

CITY OF JEANNETTE

WESTMORELAND COUNTY, PENNSYLVANIA

BILL NO. 96-8

ORDINANCE NO. 96-11

AN ORDINANCE AUTHORIZING THE PARTICIPATION OF THE CITY OF JEANNETTE IN THE PENN PRIME WORKERS' COMPENSATION TRUST.

BE IT ORDAINED AND ENACTED, by the Council of the City of Jeannette, Westmoreland County, Pennsylvania, at a regular meeting thereof, held the 31<sup>st</sup> day of DECEMBER, 1996, that:

**WHEREAS:** the cost of workers; compensation insurance premiums and efforts to control costs have become a matter of great concern to elected municipal officials and managers; and

**WHEREAS:** intergovernmental cooperation by means of the creation of a group workers' compensation pool for the payment of workers' compensation, occupational disease and employer's liability obligations from a common fund which is mutually guaranteed by all its members can stabilize and reduce the cost of meeting those workers' compensation, occupational disease and employer's liability obligations; and

**WHEREAS:** the Penn PRIME Workers' Compensation Trust is a group workers' compensation pool established through the intergovernmental cooperation of Pennsylvania municipalities under the authority of the Pennsylvania Intergovernmental Cooperation Law (53 P.S. §481 et. seq.) and the Pennsylvania Workers' Compensation Act (Article VII of the Act of June 2, 1915, P.L. 736 No. 338) as reenacted and amended; and

**WHEREAS,** the City of Jeannette has previously obtained Workers' Compensation coverage through the State Workmen's Insurance Fund; and

**WHEREAS**, the City of Jeannette desires to change its Workers' Compensation coverage and commence participation in the Penn PRIME Workers' Compensation Trust, in order to control costs and reduce annual premiums paid for such coverage.

NOW, THEREFORE, in consideration of the foregoing, it is hereby ordained and enacted as follows:

**SECTION I:** That the City of Jeannette is hereby authorized to execute the Penn PRIME Workers' Compensation Trust Agreement (or Member Participation Agreement), which Trust Agreement provides for the participation of the City of Jeannette in cooperation with other Pennsylvania municipalities and local public agencies, in the Penn PRIME Workers' Compensation Trust. The Trust Agreement which specifies the organizational structure necessary to implement the program, is on file for inspection and review at the offices of the Pennsylvania League of Cities and Municipalities, 414 North 2nd Street, Harrisburg, Pennsylvania 17101, and is incorporated herein by reference. The Agreement may be amended after the enactment of this Ordinance by a majority vote of all of the Trustees, subject to the provisions of Article 8 of the Trust Agreement.

**SECTION II:** That the participation of the City of Jeannette in the Penn PRIME Workers' Compensation Trust is authorized for the purpose of enabling the City of Jeannette to ultimately reduce and stabilize the cost of its workers' compensation and occupational disease obligations through the creation of a joint fund to be used for the payment of workers' compensation, occupational disease, and employer's liability claims on behalf of all participants in the Penn PRIME Workers' Compensation Trust.

**SECTION III:** As set forth in the Penn PRIME Workers' Compensation Trust Agreement, the following conditions, among others as set forth in the Trust Agreement, apply to the participation of the City of Jeannette in the Penn PRIME Workers' Compensation Trust:

- 1) That each participating municipality meets the admission and eligibility requirements set forth therein.
- 2) That each participating municipality agrees to pay all of its annual contributions and any assessments which are required for the creation and maintenance of the General Operating and Restricted Surplus Funds created pursuant to the Penn PRIME Workers' Compensation Trust, and that each agrees to be jointly and severally responsible for the obligation of each and every other party to the Trust Agreement to discharge the liabilities arising under the Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act.
- 3) That each participating municipality comply with the terms of the Trust Agreement as respects contributions, required loss prevention methods, cooperation with the Trust service and fiscal agents, attorneys, claims adjusters, etc., and that each participating municipality comply with all applicable statutes and regulations governing the payment of workers' compensation claims, including, but not limited to, The Pennsylvania Workers' Compensation Act and the Pennsylvania Occupational Disease Act.

**SECTION IV:** Each participating municipality delegates to the Trustees of the Penn PRIME Workers' Compensation the powers enumerated in the Trust Agreement, including the right to expel participants under certain conditions. The terms of the Trust Agreement govern the manner in which property shall be acquired, managed, licensed, or disposed of. The Trust shall be empowered to enter into contracts for policies of group insurance and employee benefits, including social security for its employees.

**SECTION V:** As a condition of participating in the Penn PRIME Workers' Compensation Trust, the City of Jeannette agrees to:


- 1) Pay all annual contributions or assessments as may be required by the Trustees, from the City of Jeannette General Fund, by way of a premium in the amount of \$65,624.00 for 1997, and such other amounts as Council may hereafter approve;

- 2) Designate a contact person for the purpose of communicating with the Trust of its representatives;
- 3) Perform all covenants contained in the Penn PRIME Workers' Compensation Trust Agreement and delegate to the Trustees the powers and authority enumerated in that Agreement.


**SECTION VI:** This Ordinance is being enacted pursuant to Title 53 Pa. C.S.A. §481 et. seq. and Article VIII of the Act of June 2, 1915, P.L. 736 No. 338, as reenacted and amended (The Pennsylvania Workers' Compensation Act).

**SECTION VII:** All ordinances or parts of ordinances inconsistent herewith are hereby repealed.

**SECTION VIII:** This Ordinance shall take effect in ten (10) days, and shall remain in effect for a period of one (1) year.

By:   
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Michael J. Salvatore, Mayor  
President of Council

ATTEST:

  
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Ronald E. Dinsmore, City Clerk

**CITY OF JEANNETTE, WESTMORELAND  
COUNTY, PENNSYLVANIA**