 42.30 RCW.

ARTICLE V

Employee Benefits Advisory Committee

1. EBAC Structure

The EBAC shall consist of four (4) at-large positions and eleven (11) District positions, with one representative from each of the eleven (11) Districts.

All positions shall be limited to appointed officials only.

At-large positions shall be structured in the following manner:

- (a) 1 At-Large East
- (b) 1 At-Large West
- (c) 1 At-Large Statewide
- (d) 1 At-Large Statewide (Wellness)

The EBAC shall consist of no more than three (3) representatives from any one District and no more than one from any one Participating City.

2. EBAC Appointment and Election

The process to elect EBAC members shall begin in May or June, of each year, with the term of office commencing July 1.

The mayor of a Participating City may nominate candidates for election to the EBAC. Candidates must be from a Participating City that participates in one of the Trust's Core Medical Benefit Plans. The mayors of Participating Cities will then elect, by simple majority of those mayors voting, the individuals to serve as EBAC members.

District position elections will be conducted on a District by District basis. At-large position elections will be conducted on a statewide basis.

3. Term of Appointment

Each EBAC member shall serve a three-year term of appointment running from July 1 to June 30. Should an EBAC member's Participating City cease to participate in one of the Trust's Core Medical Benefit Plans, the term of appointment will expire at the end of the month in which the Core Medical Benefit Plan coverage terminates.

4. EBAC Chair and Vice Chair

Any EBAC member can nominate an EBAC member for the Chair and Vice Chair positions. The EBAC will then elect, by simple majority of those EBAC members voting, the individuals to serve as EBAC Chair and EBAC Vice Chair.

The term of the Chair and Vice Chair positions shall be the lesser of the individual's EBAC term or three years. Election to either Chair or Vice Chair shall not constitute a vacancy of that individual's District or at-large position.

5. Appointment of Successor EBAC Members

A vacancy of a District or at-large position shall be filled by nomination of potential candidates from that District and final appointment by the EBAC Chair.

Any successor EBAC member shall serve on an interim basis, completing the unexpired term of the vacating EBAC member until the next election, when the position shall go through the normal election process and the person elected shall complete the term of that office.

Article VI

Trustee Responsibilities

1. General Duty - Receipt of Contributions and Creation and Administration of Benefits

It shall be the general duty of the Trustees to receive Contributions and any other income and assets that they may receive and, with such, to create and administer the Health Care Program and one or more Insured Benefits for the Participating Employees and Beneficiaries. Unless otherwise required by law or the Interlocal Agreement, the Trustees reserve the right to change the terms of any Insured Benefit or the Health Care Program at any time, including Insured Benefit or Health Care Program termination. In addition, changes to benefits will be made that are deemed necessary and appropriate to meet legal requirements as now in affect or as enacted or amended as the effective date of this amended Trust Agreement.

Additionally, the Trustees shall have the specific duties set forth in this Trust Agreement and such other duties as are imposed upon them by the RCW and other applicable laws; provided, however, that except as expressly set forth herein, the Trustees shall not be subject to any of the duties, restrictions or liabilities which would otherwise be imposed by RCW Title 11, or any amendments or revisions thereto.

2. Compliance with the Internal Revenue Code

The Trustees shall administer the Trust Fund, Insured Benefits and the Health Care Program so that, to the extent allowed under the Internal Revenue Code, the Trust Fund is tax exempt and the value of the Benefits is excludable from the Participating Employee's or Beneficiary's taxable income.

3. FICA and Income Tax Withholding and Reporting

The Trustees shall ensure compliance with Section 3102 of the Internal Revenue Code, which requires the withholding and depositing of a Participating Employee's share of the FICA tax imposed on the first six months of any sick pay benefit payments made by the Trust Fund. Where applicable, the Trustees shall notify Participating Employers of the Employee withholding to facilitate payment of the employer's share of such tax.

As required by Section 3402 of the Internal Revenue Code, the Trustees shall, upon the written request of a Participating Employee, ensure the withholding of federal income tax from any sick pay benefit payments made by the Trust Fund. Where applicable, the Trustees shall furnish Participating Employees as required by Section 6051(f) of such Code.

In the event the Trustees agree to act as agents of the Participating Employers for reporting purposes, the Trustees shall furnish a Form W-2 to each Participating Employee who receives sick pay benefit payments and shall file Form W-3 with the Internal Revenue Service. The Trustees shall also file Form 941 reflecting all sick pay benefits paid with the Internal Revenue Service.

4. Payments to and from Trust Fund

Contributions shall be as specified in the underlying collective bargaining agreement, ordinance, resolution or other governing document and is reflected in the Participation Agreement. The basis on which Insured Benefits or Health Care Program benefits are paid out of the Trust Fund shall be specified in the Insured Benefit or Health Care Program descriptions, or any other contracts or instruments under which an Insured Benefit or the Health Care Program is established or operated.

5. Application of Trust Fund Assets

The assets of the Trust Fund shall never inure to the benefit of any Participating Employer and shall be held for the exclusive purposes of providing Insured Benefits and Health Care Program benefits to Participating Employees and Beneficiaries and defraying reasonable expenses of administering Benefits.

6. Fiduciary Standards

The Trustees shall discharge their duties and administer the Trust Fund assets solely in the interest of the Participating Employees and Beneficiaries and for the exclusive purpose of (a) providing benefits to Participating Employees and their Beneficiaries and (b) defraying reasonable expenses of Benefit administration.

In carrying out their duties, the Trustees shall act with the judgment and care under the circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs.

7. Deposits

The Contributions, or any other monies which the Trustees may receive, shall be deposited in one or more banks or similar financial institutions supervised by the United States or a state, pending the allocation of such monies for the payment of current benefits and expenses, or for investment.

8. Investments

(a) General

Subject to Article VI, Subsection 8(d), the Trustees are the stewards of the Trust Fund and are responsible for investing all Contributions or other monies not required for the payment of current Insured Benefits and HealthCare Program benefits and expenses. As such, the Trustees are responsible for establishing the Trust Fund's investment policies, approving investment plans, overseeing implementation of investment policies and monitoring investment performance.

All investment earnings and other passive income of the Trust Fund shall be set aside as realized solely for the purpose of providing the Insured Benefits and the Health Care Program benefits described herein and for payment of administrative costs of so providing such benefits. No part of the net earnings of the Trust Fund shall inure, other than by payment of Insured Benefits and Health Care Program benefits, to the benefit of any entity or individual.

(b) Delegation of Investment Responsibilities

(i) General

Pursuant to the power to delegate responsibility in Article VII, Section 4 and subject to Article VI, Subsection 8(d), the Trustees may delegate all or part of their responsibilities for the management of the Trust Fund investments to one or more of the following qualified investment managers:

- (A) an investment adviser registered as such under the Investment Advisers Act of 1940;
- (B) a bank as defined in that Act; or
- (C) an insurance company qualified to manage, acquire, or dispose of employee benefit plan assets under the laws of more than one state ("Investment Manager").

In the event the Trustees elect to delegate investment responsibility, they shall do so by the adoption of a motion or resolution making the delegation to a designated investment manager. The delegation shall be effective when the investment manager accepts the delegation and acknowledges in writing his status as a fiduciary with respect to the Trust Fund.

The Trustees shall not be liable for the acts or omissions of such Investment Manager or be under any obligation to invest or otherwise to manage any other of the assets of the Trust Fund which are subject to the management of the Investment Manager. The Trustees shall have the power to remove and replace any Investment Manager whose performance they deem unsatisfactory.

(ii) Oversight Retained

Even with the delegation of investment responsibilities, as stated in Article VI, Section 8(b)(i) and as subject to Article VI, Subsection 8(d), the Trustees still maintain the oversight responsibility, as stated in Article VI, Section 8(a).

(c) Title to Investment and Other Assets

Title to all investments or other assets of the Trust Fund shall be maintained in the name of the Trust Fund, provided that for convenience in transferring bonds, or other negotiable securities, title to the securities may be held in the name of the Trust Fund's custodian bank, or of its nominee.

Except as may be authorized by applicable laws, the indicia of ownership of all investments and other assets of the Trust Fund shall not be maintained outside the jurisdiction of the federal district courts of the United States.

(d) HCP Account Investments

All HCP Account investments shall be made in accordance with and in a manner that is consistent with RCW 48.62.111 and the Health Care Program Investment Policy, which also must comply with RCW 48.62.111. If there are any conflicts between this Article VI, Subsections 8(a)-(c) and this Article VI, Subsection 8(d), Article VI, Subsection 8(d) shall apply.

9. Fidelity Bond

The Trustees shall procure a fidelity bond covering each Trustee or other person who receives, handles, disburses, or otherwise exercises custody or control of any of the funds or other property of the Trust Fund.

The amount of the bond shall be fixed by the Trustees at the beginning of each fiscal year of the plan. The amount of the bond shall be \$5,000,000 per occurrence. The bond shall provide protection of the Benefits or Trust against loss by reason of acts of fraud or dishonesty on the part of the plan official, directly or through connivance with others. Any bond shall have as surety thereon a corporate surety company, which is an acceptable surety on federal bonds under authority granted by the Secretary of the Treasury pursuant to sections 6 through 13 of Title 6, United States Code.

The cost of the bond shall be chargeable to the Trust Fund, provided that, if the bond covers persons other than the Trustees or their employees (if any), and if there is an additional premium for the coverage for such other persons, the additional premium shall be chargeable to such other persons.

10. Records

The Trustees shall maintain records of their administration of the Trust Fund, including records of all receipts and disbursements, all investments purchased or sold, the texts of all Insured Benefit and Health Care Program descriptions, all employee eligibility listings, all minutes of Trustee meetings, and all correspondence. No such record shall be destroyed except upon the specific action of the Trustees, and destruction shall not be directed until a period of eight (8) years has elapsed from the date the record was created.

The exact nature of medical disabilities giving rise to claims shall be confidential to the provider and Participating Employee or Beneficiary, unless disclosure is otherwise allowed by law.

11. Reports

The Trustees shall file or cause to be filed all annual reports, returns, and financial and other statements as required by any federal or state statute, agency, or authority, within the time prescribed by law or regulation for filing said documents; and to furnish such reports, statements, or other documents to such Participating Employees and Beneficiaries as required by federal or state statute or regulations, within the time prescribed for furnishing such documents.

12. Audit

The Trustees shall engage an independent qualified public accountant and shall authorize the accountant to conduct an annual financial examination of the Trust Fund. The cost of the examination shall be chargeable to the Trust Fund. A statement of the results of each examination shall be submitted to the Trustees for their review. In addition, the HCP Account is subject to audit by the Washington State Auditor's Office.

13. Benefit Descriptions

The Trustees shall ensure that descriptions of each Insured Benefit and the Health Care Program are prepared and provided by the Trust Fund and that copies of such descriptions are furnished, including any material modifications or changes thereto, to the Participating Employees and Beneficiaries.

14. Documents to be Examined or Furnished

(a) Examination of Documents

The Trustees shall make copies of:

- (i) this Trust Agreement;
- (ii) the latest updated Insured Benefit and Health Care Program descriptions; and
- (iii) any other contracts or instruments under which an Insured Benefit or the Health Care Program is established or operated, available for examination by Participating Employees or their Beneficiaries in the Trust Fund office.

(b) Documents to be Furnished

The Trustees shall, upon written request by a Participating Employee or Beneficiary, furnish to the Participating Employee or Beneficiary a copy of:

- (i) this Trust Agreement;
 - (ii) the latest updated Insured Benefit and/or Health Care Program descriptions; and
 - (iii) any other contracts or instruments under which an Insured Benefit or the Health Care Program is established or operated.
- Such copies shall be furnished within thirty (30) days of the request. The Trustees may impose a reasonable charge for such copies.

15. Funding and Reserve Requirements

The Trustees shall meet periodically with their Insured Benefit or Health Care Program consultant, investment consultant, investment manager, the independent qualified public accountant, and such other Trust Fund advisers as may be appropriate, for the purpose of anticipating the short run and long run financial needs of the Trust Fund. Thereupon, the Trustees shall implement any appropriate funding policy and method for the Trust Fund.

The funding policy and method shall be considered by the Trustees in the management of Trust Fund investments. In the event the management of Trust Fund investments has been delegated to an investment manager, the funding policy and method shall be considered by that manager.

Notwithstanding the foregoing, all HCP Account funding and reserve requirements must be set and consistent with Article VI, Subsection 8(d).

16. Claims and Appeals Procedures

The Trustees are responsible to ensure that claims and appeals procedures are established whereby Participating Employees and Beneficiaries have an opportunity for a full and fair review if and when their claims for Health Care Program benefits or Insured Benefits are denied. Such claims and appeals procedures shall comply with applicable Washington and federal law, including Section 2719 of the Affordable Care Act. The Trustees are responsible to monitor claims and appeals procedures and policies, and the performance of any third-party claims administrator.

Notwithstanding the foregoing, for each Insured Benefit, the insurer will have the sole authority, discretion, and responsibility to interpret and apply the terms of the insurance policy, contract, or any other insurer-prepared document, and to determine all factual and legal questions under such documents, including the amount of benefits to be paid, if any. Each insurer is responsible for the payment of all benefits it insures. Each claimant entitled to payment of benefits under an insurance contract or policy shall look solely to the applicable insurer, and not to the Trust or a Participating Employer, for payment of such Insured Benefits. For Each Insured Benefit, the insurer is responsible to comply with Federal and State law applicable to benefit claims and appeals of denied benefit claims.

Article VII

Trustee Powers

1. General Powers

Except as may be expressly limited by the terms of this Trust Agreement and applicable law, the Trustees shall have full and exclusive authority to control and administer the Trust Fund and the benefit plans or programs which they create.

The authority of the Trustees not only encompasses the specific powers recited in the various paragraphs of this Trust Agreement, applicable law, and the Interlocal Agreement only with respect to the Health Care Program, but also includes the general power to do all things and take all actions, including the expenditure of Trust Fund monies, which they may deem necessary to administer the Trust Fund and its benefit plans or programs and carry out the purpose of this Trust Agreement. The Trustees may implement their powers through the adoption of appropriate motions, resolutions, or administrative rules and regulations.

2. Specific Powers Discretionary

The recitation of specific powers in this Trust Agreement shall not be interpreted as compelling the exercise of any such power. The exercise of specific powers is discretionary with the Trustees.

3. Allocation of Responsibilities to Committees

The Trustees may allocate to one or more committees of Trustees all or part of the following responsibilities, with full power to act:

- (a) the responsibility for managing the Trust Fund investments (if not otherwise delegated to a qualified investment manager) in accordance with applicable law;
- (b) the responsibility for reviewing and determining benefit claims of Participating Employees and their Beneficiaries;
- (c) the responsibility for conducting hearings and issuing determinations as provided for in Article X, Section 2, hereof;
- (d) the responsibility for resolving questions or problems that may be encountered in connection with the collection of delinquent Participating Employer accounts;
- (e) the responsibility for resolving questions or problems that may be encountered in connection with the day-to-day work of the administrative agent; and
- (f) the responsibility for reviewing the performance of the qualified investment manager (if any), and of the other professional persons retained by the Trustees.

In the event the Trustees elect to allocate any of the stated responsibilities, they shall do so by the adoption of a motion or resolution calling for the appointment of a committee of Trustees and specifying the particular responsibility that is being allocated. With respect to the responsibility that is allocated, the committee shall have all the powers of the full Board of Trustees. Any action to be taken by the committee shall be determined according to the voting formula contained in Article IV, Sections 1 and 2, thereof. If there is a deadlock on any matter submitted to the committee members for their concurrence, the matter shall be referred to the full Board of Trustees for review and action.

Nothing contained herein shall in any way limit the authority of the Trustees to create additional committees for the purpose of assisting with or expediting the affairs of the Trust Fund, provided that any committee shall be expediting the affairs of the Trust Fund, provided that any committee shall be empowered only to make recommendations with respect to the matters referred to it.

4. Delegation of Responsibilities

To the extent responsibilities are not delegated elsewhere in the Trust Agreement, the Trustees may delegate all or part of their responsibilities (except investment responsibilities) with respect to the administration of the Trust Fund or the Insured Benefits or Health Care Program to an administrative agent or to any other person whom they may designate for that purpose.

In the event the Trustees elect to delegate a particular responsibility, they shall do so contractually, by the adoption of a motion or resolution making the delegation to a designated person, or by any other appropriate method evidencing delegation and acceptance. The delegation shall be effective when the designated person accepts the delegation. If the delegation involves a responsibility other than one which is ministerial in nature, the designated person shall also acknowledge in writing his status as a fiduciary with respect to the Trust Fund.

In the event the Trustees elect to allocate or delegate Trustee responsibilities, they shall periodically review the performance of the persons to whom such responsibilities have been allocated or delegated.

5. Benefits Currently Being Provided

Any benefits designated by the Trustees may be funded through the Trust, provided the benefits are described in Section 501(c)(9) of the Code. The Trust Fund currently provides Insured Benefits and the Health Care Program as described in (a) and (b) below.

(a) Insured Benefits

The Trustees shall have the authority to make changes to Insured Benefits, or any Insured Benefits hereafter adopted, including changes that expand, restrict, or terminate all or part of the rules relating to eligibility for Insured Benefits, or to the amount and nature of such Insured Benefits, as they may determine, so long as the Insured Benefits are described in Section 501(c)(9) of the Code. Amendments may be made on a prospective or retroactive basis.

(b) Health Care Program Benefits

The Trustees shall have all the powers and authority described in Article VI, Subsection 5(a) with respect to the Health Care Program, subject to Chapter 48.62 RCW and the Interlocal Agreement, so long as the Health Care Program meets the requirements of Section 501(c)(9) of the Code.

6. Additional Benefits

The Trustees shall have the authority to create and administer additional Benefits.

7. Benefit Design

The Trustees shall have the authority to determine the details of the Insured Benefits and the Health Care Program in accordance with applicable law, including the determination of the rules under which Participating Employees shall be eligible for Insured Benefits and the Health Care Program, and the nature and amount of such benefits. The Trustees shall also have the authority to determine whether Insured Benefits and/or the Health Care Program shall be extended to Beneficiaries and, if so, to determine which class or classes of Beneficiaries shall be eligible for such benefits, the eligibility rules which will apply to such class or classes of Beneficiaries, and the nature and amount of such benefits. If there are different Contribution rates, the Trustees may establish different eligibility rules, or Insured Benefit or Health Care Program formulas, for the Participating Employees and Beneficiaries who are affected thereby.

8. Means of Providing Benefits

The Trustees shall have the authority to provide the Insured Benefits, in whole or in part, directly from the Trust Fund, or in the case of the Health Care Program from the HCP Account, or may contract with an insurance carrier, service organization, health maintenance organization, or other entity, to underwrite or provide such benefits.

9. Facility of Payment

The Trustees shall have the authority to adopt rules by the terms of which Benefit payments owing to minors or incompetents may be paid instead to a person or institution providing care or other services to the minor or incompetent, even though a legal guardianship does not exist. Benefit payments made under those rules shall fully discharge the Trust Fund's obligation to the minor or incompetent.

10. Self-Payments by Participating Employees

The Trustees shall have the authority to include provisions in the Benefit program documents by the terms of which Participating Employees, during periods of strikes, lockouts, employer delinquencies, leaves of absence, disabilities, layoffs, termination or retirement may be permitted to make Contributions on their own behalf.

11. Administrative Agent

The Trustees shall have the authority to retain, at the expense of the Trust Fund, one or more administrative agents to assist the Trustees in the day-to-day administration of the Trust Fund and the benefits offered by the Trust. Such assistance may include the keeping of minutes or records of all meetings, proceedings, and actions of the Trustees, the receipt and recording of Contributions, the processing of delinquent accounts, the preparation of employee eligibility listings, the processing of benefit applications, the payment of Insured Benefits or Health Care Program benefits, the maintenance of financial records and correspondence, and the handling of routine communications.

The administrative agent may be an individual, an entity, the AWC, a contract administrator or a salaried administrator. In the event the Trustees employ a salaried administrator, they shall also have the authority to employ such additional administrative staff personnel as may be necessary.

12. Banking Services

The Trustees shall have the authority to retain, at the expense of the Trust Fund, one or more banks or similar financial institutions supervised by the United States or a state, to perform depository or custodial services, or to serve as corporate trustee or co-trustee, on behalf of the Trust Fund.

The Trustees shall periodically review the performance of the banks which they have retained to perform banking services.

13. Other Professional and Non-Professional Help

The Trustees shall have the authority to retain, at the expense of the Trust Fund, one or more accountants, actuaries, attorneys, employee benefit plan consultants, investment managers, payroll auditors, and other professional or non-professional help, as they may deem necessary in the administration of the Trust Fund and the benefits offered by the Trust. Unless limited by applicable law, the retention of any such professional or non-professional help may be on a contract or salaried basis.

The Trustees shall periodically review the performance of their professional help and non-professional help.

14. Obtaining of Necessary Premises, Equipment and Supplies

The Trustees shall have the authority to purchase or lease suitable premises and equipment and to purchase materials and supplies, at the expense of the Trust Fund, as they may deem necessary in the administration of the Trust Fund.

15. Insurance

The Trustees shall have the authority to purchase policies of insurance (liability, property damage, casualty, and errors and omissions) to protect the Trust Fund and to protect themselves and their employees (if any), and other they may so designate with respect to their activities on behalf of the Trust Fund, as they may deem necessary. The cost of these insurance policies shall be chargeable to the Trust Fund, provided that, if such insurance policies cover persons other than the Trustees or their employees (if any), and if there is an additional premium for the coverage for these other persons, the additional premium shall be chargeable to the other persons.

16. Borrowing Money

Subject to applicable law, the Trustees shall have the authority to borrow money for the Trust Fund, with or without security, and to execute and deliver notes, mortgages, pledges, or other instruments as may be necessary in connection therewith, as they may deem necessary in the administration of the Trust Fund.

17. Reserve Funds

The Trustees shall have the authority to maintain reasonable reserve funds for future contingencies as they may deem necessary in the administration of the Trust Fund.

Notwithstanding the foregoing, HCP Account reserves shall be made in accordance with Washington Administrative Code 200-110-040(1) and (2).

18. Payment of Taxes

The Trustees shall have the authority to pay, at the expense of the Trust Fund, all real and personal taxes, and other taxes and assessments of any kind, they may be lawfully levied or assessed against the Trust Fund.

19. Refunds of Contributions Erroneously Paid

Subject to applicable law, the Trustees shall have the authority to adopt rules by the terms of which refunds of Contributions may be made to a Participating Employer, a former Participating Employer or Participating Employee where the employer or employee has paid Contributions in error, and provided further that in the event the Trustees shall allow a refund, any investment gains attributable to the mistaken Contributions shall not be paid to the Participating Employer and any attributable losses shall be deducted from the refunded Contributions.

20. Prosecution of Legal Actions or Claims

The Trustees shall have the authority to originate and maintain any legal actions or claims involving legal action, at the expense of the Trust Fund, as they may deem necessary in the administration of the Trust Fund. All such actions and claims shall be prosecuted in the name of the Trust Fund or in the name of an assignee.

21. Defense of Legal Actions or Claims

The Trustees shall have the authority to defend all legal actions, claims involving potential legal actions, and investigatory proceedings initiated against the Trust Fund or against one or more of the Trustees, former Trustees, administrative agents, or against one or more of the employees of the Trust Fund (if any) that relate to the administration of the Trust Fund. Except as stated below, the defense of such actions, claims, and proceedings shall be at the expense of the Trust Fund.

If the final court decree establishes personal liability on the part of specified Trustees, administrative agents, or employees (if any) for breach of their fiduciary responsibilities, and orders that the specified persons are to bear the expenses of their own defense, their attorney fees shall not be chargeable to the Trust Fund. If attorney fees and costs have already been charged to the Trust Fund, the specified persons shall be obligated to repay the Trust Fund for their pro-rata portion of the fees and costs.

22. Compromise of Legal Actions or Claims

The Trustees shall have the authority to compromise, settle, or release all legal actions or claims involving potential legal actions, in favor of or against the Trust Fund, on such terms and conditions as they may determine.

23. Penalties for False or Withheld Information

The Trustees shall have the authority to adopt rules and regulations by the terms of which reasonable penalties or forfeitures may be imposed upon Participating Employees or Beneficiaries who (a) falsify any information requested of them in the administration of the Trust Fund and the Benefits, or (b) fail to provide requested information within a reasonable time.

24. Correction of Errors

It is recognized and acknowledged by all parties that the Trustees will provide eligibility credits or benefits to Participating Employees and their Beneficiaries based on Trust Fund records. It is also recognized and acknowledged that those records could be incorrect due to:

- (a) Participating Employers reporting individuals who are not eligible for participation;
- (b) Participating Employers reporting incorrect names or incorrect social security numbers;
- (c) Participating Employers reporting more (or less) than the hours of Contributions required to be reported;
- (d) delinquent employer reports;
- (e) Participating Employees or Beneficiaries submitting incorrect or false Benefit applications;
- (f) recording or computation errors by the administrative agent;
- (g) computer errors; or
- (h) other similar circumstances.

The Trustees shall have the authority to correct the Trust Fund records whenever errors are discovered and to determine participation, adjust eligibility credits or Benefits, or seek the recovery of Benefit overpayments, as they may determine.

25. Participation Agreements

The Trustees shall have the authority to create and distribute Participation Agreements, at the expense of the Trust Fund, by the terms of which a Participating Employer acknowledges its obligation to make Contributions, subscribes to the terms and provisions of this Trust Agreement, and, if applicable, subscribes to the terms and provisions of the Interlocal Agreement.

26. Participation in Certain Non-Profit Organizations

The Trustees shall have the authority to participate in non profit foundations, corporations, councils, committees, or other organizations that have as their purpose: (a) the alleviation of physical or mental disease, or of other conditions or hazards that require the care or service of being paid for by the Trust; or (b) the improvement in the availability of, and quality of, medical care, or of other care or service being paid for by the Trust, or the reduction in the costs of such care or services. If the Trustees act to participate in any such non profit organization, the membership or participation fees of the organization shall be chargeable to the Trust Fund.

Further, to the extent that it is not prohibited by applicable law, the Trustees may make loans, grants, or donations to any such non-profit organization, in reasonable amounts, out of the uncommitted reserves of the Trust Fund.

27. Participation in Non-Profit Educational Organizations

The Trustees shall have the authority to participate in non-profit foundations, corporations, councils, committees, or other organizations which sponsor educational programs or provide educational materials pertaining to the administration of Trust Funds of this nature and of employee benefit plans. If the Trustees act to participate in any such non-profit organization, the membership or participation fees of the organization shall be chargeable to the Trust Fund.

The Trustees shall also have the authority to purchase educational materials and to provide for the attendance of the Trustees, or of such of their employees (if any), as they may designate, at educational conferences and meetings. The costs of the materials and attendance shall be chargeable to the Trust Fund.

28. Reciprocity

Subject to applicable law, the Trustees shall have the authority to enter into reciprocal agreements with other employee benefit trust funds providing similar benefits to those provided through the Trust Fund, for the exchange of eligibility records or monies, or for the payment of pro rata benefits, in order to protect employees who may terminate their participation in the Trust Fund and begin participation in a reciprocal trust fund, and vice versa.

29. Coordinated Administration

The Trustees shall have the authority to coordinate the administration of the Trust Fund and of the benefits offered under the Trust with the administration of related employee benefit trust funds and benefit plans, to such extent as they may determine.

30. Mergers

It is recognized that at some time or times in the future, the Trustees may deem it in the best interest of the Trust Fund and of the Participating Employers, and Participating Employees to accept the merger of another employee welfare benefit trust fund into the Trust Fund, or to merge the Trust Fund into another employee welfare benefit trust fund.

In the event that another employee welfare benefit trust fund is to be merged into the Trust Fund, the Trustees shall have the authority to negotiate and consummate an appropriate merger agreement, and pursuant thereto, to accept a transfer of the remaining monies, assets, and liabilities from the other Trust Fund.

In the event the Trust Fund is to be merged into another employee welfare benefit trust fund, the Trustees shall have the authority to negotiate and consummate an appropriate merger agreement, and pursuant thereto, to terminate the Trust Fund and to transfer the remaining monies, assets, and liabilities to the other trust fund. However, no merger of the Trust Fund into another trust fund shall be negotiated or consummated without the written approval of the Board of Directors of the AWC.

31. Interpretation and Application of Documents

Unless a separate section of this Trust Agreement describes interpretation and application of a specific document, the interpretation and application of documents that govern the Trust Fund, Insured Benefits and the Health Care Program shall be as described in subsection (a), (b) and (c) of this Article VII, Section 31.

(a) Trust Documents

The Trustees shall have the authority to interpret and apply the provisions of this Trust Agreement, or of their own motions, resolutions, and administrative rules and regulations, or of any contracts, instruments, or writings that they may have adopted or into which they have entered.

(b) Health Care Program Documents

The Trustees shall have the authority to interpret and apply the provisions of the Health Care Program documents, including the Interlocal Agreement, the Health Care Program Investment Policy and any Health Care Program document provided to Participating Employees and Beneficiaries. If there is a conflict between the Trust Agreement and any Health Care Program document, including the Interlocal Agreement, the Terms of the Trust Agreement shall apply.

(c) Insured Benefit Documents

For each Insured Benefit, the insurance carrier shall have the sole authority, discretion and responsibility to interpret and apply the terms of the Insured Benefit documents provided to Participating Employees and Beneficiaries, and to determine all factual and legal questions under such documents. If there is a conflict between the terms of this Trust Agreement, any other Trust document, the Participation Agreement and an Insured Benefit document provided to Participating Employees and Beneficiaries, the terms of the Insured Benefit document shall apply.

Article VIII

Contributions and Collections

1. Contributions

Each Participating Employer shall pay Contributions to the Trust Fund on such date and in such manner as provided in the Participation Agreement.

2. Contribution Reporting Forms

The Trustees shall create and make available, at the expense of the Trust Fund, contribution reporting forms for the use of Participating Employers in making their Contributions.

3. Contribution Due Date

All Contributions shall be due by the date specified by the Participation Agreement.

4. Delinquent Contributions

A Participating Employer shall be considered to be delinquent in the payment of Contributions if the Participating Employer: (a) fails to submit a contribution reporting form, and the Contributions detailed therein, by the close of business on the due date; or (b) fails to submit Contributions on behalf of all the Participating Employees for whom Contributions are required by the underlying collective bargaining agreement or Participation Agreement; or (c) fails to compute properly the Contributions according to the required contribution formula specified in the underlying collective bargaining agreement or Participation Agreement.

The Trustees shall undertake reasonable efforts, at the expense of the Trust Fund, to collect known delinquent Contributions. If, following reasonable efforts, the Trustees are unable to collect known delinquent Contributions, the Participating Employer will no longer be in good standing with the Trust, and Article VIII, Section 5 and Article IX, Subsection 3(c) shall apply.

5. Liquidated Damages and Interest

It is recognized and acknowledged by all parties, including the Participating Employers, that the prompt and accurate payment of Contributions is essential to the maintenance of the Trust, Insured Benefits and the Health Care Program, and that it would be extremely difficult, if not impossible, to fix the actual expense and damage to the Trust Fund that would result from the failure to pay the required Contributions within the time provided. Therefore, such Participating Employers shall be liable, in addition, for liquidated damages of ten percent (10%) of the amount of the Contributions which are owed or fifty dollars (\$50.00), whichever is greater. In addition, the delinquent Contributions shall bear interest at the rate of ten percent (10%) per annum from the due date until they are paid. The Trustees shall have the authority, however, to waive all or part of the liquidated damages or interest for good cause shown.

6. Attorney Fees and Court Costs

Further, in the event the Trustees place the account in the hands of legal counsel for collection, the delinquent Participating Employer shall be liable for reasonable attorney fees (with a minimum of \$25.00), and for all reasonable costs incurred in the collection process, including court fees, audit fees, etc. The Trustees shall have the authority, however, to waive all or part of the attorney fees or collection costs for good cause shown.

7. Venue of Collection Actions

In the event a collection suit is initiated, venue of such suit may be laid in a court of competent jurisdiction (federal or state) in the county, district, or borough in which the Trust Fund has an office, at the option of the Trustees.

Article IX

Joining, Participating and Terminating Participation in the Trust

Cities and towns within the State of Washington are eligible to join the Trust by meeting the criteria of this Article IX, Section 1(a), and certain non-city entities within the State of Washington are eligible to join the Trust by meeting the criteria of this Article IX, Section 1(b)(i) and (ii). The Board of Trustees reserves the authority to change the criteria at any time. Participating employers participate and terminate their participation in the Trust in accordance with this Article IX, Section 2 and 3.

1. Joining the Trust

(a) Cities/Towns

Cities or towns that are members of the AWC are eligible to join the Trust, and can enroll in any one (or more) of the Insured Benefits and the Health Care Program at any time of the year, but are subject to the following criteria:

- (i) Must be a party to a Participation Agreement.
- (ii) If the city or town wishes to enroll in the Health Care Program, it must be a party to and meet all of the requirements of an Interlocal Agreement.
- (iii) Must commit to a minimum of 3 years of participation in the Trust.
- (iv) Benefit programs will not be specifically tailored to individual cities or towns.

(b) Non-City Entities

A non-city entity must meet certain criteria in order to be considered for entrance to the Trust.

(i) Application Criteria

If the following application criteria are met, the non-city entity's application will be reviewed by the Board of Trustees for either acceptance or rejection:

- (A) Any Participating City or any AWC member city, as such membership is defined by the AWC, must sponsor the non-city entity.
- (B) The council of the sponsoring AWC Member city or Participating City must adopt a resolution within 6 months of the non-city entity's application date that requests membership for the non-city entity into the Trust.

- (C) The non-city entity must have an Interlocal Agreement with a Participating City or cities or an AWC member city or cities to provide services that are traditionally provided by a city or town.
- (D) The non-city entity must provide the Trust with information to demonstrate that it provides predominantly city services. Such information can include, but is not limited to, a map of its service area.
- (E) The non-city entity must apply for membership in the Trust at a minimum of one month prior to any regular Board of Trustees meeting for consideration by the Board.
- (F) The non-city entity must complete and submit an AWC Trust Non-City Entity Application Form.
- (G) The non-city entity must not have access to group insurance through a professional service or other organization for which the non-city entity is affiliated, a member of, or eligible for membership due to the non-city entity's status or services it provides.
- (H) Additional criteria, such as the current percentage of enrollment of non-city entity members, may be considered at any time by the Board of Trustees.
- (ii) Non-city entities must meet the same criteria as cities or towns, as set forth in Article IX, Section 1(a).
- (iii) Non-City Entities are not eligible to serve on the Employee Benefits Advisory Committee or the Board of Trustees.
- (iv) Non-City Entities that are private, non-profit membership associations within the State of Washington are ineligible to participate in the Health Care Program.
- (v) Upon Board approval of membership, the Non-City Entity will be charged an AWC Associate Member fee and a percentage of its annual premium that it must pay to the Trust.

2. Participating in the Trust

All Participating Employers are subject to and must adhere to the Underwriting Rules, which are incorporated herein by reference. If there is any conflict between the Underwriting Rules and the terms governing participation, eligibility and waiting periods contained in a master group contract between the Trust and an insurance carrier, the terms of the master group contract shall apply.

3. Terminating Participation in the Trust

(a) Termination by Participating Employers with 250 or More Participating Employees

Participating Employers with 250 or more Participating Employees may terminate participation in the Trust by providing written notice to the Trust at a minimum of 12 months in advance of the effective date of termination. For purposes of this subsection 3(a), "effective date of termination" is December 31 only. Therefore, written notice must be provided to the Trust by the January 1 prior to the December 31 on which such Participating Employer wishes to terminate participation.

(b) Termination by Participating Employers with Less than 250 Participating Employees

Participating Employers with less than 250 Participating Employees may terminate participation in the Trust by providing written notice to the Trust at a minimum of 6 months in advance of the effective date of termination. For purposes of this subsection 3(b), "effective date of termination" is December 31 only. Therefore, written notice must be provided to the Trust by the July 1 prior to the December 31 on which such Participating Employer wishes to terminate participation.

(c) Termination by the Board of Trustees

Notwithstanding Article IX Sections 3(a) and (b) above, the Board of Trustees may terminate a Participating Employer's participation in the Trust:

- (i) for cause;
- (ii) when required by law;
- (iii) for failure to make Contributions following reasonable efforts to collect delinquent Contributions under Section 5 of Article VIII; or
- (iv) at its discretion by providing written notice to the Participating Employer at a minimum of 4 months in advance of the effective date of termination. For purposes of this subsection (c)(iv), "effective date of the termination" is sixty (60) days following the date of the Board of Trustees' notice of termination.

Article X

Limitations

1. Liabilities and Debts of Trust Fund

No Signatory Party or Trustee, and no Participating Employer, Participating Employee or Beneficiary shall be responsible for the liabilities or debts of the Trust Fund.

2. Liabilities and Debts of Participating Parties

No Participating Employer shall become responsible by reason of its participation in the Trust Fund for the liabilities or debts of any other Participating Employer.

3. Personal Liabilities of Trustees

No Trustee shall incur any personal liability in connection with the administration of the Trust Fund, Insured Benefits or Health Care Program, except for such liability that may be established in accordance with applicable law.

Except as may be required by applicable law, no Trustee shall be held personally liable for any breach of fiduciary responsibilities in connection with the administration of the Trust Fund or the Benefits where it is established:

- (a) that the responsibilities at issue were lawfully allocated or delegated to other Trustees or fiduciaries; or
- (b) that in carrying out the responsibilities at issue the Trustee reasonably relied upon the advice given by the administrative agent or by one or more of the advisors retained by the Trustees.

No Trustee shall be personally liable for a breach of fiduciary responsibilities if such breach was committed before becoming a Trustee or after ceasing to be a Trustee.

4. Judgments Against Trust Fund

Any money judgment against the Trust Fund shall be enforceable only against the Trust Fund entity and shall not be enforceable against any Trustee or other person, unless liability against the Trustee or other person, in his individual capacity, is established in accordance with applicable law.

5. Participating Parties' Rights

Except as specifically provided for in this Trust Agreement or in the Insured Benefit or Health Care Program documents, no Participating Employer, Participating Employee or Beneficiary shall have any right, title or interest in or to the Trust Fund, or in or to the Contributions, or in or to the benefits provided.

No Participating Employee may be entitled to receive any part of the Contributions in lieu of Insured Benefits or the Health Care Program, nor shall a Participating Employee who does not qualify for Insured Benefits or the Health Care Program, or that employee's employer, have any claim to the Contributions which may have been paid on the Participating Employee's behalf.

6. Cessation of Participation

In the event a Participating Employer should cease its participation in the Trust Fund, there shall be no division of any of the monies or assets of the Trust Fund, except as may be required by law.

7. Protection of Trust Fund, Contributions and Benefits

No part of the Trust Fund (including the Contributions) or Insured Benefits or Health Care Program benefits payable under the Trust shall be subject in any manner, by a Participating Employee or Beneficiary, to anticipation, alienation, sale, transfer, assignment, encumbrance, or charge, and any attempt to do so shall be null and void, provided that the Trustees may recognize assignments of benefits from a Participating Employee or Beneficiary to a doctor, hospital or other person or institution that has treated or cared for, or provided medical services or goods to, the Participating Employee or Beneficiary.

Further, no part of the Trust Fund (including the Contributions) or the Insured Benefits or Health Care Program benefits payable under the Trust shall be liable for the debts of a Participating Employee or Beneficiary, nor be subject in any manner to garnishment, attachment, lien, charge, or any other legal process brought by any person against a Participating Employee or Beneficiary, and any attempt to do so shall be null and void.

8. Reliance Upon Written Documents

The Trustees may act upon any written letter, report, certificate, instrument, or other document submitted to them by any Participating Employer, labor organization, Participating Employee or Beneficiary, or by any other person, where the document appears to be genuine and to be signed by the proper person or persons, and the Trustees shall be under no duty to make any investigation or inquiry as to any statement contained in any such document.

9. Agents of Trust Fund

The Trust Fund is an entity legally separate and apart from Participating Employers and the Association. Accordingly, unless authorized in a motion or resolution of the Board of Trustees, no Participating Employer, the Association, nor any individual employed thereby, shall have any authority to act or function for or on behalf of the Trust Fund or as an agent thereof. Likewise, except as otherwise provided in this Trust or unless authorized in a motion or resolution of the Board of Trustees, no individual Trustee shall have any authority to act or function for or on behalf of the Trust Fund or as an agent thereof.

Article XI

Miscellaneous

1. Trust Fund Offices

The Trust Fund shall maintain a principal office in Olympia, Washington, and sub-offices, as necessary, in such locations as the Trustees may determine.

2. Applicable Laws and Regulations

This Trust Agreement shall be interpreted, and the Trust Fund shall be administered, in accordance with laws of the State of Washington, the Code, HIPAA, the Affordable Care Act, and other applicable statutes and regulations, as such statutes and regulations presently exist or as they may hereafter be amended.

References herein to particular sections of the above-mentioned statutes shall include any regulations pertinent to these sections and any subsequent amendments to either the sections or the regulations.

3. Service in More Than One Fiduciary Capacity

Any Trustee or other person who is a fiduciary may serve the Trust Fund in more than one fiduciary capacity.

4. Notices

Any written notice permitted by this Trust Agreement shall be delivered personally or sent by certified mail (postage prepaid, return receipt requested) or by a recognized US overnight carrier, and will be addressed as follows:

AWC Employee Benefit Trust
Attn: President, AWC Employee Benefit Trust Board of Trustees
c/o Association of Washington Cities
1076 Franklin Street, S.E.
Olympia, WA 98501

5. Severability

If any provision of this Trust Agreement, or of the Trust's Insured Benefit or Health Care Program documents, is held to be illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining portions of the Trust Agreement, or of the Trust's Insured Benefits or Health Care Program.

6. Titles and Words

The titles of the various articles and sections of this Trust Agreement are inserted solely for convenience of reference and are not a part of, nor shall they be used to construe, any term or provision hereof. Whenever any words are used herein in the masculine gender, they shall be construed as though they were used in the feminine gender, and words in singular form shall be construed as though they were used in the plural form, in all cases where they would so apply.

7. Accounting Period

The annual accounting period for the Trust shall be the twelve-month period commencing January 1 and ending the following December 31.

8. Nondiscrimination

To the fullest extent possible, the Trustees shall treat alike all persons who are similarly situated.

Article XII

Amendments and Termination

1. Amendments

This Trust Agreement may be amended at any time by action of the Board of Trustees.

In no event shall such amendment cause this Trust to be used for any purpose other than to provide Insured Benefits or for the payment of Health Care Program benefits to Participating Employees and their Beneficiaries or permit the net earnings of the Trust Fund to inure, other than by payment of benefits, to the benefit of any entity or individual.

2. Termination

This Trust Agreement may be terminated at any time by action of the Board of Trustees approved in writing by the Board of Directors of the Association.

3. Allocation Upon Termination

Upon the termination of this Trust Agreement, the Trustees shall wind up the affairs of the Trust Fund. Where the termination occurs as a result of a merger, as authorized by Article VII, Section 30, any and all monies and assets remaining in the Trust Fund, after payment of expenses, shall be transferred to the Trust Fund with which the merger has been negotiated. With respect to any other termination, any and all monies and assets remaining in the Trust Fund, after the payment of expenses, shall be used for the continuance of the then existing Insured Benefits or Health Care Program benefits, until such monies and assets have been exhausted, unless some other disposition is required under applicable laws.

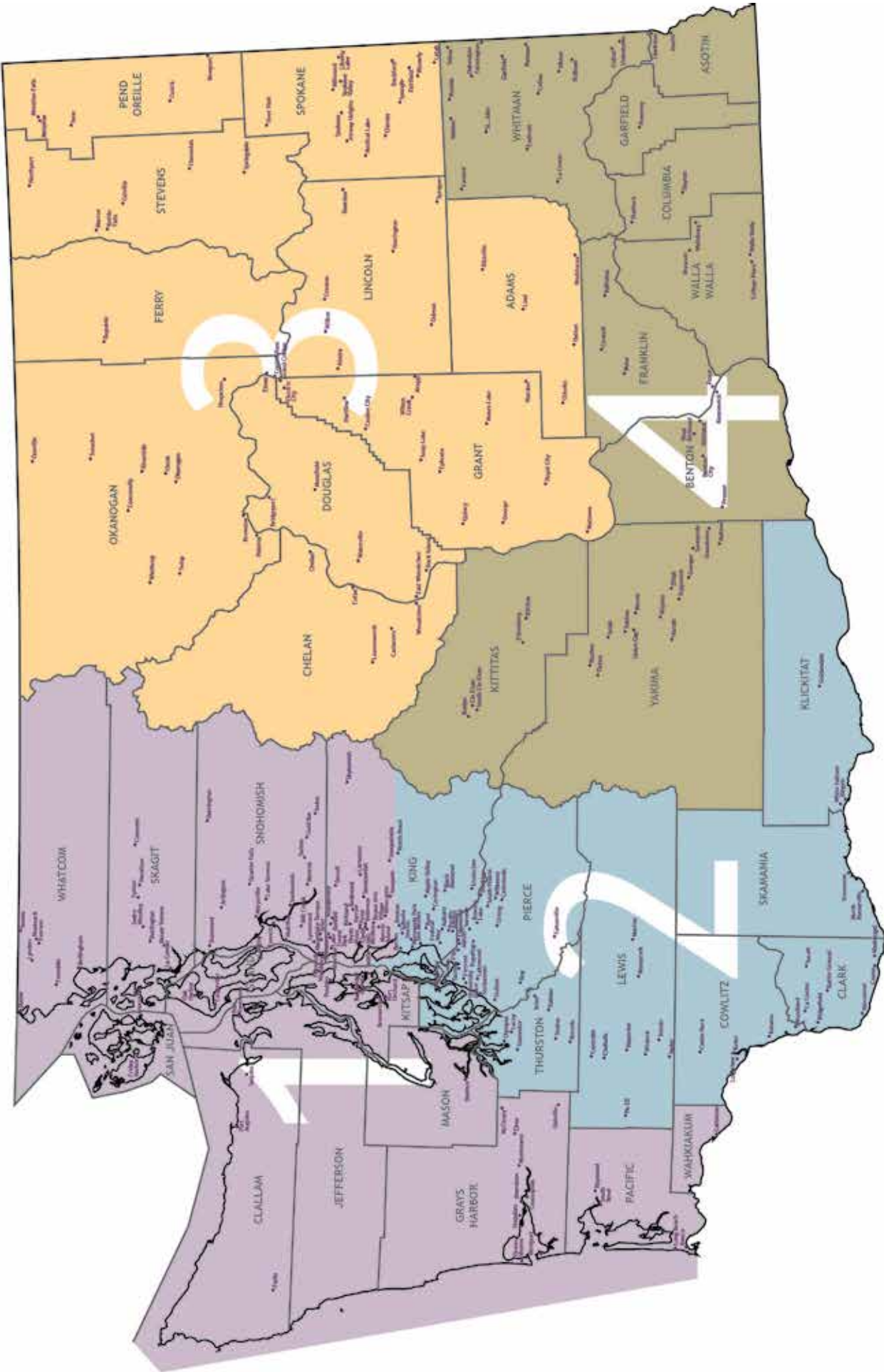
The assets of the Trust Fund upon such termination shall be used solely for providing benefits to Participating Employees and their Beneficiaries and no part of the net earnings of the Fund shall inure, other than by payment of benefits, to the benefit of any entity or individual.

In no event shall any of the remaining monies or assets be paid to or be recoverable by any Participating Employer.

4. Continuation of Powers and Duties of Trustees

From and after the date of the termination of the Trust and until the final distribution of the assets of the Trust Fund, the Trustees shall continue to have all the powers and duties provided under the Trust Agreement which are necessary and expedient for the orderly liquidation and distribution of the assets of the Trust Fund.

ASSOCIATION OF WASHINGTON CITIES



Signature page omitted for distribution copy



AWC Employee Benefit Trust
1076 Franklin Street SE
Olympia, WA 98501
360-753-4137
awcnet.org



AWC Employee Benefit Trust Employer Master Participation Agreement

awcnet.org

The AWC Employee Benefit Trust is a plan sponsor for health coverage through the following insurance carriers:

Medical	Dental	Vision	EAP	Life & LTD
Regence ASURIS 1800 Ninth Ave Seattle, WA 98101 528 E Spokane Falls Blvd, Suite 301 Spokane, WA 99202	KAISER PERMANENTE Kaiser Permanente 601 Union Street, Suite 3100 Seattle, WA 98101 DELTA DENTAL Delta Dental of Washington 9706 Fourth Ave NE Seattle, WA 98115	Willamette Dental Willamette Dental of Washington, Inc. 6950 NE Campus Way Hillsboro, OR 97124 VSP 3333 Quality Drive Rancho Cordova, CA 95670	COMPSECH NBC Tower 455 N. Cityfront Plaza Drive Chicago, IL 60611-5322	Standard Insurance Company 1100 SW 6th Ave Portland, OR 97204

Employer: Town of Yacolt

Date form completed: 12/15/2017

☒ Initial Employer Master Participation Agreement

Effective date: 1/1/2018

☐ Change to existing Employer Master Participation Agreement The effective date of the change is: _____

The change to the existing Employer Master Participation Agreement is: HE to HE250, VSP \$0 to VSP \$10

Form completed by: (name, title) Katie Younce, Assistant Clerk

Total number of full-time employees eligible for ANY employer sponsored health coverage: 3

Total number of full-time employees:	Eligible	Enrolled
AWC sponsored medical plans	<u>3</u>	<u>3</u>
AWC sponsored dental plans	<u>3</u>	<u>3</u>
AWC sponsored vision plans	<u>3</u>	<u>3</u>

Total number of LEOFF I actives: Fire dept: _____ Police dept: _____

Total number of LEOFF I retirees: Fire dept: _____ Police dept: _____

Do you provide health coverage for your elected officials? ☐ Yes ☒ No

Total number of elected officials:	Eligible	Enrolled
AWC sponsored medical plans	_____	_____
AWC sponsored dental plans	_____	_____
AWC sponsored vision plans	_____	_____

Do you provide health coverage for your part-time employees? ☒ Yes ☐ No

If yes, provide your definition of minimum hours worked per week in order for part-time employees to be eligible for benefits. (Cannot be less than 20 hours/week.)

32 hrs (as per 10/1/12 MPA) agm

Total number of part-time employees:	Eligible	Enrolled
AWC sponsored medical plans	_____	_____
AWC sponsored dental plans	_____	_____
AWC sponsored vision plans	_____	_____

EMPA-2 (8/17)

Eligibility criteria:

EMPLOYEES:

1. Employees are covered the first day of the month after date of hire. ☐ Yes ☒ No
2. Employees have a ~~90 Days~~ 30 (m) probationary period and then are covered the first of the month following the date probationary period is completed. Waiting period and enrollment cannot be longer than 90 days. (Written employer policy must be submitted to AWC.)
3. If an employee's hire date is the first day or first working day of the month - is your policy to (check one):
☐ A. Start the employee's insurance on the first of that month or
☐ B. Start the employee's insurance on the first of the month following date of hire
4. Employee's insurance coverage terminates the first of the month following the date of termination/date of retirement.
☒ Yes ☐ No
If no, please explain employer policy below. (Written employer policy must be submitted to AWC.)

DEPENDENTS:

1. Spouse/Domestic partners are eligible to be covered on the employer's plan. ☒ Yes ☐ No
2. Domestic partner health care coverage is required by state law. If you have a more generous domestic partner policy than required by Washington state law (RCW 48.44.900), attach the policy.

Joining the Trust:

1. Newly enrolling cities/groups commit to a minimum of three years participation in the Trust.

Plan additions OR plan changes:

1. Written notification of change and/or addition of plan(s) should be sent to the AWC Trust office 30-days prior to the change and/or addition. This will be accomplished by completing a new Master Participation Agreement.

Coverage termination:

1. Written notification of total city coverage termination must be sent to the AWC Trust office as outlined in the Trust Agreement.
2. Cities of any size terminating a group or line of coverage must notify the Trust a minimum of 60 days prior to termination in order to facilitate a smooth transition. Terminations are allowed the first of any month following the 60 day notification period.

Employers should refer to the Trust Agreement which governs the AWC Employee Benefit Trust and is the legal document that guides the Trust. It contains information and requirements on joining and participating in the Trust. A copy is provided upon joining the Trust and re-issued when the agreement is amended and restated.

I have provided these answers as part of the procedure required by the AWC Employee Benefit Trust to provide or change any AWC Trust-sponsored insurance coverage for our employees. I certify that all information completed on this form is true, correct, and complete. I understand that the AWC Trust will rely on each answer to ensure underwriting rule compliance. It is a crime to knowingly provide false, incomplete, or misleading information to the Board of Trustees for the purposes of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits. In addition, the Board of Trustees will have the right to collect any claims payments or other damages.

[Signature]
Signed

12/17/17
Date

[Signature]
Title


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Employee Benefit Trust

Regence and Asuris rates

Plan descriptions

2017 WellCity Award recipients receive a 2% premium discount on the medical active plans full family rate in 2018. The discounted rate will be reflected on each monthly premium billing. **Be aware that the rounding in NWA billing system could show a minor discrepancy from the WellCity rates listed below.**

2% WellCity discount calculator



AWC HealthFirst® 250

	2017 rate	2018 rate	% Increase from 2017	2018 WellCity rate
Active employee	684.74	734.16	7.2	719.48
Spouse	690.49	740.32	7.2	725.51
First dependent	340.15	364.70	7.2	357.41
Second dependent	281.21	301.50	7.2	295.47
No additional charge for three or more dependents.				

AWC HealthFirst® 500

	2017 rate	2018 rate	% Increase from 2017	2018 WellCity rate
Active employee	643.47	689.92	7.2	676.12
Spouse	649.62	696.50	7.2	682.57
First dependent	319.30	342.34	7.2	335.49
Second dependent	265.32	284.48	7.2	278.79
No additional charge for three or more dependents.				

High Deductible Health Plan (with Health Savings Account)

	2017 rate	2018 rate	% Increase from 2017	2018 WellCity rate
Active employee	450.92	510.52	13.2	500.31
Spouse	456.48	516.82	13.2	506.48
First dependent	228.88	259.14	13.2	253.96
Second dependent	187.41	212.18	13.2	207.94
No additional charge for three or more dependents.				

Accountable Health Network 250

New plan 1/1/18

	2017 rate	2018 rate	% Increase from 2017	2018 WellCity rate
Active employee	N/A	700.98	0	686.96
Spouse	N/A	706.86	0	692.72
First dependent	N/A	348.22	0	341.26
Second dependent	N/A	287.88	0	282.12


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Employee Benefit Trust

Delta Dental rates

Plan descriptions

Dental

	2017 rate	2018 rate	% Increase from 2017
Plan A			
Employee	52.78	52.78	0
Employee + 1 dependent	100.21	100.21	0
Employee + 2 or more dependents	158.28	158.28	0
Plan B			
Employee	46.52	46.52	0
Employee + 1 dependent	86.54	86.54	0
Employee + 2 or more dependents	142.66	142.66	0
Plan C			
Employee	38.02	38.02	0
Employee + 1 dependent	73.23	73.23	0
Employee + 2 or more dependents	119.72	119.72	0
Plan D			
Employee	48.99	48.99	0
Employee + 1 dependent	103.42	103.42	0
Employee + 2 or more dependents	153.10	153.10	0
Plan E			
Employee	48.69	48.69	0
Employee + 1 dependent	90.53	90.53	0
Employee + 2 or more dependents	148.87	148.87	0
Plan F			
Employee	54.79	54.79	0
Employee + 1 dependent	103.63	103.63	0
Employee + 2 or more dependents	162.21	162.21	0
Plan G			
Employee	53.65	53.65	0
Employee + 1 dependent	101.50	101.50	0
Employee + 2 or more dependents	167.80	167.80	0
Plan J New plan 1/1/17			
Employee	56.65	56.65	0
Employee + 1 dependent	107.15	107.15	0
Employee + 2 or more dependents	167.73	167.73	0

Orthodontia

	2017 rate	2018 rate	% Increase from 2017
Plan I			
Employee	.00	.00	0
Employee + 1 dependent	.16	.16	0
Employee + 2 or more dependents	9.69	9.69	0
Plan II			
Employee	.00	.00	0
Employee + 1 dependent	.41	.41	0
Employee + 2 or more dependents	19.36	19.36	0
Plan III			
Employee	1.23	1.23	0
Employee + 1 dependent	3.05	3.05	0
Employee + 2 or more dependents	21.78	21.78	0
Plan IV			
Employee	.00	.00	0
Employee + 1 dependent	1.04	1.04	0
Employee + 2 or more dependents	34.74	34.74	0
Plan V			
Employee	2.44	2.44	0
Employee + 1 dependent	5.69	5.69	0
Employee + 2 or more dependents	39.03	39.03	0

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1076 Franklin St., SE
 Olympia, WA 98501
 360.753.4137
 1.800.562.8981

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Employee Benefit Trust

Vision Service Plan rates

Plan descriptions

	2017 rate	2018 rate	% Increase from 2017
No deductible			
Employee	11.30	11.30	0
Employee + 1	22.60	22.60	0
Employee + 2	33.90	33.90	0
\$10 deductible			
Employee	9.82	9.82	0
Employee + 1	19.64	19.64	0
Employee + 2	29.46	29.46	0
\$25 deductible			
Employee	7.96	7.96	0
Employee + 1	15.92	15.92	0
Employee + 2	23.88	23.88	0
Low option plan			
Employee	6.29	6.29	0
Employee + 1	12.58	12.58	0
Employee + 2	18.87	18.87	0
Second pair option rider (can be added to any of the plans above)			
Employee	1.09	1.09	0
Employee + 1	2.18	2.18	0
Employee + 2	3.27	3.27	0

VSP full-family rate changed to three-tier rating structure effective 1/1/15.

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Cityvision magazine
CityVoice
Legislative Bulletin

Member Pooling Programs

Employee Benefit Trust
Risk Management Service Agency
Workers Comp Retro
Drug & Alcohol Consortium

AWC conferences

AWC Annual Conference
City Action Days
Healthy Worksite Summit
Labor Relations Institute
Member Expo

Partners

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AWC Center for Quality Communities
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Article XI

Miscellaneous

1. Trust Fund Offices

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2. Applicable Laws and Regulations

This Trust Agreement shall be interpreted, and the Trust Fund shall be administered, in accordance with laws of the State of Washington, the Code, HIPAA, the Affordable Care Act, and other applicable statutes and regulations, as such statutes and regulations presently exist or as they may hereafter be amended.

References herein to particular sections of the above-mentioned statutes shall include any regulations pertinent to these sections and any subsequent amendments to either the sections or the regulations.

3. Service in More Than One Fiduciary Capacity

Any Trustee or other person who is a fiduciary may serve the Trust Fund in more than one fiduciary capacity.

4. Notices

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AWC Employee Benefit Trust
Attn: President, AWC Employee Benefit Trust Board of Trustees
c/o Association of Washington Cities
1076 Franklin Street, S.E.
Olympia, WA 98501

5. Severability

If any provision of this Trust Agreement, or of the Trust's Insured Benefit or Health Care Program documents, is held to be illegal or invalid for any reason, such illegality or invalidity shall not affect the remaining portions of the Trust Agreement, or of the Trust's Insured Benefits or Health Care Program.

6. Titles and Words

The titles of the various articles and sections of this Trust Agreement are inserted solely for convenience of reference and are not a part of, nor shall they be used to construe, any term or provision hereof. Whenever any words are used herein in the masculine gender, they shall be construed as though they were used in the feminine gender, and words in singular form shall be construed as though they were used in the plural form, in all cases where they would so apply.

7. Accounting Period

The annual accounting period for the Trust shall be the twelve-month period commencing January 1 and ending the following December 31.

8. Nondiscrimination

To the fullest extent possible, the Trustees shall treat alike all persons who are similarly situated.

Salary Sheet

Position	Hourly Wage	Hours/wk	Ttl/wk	Ttl/year		Benefits/Yr
Public Works Director	25.00	40	1000.00	52,000.00	spouse	17,323.56
Public Works Maintenance	20.00	40	800.00	42,744.00		8,451.36
Town Clerk ??	25.00	40	1000.00	52,000.00	spouse	17,323.56
Assistant Clerk Part Time	13.00	24	312.00	16,224.00	60%	5,631.00
Assistant Clerk Part Time	13.00	32	416.00	21,632.00	spouse	17,323.56
Assistant Clerk Full time	13.00	40	520.00	27,040.00	spouse	17,323.56
Public Works Director	69,323.56					
Public Works Maintenance	51,195.36					
Clerk	69,323.56					
Assistant Clerk @ 32 hours a week	38,955.56					
Total Yearly	228,798.04					

Ttl Wage & Ben

69,323.56

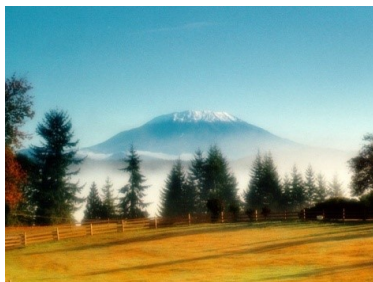
51,195.36

69,323.56

21,855.00

38,955.56

44,363.56



Town of Yacolt

Request for Council Action

Proposed Meeting Date: Monday, March 05, 2018 Agenda Item:

Contact Information for Person/Group/Department Requesting Council Action:

Requester's Name Council, Mayor

Group Name (if applicable)

Address

Daytime Phone

Alternate Phone

E-Mail Address

Item Title:

Town Clerk Position - Update

Action Requested of Council:

Update on the hiring of a Town Clerk

Proposed Motion:

Summary / Background:

Governing Legislation:

Budget/Finance Impacts:

Attachments, (previous ordinance, resolution, proposed ordinance, etc.):

Staff Contact(s):



Town of Yacolt

Request for Council Action

Proposed Meeting Date: Monday, March 05, 2018 Agenda Item:

Contact Information for Person/Group/Department Requesting Council Action:

Requester's Name Attorney

Group Name (if applicable)

Address

Daytime Phone

Alternate Phone

E-Mail Address

Item Title:

Clark County Interlocal Agreement for Building Department Services - Discussion

Action Requested of Council:

Proposed Motion:

Summary / Background:

Governing Legislation:

Budget/Finance Impacts:

Attachments, (previous ordinance, resolution, proposed ordinance, etc.):

Staff Contact(s):

Attorney