

RESOLUTION 2009-104

11-13-09

RESOLUTION BY THE ADMINISTRATION, PERSONNEL POLICY AND LEGAL COMMITTEE AUTHORIZING A CONTRACT FOR HEALTH INSURANCE WITH CENTRAL STATES HEALTH AND WELFARE FUND FOR CERTAIN VILLAGE EMPLOYEES FOR 2010

WHEREAS, there is a need to obtain health insurance for various village employees for 2010; and

WHEREAS, the Board of Trustees has determined that the insurance coverage provided by Central States Health and Welfare Fund is in the best interests of various village employees.

NOW THEREFORE, the Village Board of the Village of Sturtevant, Racine County, Wisconsin does hereby resolve:

1. That the execution of an agreement with Central States Health and Welfare Fund for health insurance coverage for various village employees effective January 1, 2010 is authorized and approved subject to final review and approval by the Village Administrator; and
2. That the annual premium is set forth in Exhibit A which is attached hereto and incorporated herein.
3. The Village President and the Village Clerk are authorized to sign any agreements or other documents necessary to carry out the intent of this resolution;

Adopted by the Village Board of the Village of Sturtevant, Racine County, Wisconsin, this 1st day of December 2009.

Village of Sturtevant

By _____
Steven Jansen, President

Attest _____
Mary A. Cole, Village Clerk

Exhibit A

. Health Insurance

Effective January 1, 2010 employees will be enrolled in the Central States Health plan.
The weekly premiums are:

	<u>Single</u>	<u>Family</u>
January 1, 2010	\$106.60	\$258.90
January 1, 2011	\$113.50	\$276.50
January 1, 2012	\$127.10	\$309.70

Note: (1) the January 1, 2012 is a "not to exceed" rate. Although the contract will expire on December 31, 2010, the parties have locked in the 2011 and 2012 insurance rates.

(2) These rates are updated based on the information provided by Jim Burke of Central States.



PARTICIPATION AGREEMENT

CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND/HEALTH AND WELFARE FUND
9377 WEST HIGGINS ROAD
ROSEMONT, ILLINOIS 60018-4938
PHONE: (847) 518-9800

HEALTH AND WELFARE ONLY EMPLOYER ACCOUNT NUMBER: _____

THIS AGREEMENT sets forth the terms under which the Employer will participate in the Central States, Southeast and Southwest Areas Health and Welfare Fund ("Health and Welfare Fund") in accordance with its collective bargaining agreement with the Union covering the following job classification(s): _____

and any other job classification covered by the collective bargaining agreement.

1. The Union and Employer agree to be bound by the Trust Agreement(s) of the Health and Welfare Fund and all amendments subsequently adopted as well as all rules and regulations presently in effect or subsequently adopted by the Trustees of the Health & Welfare Fund and accept the respective Employer and Employee Trustees and their successors.
2. The Employer shall contribute to the Health and Welfare Fund for each Covered Employee at the following rates:

Effective Date: _____	Rate: _____	_____	_____	_____
Effective Date: _____	Rate: _____	_____	_____	_____
Effective Date: _____	Rate: _____	_____	_____	_____
Effective Date: _____	Rate: _____	_____	_____	_____
Effective Date: _____	Rate: _____	_____	_____	_____

3. Contribution rate changes after the last Effective Date set forth in paragraphs 2 shall be determined by each new collective bargaining agreement and such rate changes shall be incorporated into this Agreement. The parties may execute an interim agreement establishing contribution rates during the periods when a new collective bargaining agreement is being negotiated. In the absence of an interim agreement, the contribution rate required to be paid after termination of a collective bargaining agreement and prior to either the execution of a new collective bargaining agreement or the termination of this Agreement, shall be the rates in effect on the last day of the terminated collective bargaining agreement. However, the Trustees reserve the right to reduce benefit levels if the contribution rate is or becomes less than the then published rate for the applicable benefit plan.

4. This Agreement and the obligation to pay contributions to the Health & Welfare Fund will continue after the termination of a collective bargaining agreement except no contributions shall be due during a strike unless the Union and the Employer mutually agree in writing otherwise. This Agreement and the Employer's obligation to pay contributions shall not terminate until a) the Trustees decide to terminate the participation of the Employer and provide written notice of their decision to the Employer specifying the date of termination of participation or b) the Employer is no longer obligated by a contract or statute to contribute to the Health & Welfare Fund and the Health & Welfare Fund has received a written notice directed to the Health & Welfare Fund' Contracts Department at the address specified above sent by certified mail with return receipt requested which describes the reason why the Employer is no longer obligated to contribute or c) the date the NLRB certifies the result of an election that terminates the Union's representative status or d) the date the Union's representative status terminates through a valid disclaimer of interest. In the event an NLRB election or disclaimer of interest referred to in c) or d) relates to only part of the bargaining unit, this Agreement shall remain in effect with respect to the remainder of the bargaining unit.

5. When a new collective bargaining agreement is signed or the Employer and the Union agree to change the collective bargaining agreement, the Employer shall promptly submit the entire agreement or modification to the Health & Welfare Fund' Contracts Department by certified mail (return receipt requested) at the address specified above. Any agreement or understanding which affects the Employer's contribution obligation which has not been submitted to the Health & Welfare Fund as required by this paragraph, shall not be binding on the Trustees and this Agreement and the written

agreement(s) that has been submitted to the Health & Welfare Fund shall alone remain enforceable. An agreement that purports to retroactively eliminate or reduce the Employer's statutory or contractual duty to contribute to the Health & Welfare Fund shall not be valid.

6. For purposes of this Agreement, the term "Covered Employee" shall mean any full-time or part-time employee covered by a collective bargaining agreement requiring contributions to the Health & Welfare Fund and includes casual employees (i.e. short term employees who work for uncertain or irregular duration) except a casual employee shall not be a Covered Employee with respect to the Health and Welfare Fund if the collective bargaining agreement explicitly excludes casual employees from participation in the Health and Welfare Fund. Covered Employee shall not include any person employed in a managerial or supervisory capacity or any person employed for the principal purpose of obtaining benefits from the Health & Welfare Fund.

7. The Employer agrees to remit contributions on behalf of each Covered Employee for any period he/she receives, or is entitled to receive, compensation (regardless of whether the employment relationship is terminated), including show up time pay, overtime pay, holiday pay, disability or illness pay, layoff/severance pay, vacation pay or the payment of wages which are the result of any National Labor Relations Board proceeding, grievance/arbitration proceeding or other legal proceeding or settlement. If the collective bargaining agreement states that contributions shall not be due on newly hired Covered Employees for a specified waiting period, no contributions shall be due until the Covered Employee completes the specified waiting period. If required by the applicable collective bargaining agreement, contributions shall also be made to the Health & Welfare Fund on behalf of any Covered Employee who is not working due to illness or injury even if the Covered Employee is not entitled to compensation.

8. On or before the 15th day of each month, the Employer must report to the Health & Welfare Fund any change in the Covered Employee workforce (including, but not limited to new hires, layoffs or terminations) which occurred during the prior month and must pay all contributions owed for the prior month. In the event of a delinquency, a) the Employer shall be obligated to pay interest on the monies due to the Health & Welfare Fund from the date when payment was due to the date when the payment is made, together with all expenses of collection incurred by the Health & Welfare Fund, including, but not limited to, attorneys' fees and costs and b) at the option of the Trustees or their delegated representative, the payment of contributions that accrue after the Employer has become delinquent shall be accelerated so that the contributions owed for each calendar week (Sunday through Saturday) shall be due on the following Monday. If the Employer fails to report changes in the covered workforce on time, the Employer must pay the contributions billed by the Health and Welfare Fund regardless of actual terminations, leaves of absence, layoffs or other changes in the workforce. The Trustees reserve the right to terminate the participation of any Employer that fails to timely pay required contributions.

9. The Employer shall provide the Trustees with access to its payroll records and other pertinent records when requested by the Health & Welfare Fund. If litigation is required to either obtain access to the Employer's records or to collect additional billings that result from the review of the records, all costs incurred by the Health & Welfare Fund in conducting the review shall be paid by the Employer and the Employer shall pay any attorneys' fees and costs incurred by the Health & Welfare Fund.

10. The Trustees shall not be required to submit any dispute concerning the Employer's obligation to pay contributions to any grievance/arbitration procedure set forth in any collective bargaining agreement.

11. The Employer acknowledges that it is aware of the Health & Welfare Fund' adverse selection rule and agrees that while this Agreement remains in effect, it will not enter into any agreement or engage in any practice that violates the adverse selection rule.

12. This Agreement shall in all respects be construed according to the laws of the United States. In all actions taken by the Trustees to enforce the terms of this Agreement, including actions to collect delinquent contributions or to conduct audits, the Illinois ten year written contract statute of limitations shall apply. The Employer agrees that the statute of limitations shall not begin to accrue with respect to any unpaid contributions until such time as the Health & Welfare Fund receives actual written notice of the existence of the Employer's liability.

13. This Agreement may not be modified or terminated without the written consent of the Health & Welfare Fund. To the extent there exists any conflict between any provisions of this Participation Agreement and any provisions of the collective bargaining agreement, this Participation Agreement shall control.

IN WITNESS WHEREOF, said Employer and Union have caused this Instrument to be executed by their duly authorized representatives, the day and year first above written.

Employer Name

Local Union No. _____

Representative Signature

Representative Signature

Printed Name and Title

Printed Name and Title

Date

Date

Complete Address of Employer

Telephone Number

Fax Number

Federal Employer Identification Number

If the Employer is signatory to a National or Group Contract, indicate the name of such Contract:

Is the Employer an itinerant construction company working on a project or on a seasonal basis? Yes _____ No _____

CENTRAL STATES HEALTH AND WELFARE FUND
LOCAL UNION NO 43 and the Village of Sturtevant
Letter of Understanding

1. Any existing retirees, that are not Medicare eligible, will begin participation with Central States H&W Fund under the active plan (not including life insurance and short term disability) with immediate coverage at rates established by the Fund. The retiree's respective active group must participate in the Fund for the retiree to participate in the Fund.
2. Retiree Coverage will be made available to future retirees at weekly contribution rates established by the Fund, provided the Retiree has met the **age of 57** and has **20 years of service** with the Village of Sturtevant. Retiree Coverage provided will be available to eligible members and their eligible spouse. The Retiree Plan of benefits will mirror the active plan with no Loss of Time or Life Insurance benefits.
3. Once a retiree becomes Medicare eligible and becomes ineligible for Retiree Coverage from the Fund, the spouse will be allowed to continue participation in the Central States H&W Fund until the spouse becomes Medicare eligible.
4. Any Village employee that currently elects to to '**opt out**' of coverage with the Village of Sturtevant's current health insurance program, may also choose to '**opt-out**' of the Central States H&W Fund, by completing the Authorization for Declining Central States Insurance form. Future participation will be subject to the Funds' Enrollment Information for Multi -Tiered Plans. **All employees hired after January 1, 2010 will be required to participate in the Central States H&W Fund.**
5. The Police Department bargaining unit will have a 30 day window from the effective date of the Teamsters and non-bargaining unit employees' commencement of coverage with the Fund. In the event that the Police Department elects not to join the Fund with the Teamsters and non-bargaining employees of the Village of Sturtevant by **January 30, 2010** the conditions of the Fund's proposal, including contribution rates, current and future retiree coverage and conditions under this Letter of Understanding will be null and void.

Agreed to by:

Central States Health and Welfare Fund

 Date

Local Union No 43

 Date

Village of Sturtevant

 Date



PARTICIPATION AGREEMENT

CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS
PENSION FUND/HEALTH AND WELFARE FUND
9377 WEST HIGGINS ROAD
ROSEMONT, ILLINOIS 60018-4938
PHONE: (847) 518-9800

NON-BARGAINING UNIT EMPLOYEES
ACCOUNT NUMBER: _____

1. The Employer is currently bound by a collective bargaining agreement(s) with a local union(s) that is affiliated with the International Brotherhood of Teamsters (the "Union") which requires the Employer to contribute to the Central States, Southeast and Southwest Areas Health and Welfare Fund (the "Health and Welfare Fund") on behalf of covered employees. The Employer also desires to participate in the Health and Welfare Fund with respect to its employees who are not covered by the collective bargaining agreement and this Agreement sets forth the terms under which the Employer will participate in the Health and Welfare Fund with respect to such employees.

2. The Employer agrees to be bound by the terms of the Health and Welfare Fund trust agreement and all policies, rules and regulations that have been adopted or that are adopted in the future by the Trustees pursuant to the trust agreement.

3. For the duration of this Agreement, the Employer shall contribute to the Health and Welfare Fund on behalf of each Non-Unit Employee for each week during which the Non-Unit Employee works or receives compensation (including, but not limited to paid vacations, holidays, paid leave, back pay awards) at the same rate the Employer is required to contribute on its employees covered by the collective bargaining agreement between the Union and Employer (as modified by any renewals, extensions or successor collective bargaining agreements). At the present time the agreed rates are as follows:

Effective Date:	_____	Rate:	_____	_____	_____	_____
Effective Date:	_____	Rate:	_____	_____	_____	_____
Effective Date:	_____	Rate:	_____	_____	_____	_____
Effective Date:	_____	Rate:	_____	_____	_____	_____
Effective Date:	_____	Rate:	_____	_____	_____	_____

4. The Employer will pay the contributions owed for each month on or before the 15th day after the end of the month. If the Employer fails to pay its contributions on time, it shall pay interest at the rate set forth in the Health and Welfare Fund trust agreement.

5. The Employer shall report changes in its Non-Unit Employee workforce (for example, new hires, layoffs, terminations) that occur during any month on or before the 15th day after the end of the month during which the change occurred. If the Employer fails to timely report in writing the changes in the employment status of the Non-Unit Employees included in the Health and Welfare Fund's monthly bill, it shall be liable for the amount billed regardless of actual changes in the employment relationship. The Illinois ten-year written contract statute of limitations, which shall apply to any claim for unpaid contributions, shall not accrue with respect to contributions owed by the Employer on any Non-Unit Employee until the Health and Welfare Fund receive written notice of the liability.

6. For purposes of this Participation Agreement, the term "Non-Unit Employee" shall mean each and every individual employed by the Employer on either a full-time or part-time basis who is not covered by the collective bargaining agreement between the Employer and the Union. The common law master-servant test shall be utilized to determine whether an employment relationship exists. The term Non-Unit Employee shall not include: a) independent contractors, b) any person covered by a collective bargaining agreement between the Employer and a union not affiliated with the International Brotherhood of Teamsters that requires the Employer to contribute to some other health and welfare fund, c) any person employed for the principal purpose of obtaining or continuing coverage under the Health and Welfare Fund.

7. The Employer's obligation to remit contributions on Non-Unit Employees under this Participation Agreement shall continue in effect until the earlier of, a) 30 days after service of a written notice served by either the Health and Welfare Fund or the Employer of their intent to terminate this Participation Agreement, or b) the termination of the Employer's contractual and statutory duty to contribute to the Health and Welfare Fund on behalf of employees represented by the Union. A written notice of intent to terminate can be served by personal delivery, facsimile or certified mail (return receipt requested) and, if service is by mail, service will be deemed accomplished on the date of mailing.

Employer: _____
Signature: _____
Printed Name: _____
Printed Title: _____
Date: _____