

MULTIDISTRICT AGREEMENT

NORTHWEST MONTANA SCHOOLS' RETIREMENT PLAN MULTIDISTRICT COOPERATIVE AGREEMENT

THIS NORTHWEST MONTANA SCHOOLS' RETIREMENT PLAN MULTIDISTRICT COOPERATIVE AGREEMENT ("Multidistrict Cooperative Agreement") is made and entered into as of October 1, 2021 (the "Effective Date"), by and between the respective governing bodies of the undersigned School Districts (hereinafter referenced individually as a "District" and collectively as the "Districts," "Participating Districts" and/or "Parties"): Whitefish School District ("WSD"), Bigfork School District, Cayuse Prairie School District, Eureka School District, Fair-Mont-Egan School District, Smith Valley School District, West Valley School District, Columbia Falls School District, Evergreen School District, Libby School District and any additional school district and other entity eligible to participate by law which become a party to this Multidistrict Cooperative Agreement in the future. All entities which are now, or in the future, parties to this Multidistrict Cooperative Agreement, shall be included in the definition of "District," "Districts," "Participating Districts" and/or "Parties" for the purposes of this Multidistrict Cooperative Agreement.

WITNESSETH:

WHEREAS, the purpose of this Multidistrict Cooperative Agreement is to consolidate optional 403(b) and 457 retirement plan administrative and investment services with the intent to reduce administrative costs and substantially improve educational services to the staff of participating schools; and,

WHEREAS, some of these Districts entered into a similar Northwest Montana Schools' Health Multidistrict Cooperative Agreements dated July 1, 2014, July 1, 2017, and July 1, 2020; and,

WHEREAS, the Parties wish to enter into an agreement pursuant to the laws of the State of Montana, to wit: §20-3-363, MCA, Title 7, Chapter 11, Part 1, MCA, Title 20, Chapter 9, Part 7, MCA; And,

WHEREAS, all expenditures in support of the Multidistrict Agreement may be made from the interlocal cooperative fund in accordance with sections 20-9-703 and 20-9-704, MCA. Each Participating District of the interlocal cooperative may transfer funds into the interlocal cooperative fund from the general fund, any budgeted fund, or any non-budgeted fund of the Participating Districts except as limited/prohibited law as follows:

1. transfers to the interlocal cooperative fund from each Participating District's general fund are limited to an amount not to exceed the direct state aid in support of the respective school district's general fund;

2. transfers from the retirement fund, the debt service fund or the compensated absence liability fund are prohibited; and
3. transfers may not be made with funds restricted by federal law unless such transfer is in compliance with any restrictions or conditions imposed by federal law.

NOW, THEREFORE, for and in consideration of the execution of this Multidistrict Cooperative Agreement and the mutual promises and covenants contained herein, the Parties agree and confirm their intention to enter into this Multidistrict Cooperative Agreement under the terms, conditions and covenants contained herein, and it is hereby mutually agreed as follows:

1. As of the Effective Date set forth above, the Parties desire and agree to form a Cooperative to provide for joint purchasing of employee benefits administrative and investment services and any related services for the Districts, their respective Plans, and their respective eligible employees and dependents, as deemed beneficial by the Cooperative Board of Trustees.
2. The Participating Districts will enter into a corresponding Retirement Plan Master Agreement and Participation Agreement and each District agrees to be bound and subject to the terms and conditions thereof as a condition of participation.
3. The Cooperative will be funded by each District through transfers into the Interlocal Agreement Fund according to the terms and conditions agreed to by the Participating Districts in the Cooperative Participation Agreement and in accordance with the laws of the State of Montana.
4. Expenses
 - a. Each Group is responsible to pay its respective costs required for the operation of their respective retirement plan(s) including administrative fees and any other amounts and services as stated in the Administrative Services Agreement with the third-party administrator and as approved by the Cooperative Board.
 - b. All expenses, if any, for the operation of the Cooperative must be approved in advance by the Cooperative Board.
5. Funds remaining in the Interlocal Agreement Fund at fiscal year-end will be carried forward for the purpose of accumulating reserves to support future Cooperative obligations.
6. Plan Fiduciaries will administer their respective Plans in accordance with the terms of the governing Plan Document and each Plan is responsible for compliance with any and all applicable state and/or federal laws.
7. Term/Termination.

- a. The term of this Multidistrict Cooperative Agreement shall be for three (3) years commencing on October 1, 2021 and expiring at midnight on September 30, 2024 unless terminated earlier, and subject to renewal absent notice as set forth herein. This Multidistrict Cooperative Agreement may be terminated in its entirety during its term by the written agreement of all Participating Districts.

If this Multidistrict Cooperative Agreement is terminated early or is not renewed by all Parties after the expiration of its term (or the expiration of any renewal term), each District shall be responsible for all such District's expenses incurred during the applicable plan year.

- b. A District may be terminated during the term of this agreement or any subsequent term due to a breach of a material term of the Cooperative Participation Agreement and the District has not fully cured such breach within thirty (30) days after receiving notice of the breach from the Cooperative Board. Said District shall be responsible for all such District's expense obligations incurred through the effective date of termination and said obligation shall survive termination.
- c. If a Participating District voluntarily terminates participation during the term of this or any subsequent term, said District shall be responsible for all such District's expense obligations incurred through the effective date of termination.
- d. This Multidistrict Cooperative Agreement may be renewed. After the term of this Agreement, a District may terminate participation by giving notice to the Cooperative Board at least ninety (90) days prior to the end of the then current term.

In the event the Multidistrict Agreement is terminated and not renewed by all Parties, any cash balance remaining after payment of all Cooperative obligations shall be distributed to the then current Participating Districts based on enrollment at the time of termination. No distribution shall be made for a period of at least six (6) months following termination of this Agreement to allow sufficient time for all obligations to be satisfied and said remaining balance will be utilized pursuant to the laws of the State of Montana.

8. The Cooperative Board of Trustees shall consist of one member appointed by each participating school. The Board shall have the powers and duties as set forth in the Cooperative Bylaws and shall make decisions and/or recommendations (as appropriate) with regard to the direction of applicable retirement plans, regulatory compliance, benefit design, financial management, vendor selection, and additional services to be offered through the Cooperative.
9. Miscellaneous.

- a. Amendments. Any modification or amendment to this Multidistrict Cooperative Agreement must be in writing, dated and signed by the Participating Districts.
 - b. Assignment. Neither this Multidistrict Cooperative Agreement, nor any right or obligation hereunder shall be assigned or delegated, in whole or in part, by any Participating District without the Board's prior express written consent.
 - c. Entire Agreement. This Multidistrict Cooperative Agreement together with the Cooperative Participating Agreement is the entire understanding and agreement of the Participating Districts regarding the subject matter thereof, and supersedes any prior oral or written agreements, representations, understandings or discussions between the Participating Districts. No other understanding between the Parties shall be binding unless set forth in writing and signed by the appropriate parties.
 - d. Governing Law. This Multidistrict Cooperative Agreement shall be construed in accordance with and governed by the laws of the State of Montana, and shall be binding upon the Participating Districts, and their successors in interest and any approved assigns.
 - e. Severability. If any provision of this Multidistrict Cooperative Agreement is determined to be illegal or unenforceable, that provision shall be severed from this Agreement, and such severance shall have no effect upon the enforceability of the remainder of the Multidistrict Cooperative Agreement.
10. Whitefish School District is designated as the Prime Agency for this Multidistrict Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the day and year first written above.

DISTRICTS:

 Name of District
 By: _____
 Its: _____