

BOROUGH OF GREENCASTLE
Franklin County, Pennsylvania

(ORDINANCE 2006-03)

AN ORDINANCE AUTHORIZING BOROUGH OF GREENCASTLE, FRANKLIN COUNTY, PENNSYLVANIA, TO JOIN WITH OTHER POLITICAL SUBDIVISIONS AS A MEMBER OF THE PENNSYLVANIA MUNICIPAL HEALTH INSURANCE COOPERATIVE (PMHIC), TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT FOR THE PURPOSE OF JOINING THE PMHIC AND TO PARTICIPATE AS A MEMBER OF THE PMHIC.

PREAMBLE

A. A number of political subdivisions within central Pennsylvania, have investigated whether it would be mutually beneficial to cooperate with each other in obtaining employee benefit insurance.

B. A plan has been presented to establish the Pennsylvania Municipal Health Insurance Cooperative (the "PMHIC") for the purpose of collectively purchasing employee benefits insurance.

C. The PMHIC will be established pursuant to an intergovernmental cooperation agreement entitled the Pennsylvania Municipal Health Insurance Cooperative Agreement ("the Agreement").

D. Pursuant to the Pennsylvania Intergovernmental Cooperation Act, 53 Pa.C.S.A. Section 481 et seq., a municipality may enter into an intergovernmental cooperation agreement upon the passage of an ordinance by its governing body.

NOW, THEREFORE, BE IT ENACTED AND ORDAINED by the Borough Council (the "Governing Body") of the Borough of Greencastle, Franklin County, Pennsylvania (the "Political Subdivision"), as follows:

1. The caption and Preamble of this Ordinance set forth above are incorporated herein by reference.

2. This Political Subdivision hereby approves entering into the Agreement, a copy of which is attached hereto and incorporated herein by reference (and which shall be filed with the minutes of the meeting at which this Ordinance was enacted), with the intent and effect that this Political Subdivision shall be bound by the Agreement

3. The Chairman or Vice-Chairman of the Governing Body, acting alone or together with the Borough Manager, are hereby authorized and directed on behalf of the Political Subdivision, (i) to execute and deliver the Agreement, and (ii) to execute and deliver such additional instruments, and to take such further actions, as may be necessary or appropriate to carry forth the Agreement and the transactions to be effected under the Agreement, including payment to the PMHIC of such amounts as are due by the Political Subdivision pursuant to the Agreement.

4. All actions of any officer, agent or other representative of this Political Subdivision heretofore taken in the pursuit of the establishment of the PMHIC and/or the Political Subdivision's participation therein, are hereby ratified and approved in all respects.

5. The Governing Body of the Political Subdivision is hereby authorized to take such other action as may be necessary or appropriate to carry out the purposes of this Ordinance and of the Agreement.

6. As required by the Pennsylvania Intergovernmental Cooperation Act, the following matters are specifically found and determined:

(a) The conditions of the Agreement are set forth in the Agreement.

(b) This Political Subdivision shall participate in the PMHIC for an initial term of three (3) years from the date that they first elected to purchase benefits through PMHIC. Thereafter, termination of the Agreement shall be as further set forth therein.

(c) The purpose and objectives of the Agreement are as set forth in the Preamble of this Ordinance and in the Agreement.

(d) The manner and extent of financing the Agreement are that (i) no borrowing will be required by the Political Subdivision, (ii) funds to implement the Political Subdivision's obligations under the Agreement same shall come from normal and usual budgeted amounts for such matters, and (iii) other provisions governing the manner and extent of the financing of the PMHIC shall be as set forth in the Agreement;

(e) The PMHIC shall be managed by its Board of Directors pursuant to the terms of the Agreement.

(f) All property, real or personal, of the PMHIC, shall be acquired, managed, licensed or disposed of by the PMHIC in accordance with the terms of the Agreement.

(g) The PMHIC created by the Agreement shall be empowered to enter into contracts for policies of group insurance and employee benefits pursuant to the terms of the Agreement.

7. The provisions of this Ordinance are severable and if any section, sentence, clause or part or provision hereof shall be held to be illegal, invalid or unconstitutional by any court of competent jurisdiction, such decision of the court shall not affect the remaining sections, clauses, parts or provisions of this Ordinance. It is hereby declared to be the intent of the Political Subdivision that such Ordinance would have been enacted if such illegal, invalid or unconstitutional section, sentence, clause, part or provision had not been included herein.

8. Nothing contained in this Ordinance shall be construed to affect any suit or proceeding in any court, or any rights acquired or liability incurred, or any cause of action existing prior to the enactment of this Ordinance.

9. This Ordinance shall become effective immediately upon enactment hereof.

DULY ORDAINED AND ENACTED this 3rd day of January, 2006, by the Borough Council of the Borough of Greencastle, Franklin County, Pennsylvania.

ATTEST:

(SEAL)

/s/ Kenneth E. Myers
Borough Secretary

/s/ Charles R. Eckstine
Council President

APPROVED this 3rd day of January, 2006

/s/ Robert E. Eberly
Mayor

"I hereby certify that the above Ordinance was duly adopted on January 3, 2006 at a Regular Meeting of the Mayor and Borough Council, and that the intention to adopt this Ordinance was advertised in The Record Herald, a newspaper of general circulation within the Borough on December 24, 2005, and entered in the Borough Ordinance Book on January 10, 2006".

(Seal)
Kenneth E. Myers
Kenneth E. Myers, Borough Secretary