

OPEEP BYLAWS

BYLAWS OF THE OREGON PUBLIC ENTITY EXCESS POOL

ARTICLE I. DEFINITIONS

The definitions of terms used in these Bylaws shall be the same as are contained in the Intergovernmental Agreement creating the Oregon Public Entity Excess Pool (“OPEEP”), hereinafter called the “Agreement,” unless otherwise expressly provided.

ARTICLE II. MEMBERSHIP IN OPEEP

A. Membership Criteria

Entities eligible to join OPEEP must satisfy at least one of the following criteria:

1. Be an Oregon "public body" as defined in ORS 30.260 (4-6); or
2. Be an Oregon public entity risk pool meeting the criteria established in ORS 30.383(6); or
3. Be an Oregon “public agency” as defined in ORS 190.410-190.490

B. Membership Term

Membership in OPEEP is continuous unless and until membership has been terminated pursuant to Section VI of the Agreement.

C. Application for Membership

Prior to participating in a Program with OPEEP, the governing body of an entity that satisfies the criteria of Article II (A) above must:

1. Complete a written application for each Program;
2. Agree that upon acceptance the Member will enter into a contractual relationship with OPEEP, obligating the Member to timely pay premiums, fees and assessments as determined by the provisions of the Agreement, these Bylaws, the Coverage Agreement, Reinsurance or other contract, including revisions or amendments as adopted and provided to the Member;
3. Satisfy all other criteria established by OPEEP and provide all information requested by OPEEP or an Insurer, if OPEEP deems it necessary for the proper administration of the pool; and
4. Receive written acknowledgement from OPEEP that the entity’s application for membership in OPEEP has been granted.

D. Obligations of Members

In addition to the Responsibilities of Members defined in Article IV of the Agreement, Members are obligated as follows:

1. **Timely Pay Contributions:**

Each Member shall pay contributions due to OPEEP. Penalties for late payment of such contributions shall be as determined and assessed by the Board of Directors. After withdrawal, cancellation, or termination, each

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member shall pay promptly to OPEEP any additional contributions due, as determined and assessed by the Board of Directors. Any costs incurred by OPEEP associated with the collection of such contributions shall be recoverable by OPEEP.

2. **Abide By Governing Documents:**

To comply with the Agreement, Bylaws, Coverage Agreement and Reinsurance for each insurance program in which the member participates.

3. **Prompt Reporting:**

To report as promptly as possible all incidents that could result in OPEEP being required to consider a claim within the scope of its coverage.

Additionally, claims shall be reported to OPEEP on the following conditions:

- a. Claims reserves equal 75 percent of self-insured retention
- b. Shootings
- c. Death
- d. An incident resulting in paraplegia or quadriplegia
- e. As required by the reinsurer

4. **Furnish Information to OPEEP:**

To promptly furnish OPEEP with any requested information, or provide access to said information, including but not limited to financial records, books, contracts, budget and/or audit information of revenues, records of expenditures, as well as any other information that tends to show or verifies the amounts payable to OPEEP or from OPEEP for any fiscal year any OPEEP coverage was in effect.

5. **Full Cooperation With OPEEP:**

To fully cooperate with the Administrator, underwriters, and any designated representative, employee, officer or independent contractor of OPEEP relating to the purposes OPEEP, the Agreement, Bylaws, Coverage Agreement, or Reinsurance.

E. No Indemnification:

Except to the extent of paying Contributions, Premiums and Fees to OPEEP, nothing herein creates any relationship of surety, indemnification, guarantee or responsibility between members for the debts or claims against any other member or on the part of any member with respect to OPEEP.

ARTICLE III. MEETINGS

There shall be a minimum of four OPEEP meetings each calendar year, one meeting per calendar quarter, as follows:

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(a) The Executive Committee shall meet three times per year, in the first, third, and fourth quarters of each year. During the last Executive Committee meeting of each year the Executive Committee shall elect officers and Executive Committee members from the non-Founding Members, if any.

(b) The Board of Directors shall meet once per year in the second quarter to consider, modify if necessary, and adopt OPEEP's annual operating budget.

(c) At any of the meetings, the Board or the Executive Committee may transact any other business within its powers.

(d) Notice of Meetings. Written notice of each regular meeting of the Board or the Executive Committee shall be delivered to each Director at least seven (7) calendar days in advance of the meeting. The notice shall specify:

- i) The location, date, and hour of the meeting
- ii) The matters that are intended to be presented for action by the Board
- iii) The general nature of any proposal for action concerning a change in the Agreement or these Bylaws, a change in the Coverage Agreement, a change in the membership of OPEEP, or any other matter substantially affecting the rights and obligations of the members.

(e) Special meetings of the Executive Committee or the Board of Directors may be called by the President or any four Executive Committee members. The person or persons authorized to call any such special meeting may fix the time and any place, within the State of Oregon. Any such meeting must be noticed at least ten (14) calendar days prior to the meeting date by written notice delivered personally, by postal mail, facsimile or email to each Executive Committee member at his or her business address or residential address. Such notice shall specify the date, time, place and purposes of the special meeting.

(f) Telephonic or Other Electronically-linked Meetings. Consistent with Oregon law, any action of the Board or the Executive Committee may be taken at a properly constituted telephonic or other electronically-linked meeting.

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ARTICLE IV. BOARD OF DIRECTORS

A. Officers

1. During the final meeting of each calendar year the Executive Committee of Board of Directors shall elect from its membership a President and Vice President of the Board, to serve for one-year terms, from January 1 to December 31 of each year.
2. In the event the President or Vice-President resigns from that position or from the Board of Directors, or become ineligible or otherwise unable to continue serving as a Director prior to the end of the term of his or her appointment, the Executive Committee shall elect from among themselves a successor President or Vice-President at the next regular meeting or, if necessary, at a special meeting. Such successor President or Vice-President shall serve in that capacity for the remainder of the vacated term.

B. Travel and Education

1. OPEEP will reimburse Directors for reasonable expenses properly and actually incurred in the course of carrying out their duties as Directors. To the extent that such Director is reimbursed by a Member for such expenses, OPEEP will reimburse the Member.
2. OPEEP Directors are expected to maintain a level of professional education on issues of government risk management and insurance sufficient to allow the Directors to competently execute their duties and provide sound advice and direction to the Administrator. To that end, conference fees and travel expenses for Directors' professional education reasonably related to their duties as a Director will be paid by OPEEP.

ARTICLE V. ADMINISTRATION

A. Directors Appoint Administrator

Pursuant to the Agreement, the Board shall appoint or retain an Administrator to manage the daily affairs of OPEEP.

B. Retaining and Supervising Staff

Additional staff positions shall be authorized by the Board or the Executive Committee, but shall be hired and managed by, or pursuant to the direction of, the Administrator.

C. Duties of the Administrator

The Administrator shall:

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- a. Administer the business and activities of OPEEP, subject to the general supervision and policy direction of the Board of Directors and Executive Committee.
- b. Be responsible for all minutes, notices and records of OPEEP.
- c. Enter into contracts on behalf of OPEEP.
- d. Select and enter an agreement with insurance intermediaries and consultants.
- e. Pay claims to or on behalf of the Members in accordance with purposes of the Agreement, Bylaws, and Coverage Agreement.
- f. Create reserves for the payment of claims.
- g. Pay or provide for the payment on behalf of Members hereunder all Premiums as they become due to any reinsurer on any policy of reinsurance.
- h. Cause to be maintained accounts of all investments, receipts, disbursements and all other transactions affecting funds or property of OPEEP.
- i. Engage an independent certified public accountant who is appointed by and reports directly to the Board of Directors to perform a financial audit of OPEEP at least once per year and to report regarding such audit to the Members at the meetings of the Members.
- j. Engage an independent and qualified actuary who is appointed by and reports directly to the Board of Directors to perform actuarial calculations and provide advice regarding the sufficiency of the Loss Funds as frequently as is required for prudent management.
- k. Publish such claim reports, financial statements and actuarial projections as necessary to advise Members of the current and projected financial status of OPEEP.
- l. Pay all taxes and assessments that may be levied or assessed under existing or future laws upon, or in respect of, OPEEP or its income.
- m. Cause the terms and provisions of the Agreement, Bylaws, Rules, Coverage Agreement, and other contracts to be performed and carried out and the assets of the OPEEP to be properly held and administered.
- n. Pay or provide for the payment of all reasonable and necessary expenses of administering OPEEP and all charges reasonably incurred by the Board of Directors in protecting the funds and property of OPEEP and in carrying out the purposes of OPEEP.

D. Faithful Performance of Duties

Any Administrator, employee or designated representative shall be required to be insured for the benefit of OPEEP against crime and dishonesty in a form and amount set by the Executive Committee or the Board of Directors. The cost of such insurance shall be paid as an expense of OPEEP.

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E. Commissions

OPEEP shall not pay commissions to brokers engaged by Members. Members must have a fee-based arrangement with an insurance broker of their choice.

ARTICLE VI. AMENDMENTS

A. Method of Amendment

These Bylaws may be amended at any time by a written instrument approved by a majority of the Executive Committee, or by a two-thirds (2/3) vote of the full Board of Directors then serving, a copy of which shall be provided to each Director.

B. Limitation on Amendments

No amendment shall be adopted which alters the basic purpose of OPEEP, conflicts with the Agreement, conflicts with any applicable law or government regulation, causes the use or diversion of OPEEP resources for purposes other than those authorized by the Agreement, or that retroactively deprives any person or Member of a vested right or interest.

ARTICLE VII. GENERAL PROVISIONS

A. Title to OPEEP Assets

Title to the funds and property of OPEEP, including without limitation loss funds, shall be vested in and remain exclusively in the Board of Directors and no Member shall have any right, title or interest in the loss funds nor any right to Contributions made or to be made thereto, nor any claim against any Member on account thereof.

B. Non-alienation of Benefits

The funds and property of OPEEP, including without limitation loss funds, shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge by any person other than the Board of Directors and their duly authorized representative to the extent and for the purposes as herein specifically provided.

C. Examination of Books and Records by Members

Any Member's designated representative shall be permitted to examine OPEEP's books, contracts, documents and records. However, such examination shall not extend to matters relating to other Members, or to matters or records that would be treated as exempt by a public body pursuant to ORS 192.501 or ORS 192.502. Such examination shall be limited to such times and places as is reasonable. The cost of copying, transcribing or abstracting records shall be borne by the Member.

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D. Use of Information

All information gathered or received by OPEEP pursuant to any provision of these Bylaws shall be utilized by the Administrator only in connection with the operation of and to further the purposes of OPEEP and shall not otherwise be distributed, disseminated or communicated to any person unless authorized by the Board of Directors or required by law.

E. Right to Obtain Adjudication of Disputes

In the event any question or dispute shall arise as to the property or person or persons to whom any payment shall be made from OPEEP funds, OPEEP may withhold such payment until an adjudication of such question or dispute satisfactory to the Board of Directors in their sole absolute discretion shall have been made, or OPEEP shall have been adequately indemnified against loss.

F. Construction

These Bylaws are created and shall be construed in accordance with the laws of the State of Oregon. All questions pertaining to validity or construction not otherwise preempted shall be determined in accordance with the laws of the State of Oregon.

G. Severability

If any provision contained in the Bylaws should be held invalid, unenforceable or unconstitutional the remainder of the provisions not subject to such adjudication shall not be affected and shall continue in full force and effect. If any provision contained in the Bylaws should be held invalid, unenforceable or unconstitutional as to any Member, the provisions of the Bylaws shall continue in full force and effect as to any or all other Members.

CERTIFICATION OF ADOPTION

I, the undersigned, certify that I am presently the President of the Board of Directors of the Oregon Public Entity Excess Pool (“OPEEP”) and that the above Bylaws are the Bylaws of OPEEP, as adopted by a majority vote of the Board of Directors at a meeting held on _____, 2015.

By: _____

Date: _____

Title: _____