



Board of County Commissioners Agenda Request

24
Agenda Item #

Requested Meeting Date: 2/27/2018

Title of Item: Local 49 Alumni Agreement

- REGULAR AGENDA
- CONSENT AGENDA
- INFORMATION ONLY

Action Requested:

- Approve/Deny Motion
- Adopt Resolution (attach draft)

**provide copy of hearing notice that was published*

- Direction Requested
- Discussion Item
- Hold Public Hearing*

Submitted by: *Bobbie Danielson*
Bobbie Danielson

Department:
Administration/HR

Presenter (Name and Title):
Bobbie Danielson, HR Director

Estimated Time Needed:
N/A Consent Agenda

Summary of Issue:

Gerald "Butch" Olson was promoted from Equipment Operator to Assistant Maintenance Supervisor. He was covered under the Local 49 Health Plan as a member of the Local 49 bargaining unit in the Equipment Operator position. He has the ability to remain covered under that L49 Plan with an alumni agreement.

The personnel policy will be updated to reflect this alumni agreement and the employer's monthly contribution rate will match that in the L49 collective bargaining agreement. The employee will pay the difference in premium.

Alternatives, Options, Effects on Others/Comments:

Recommended Action/Motion:

Motion to approve the Operating Engineers Local #49 Health and Welfare Fund Public Sector Employers Participation Agreement for Non-bargaining Employees as attached. Approval includes the specification that the Agreement applies to Mr. Olson, but not to "all" L49 alumni.

Financial Impact:

Is there a cost associated with this request? Yes No

What is the total cost, with tax and shipping? \$

Is this budgeted? Yes No *Please Explain:*

No impact to the employer's contribution. The employer will pay the same amount towards Gerald Olson's L49 monthly premium under this alumni agreement as it paid when he was a member of the L49 union.

OPERATING ENGINEERS LOCAL #49 HEALTH AND WELFARE FUND
PUBLIC SECTOR EMPLOYERS PARTICIPATION AGREEMENT
FOR
NON-BARGAINING EMPLOYEES

The undersigned Employer hereby applies for coverage of certain non-bargaining personnel (as elected below) by the Operating Engineers Local #49 Health and Welfare Fund ("Fund"). The Fund is established and operates pursuant to an Agreement entitled "Agreement and Declaration of Trust" dated December 18, 1967, and restated on April 28, 1976, ("Trust Agreement") by and between the Associated General Contractors of Minnesota, Inc., Minneapolis and Saint Paul Builders Division and Highway and Heavy Division ("A.G.C.") and International Union of Operating Engineers Local #49 ("Union").

The Employer must select one of the coverage options below:

The Employer will provide coverage to all of its full-time non-bargaining unit personnel; or

The Employer will provide coverage only to bargaining unit alumni (i.e. employees covered by the Fund when they were members of the Local #49 bargaining unit but who have moved into a management position).

This Agreement will provide alumni coverage to

See Attachment A → The Employer understands that in signing this Participation Agreement, they are agreeing to cover ~~all of~~ their employees in the above noted categories and employees (whether non-bargaining or bargaining unit alumni) are not allowed to elect out of coverage under the Fund. Further, Fund coverage is provided at a composite rate for family coverage and there is no single-only coverage option.

Gerald Olson.

If the Employer fails to abide by the coverage option selected above, the Trustees may, notwithstanding the other termination provisions herein, immediately terminate this Participation Agreement.

The Employer agrees to make payments to the Fund in the amount as established by the Board of Trustees from time to time. Payments by the Employer to this Fund shall be paid in advance on or before the 15th day of the month prior to the month of coverage (e.g. payment by February 15th for March 1st coverage). Failure to timely make such payments will automatically and without any further notice cancel and void this Participation Agreement. The following additional rules apply regarding employee coverage:

New full-time non-bargaining unit employees:

- New employees hired on or before the 15th of the month, must be included in the monthly payment for the following month of coverage;
- For new employees hired after the 15th of the month, the Employer must make a supplemental payment for coverage before the first of the following month for coverage for that new employee.

Termination of Coverage for Non-Bargaining Unit Employees: Coverage will end on the last day of the month in which an employee is terminated from employment or otherwise experiences a COBRA qualifying event applicable to the employee. The employer must notify the Fund's Administrator, Wilson-McShane Corporation, in writing prior to the end of the month of the employee's termination and/or COBRA qualifying event (e.g. the employee is terminated on April 20th, the employer must notify Wilson-McShane by April 30th). Once the employer has timely notified the Fund Administrator in writing of the termination of employment or COBRA event, the employer will receive a credit if the employer already made a payment for the next month's coverage for the terminating employee.

The Employer also agrees that the Trustees may require all non-bargaining unit employees to submit a proof of insurability before they will become eligible for benefits under this program.

Persons covered under the provisions of this Participation Agreement will not be eligible to accumulate any Reserve Accumulations Account hours. In addition, the Accident and Sickness Weekly Benefit will be paid out only after Employer provided sick pay is exhausted. An employee covered under this Agreement will be eligible to participate in the Fund's Retiree Plan if 1) the employee is age 55 or older and has at least ten (10) consecutive years of employment with one or more participating Employers, and 2) the employee retires from employment with a participating Employer while participating in the Fund. Such individuals, though, will not receive a Retiree Contribution Allowance credit for years of Participation in the Fund as a non-bargaining unit employee. All benefits provided by the Fund, except as stated above and in the Plan Description, will be available to such employees or persons upon Trustees' approval of this Participation Agreement and the appropriate contributions being made.

The Employer hereby ratifies and confirms the Trust Agreement and agrees to be bound by each and every provision contained herein and to each and every act and thing as required and provided for therein. The Employer also hereby consents to the appointment of the Trustees heretofore designated and ratifies, approves, and consents to all matters heretofore done in connection with the creation and administration of such Trust Agreement.

This Participation Agreement will become effective as of the date it is accepted by the Trustees of this Fund. If this Participation Agreement has not been terminated by reason of the failure of the Employer to make timely payments to the Fund, then it may be terminated by either the Employer or the Trustees of the Trust Fund by sixty (60) days written notice of termination to the other party. In the event the Employer is no longer bound by a collective bargaining agreement between itself and the Union, this Participation Agreement will automatically and without any further notice terminate.

The Trustees reserve the right to terminate this Agreement at any time if needed to protect the tax-exempt status of the Fund.

EMPLOYER

Company Name Aitkin County
Company Address 217 2nd Street N.W.
Aitkin, MN 56431
Signature of Employer _____
Printed Name of Employer Anne Marcotte
Title of Signature Person Board Chair
Date 2-27-2018

We, the Board of Trustees in compliance with Article I of the Agreement, hereby grant the right of the above-named to participate in this welfare plan.

TRUSTEES OF OPERATING ENGINEERS LOCAL #49 HEALTH FUND

By: _____

By: _____

Special Agreement approved by the Health & Welfare Board of Trustees

Chairman of the Board

Date

Bobbie Danielson

Subject: FW: promotion

Attachment A

From: Martha LaFave [<mailto:mlafave@local49.org>]
Sent: Wednesday, January 03, 2018 10:17 AM
To: Bobbie Danielson
Cc: 'St Cloud Office'
Subject: Re: promotion

Bobbie,

I would say because the Alumni coverage doesn't clearly state "all Alumni" you could cover one employee and not the other under the Alumni rules for coverage

Thanks

Martha LaFave
Health Fund Coordinator
Operating Engineers Local 49
Health and Welfare Fund
866-788-9441 or 612-877-3748
www.health49.org

From: Bobbie Danielson <Bobbie.Danielson@co.aitkin.mn.us>
Date: Wednesday, January 3, 2018 at 8:42 AM
To: Martha LaFave <mlafave@local49.org>
Cc: St Cloud Office <stcloud@local49.org>
Subject: FW: promotion

Hi Martha. Willie Bentley stopped by yesterday to inquire about the insurance. Is there any way that Gerald Olson could stay on as alumni (if he wants to) without Scott Kellerman having to also join? (The agreement as written looks to include all alumni.) Thanks for any clarification.