

JUL 16 2012

ORDINANCE NO. 2963

*J. Ronald Clegg*  
City Clerk

**AN ORDINANCE TO AUTHORIZE THE CITY OF COLUMBIA,  
ILLINOIS TO ENTER INTO A PARTICIPATION AGREEMENT  
WITH THE UNITED STEEL, PAPER AND FORESTRY, RUBBER,  
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION TO PROVIDE  
HEALTH INSURANCE BENEFITS, THROUGH ITS HEALTH &  
WELFARE FUND, TO THE ELIGIBLE EMPLOYEES, RETIREES  
AND DISABLED EMPLOYEES OF THE CITY OF COLUMBIA,  
ILLINOIS**

WHEREAS, the City Council of the City of Columbia, Illinois (the "City") has found and determined and does hereby declare that it is in the City's best interests and appropriate to provide health insurance benefits to the eligible employees, retirees and disabled employees (pursuant to local, state and federal laws, as well as provisions contained in collective bargaining agreements entered into by the City) of the City, as well as the eligible dependents of such individuals;

WHEREAS, the City Council of the City has designated the Steelworkers Health & Welfare Fund (the "Fund") of the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union AFL-CIO-CLC, acting on behalf of Local 9189-12 (the "Union") to provide such health insurance benefits, either directly or through a third-party provider, to the eligible employees/retirees/disabled employees of the City, and their eligible dependents, pursuant to the terms and provisions contained in a document entitled "Steelworkers Health & Welfare Fund Participation Agreement" (the "Participation Agreement"), and the documents described therein; and

WHEREAS, it is necessary and appropriate that this Ordinance be enacted for the purpose of authorizing the City to enter into said Participation Agreement to provide such health insurance benefits to the eligible employees/retirees/disabled employees of the City.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Columbia, Illinois, as follows:

**Section 1.** The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Columbia, Illinois.

**Section 2.** The City Council of the City of Columbia, Illinois does hereby authorize the Mayor and City Clerk to execute the "Steelworkers Health & Welfare Fund Participation Agreement", in the form attached hereto, and in as many counterparts as

said City Officials shall determine, to provide the health insurance benefits described in said Participation Agreement to the eligible employees/retirees/disabled employees of the City, and to deliver the executed "Steelworkers Health & Welfare Fund Participation Agreement" documents to the Union and the Fund.

**Section 3.** This ordinance shall be in full force and effect from and after its passage, as provided by law.

Alderman Reis moved the adoption of the above and foregoing Ordinance; the motion was seconded by Alderman Ebersohl, and the roll call vote was as follows:

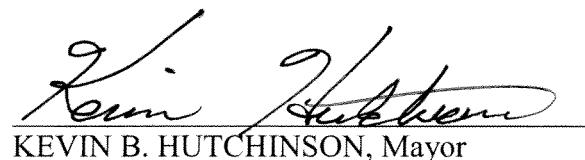
YEAS: Aldermen Ebersohl, Agne, Niemietz, Huch, Mathews and Reis.

NAYS: None.

ABSENT: Aldermen Roessler and Piazza.

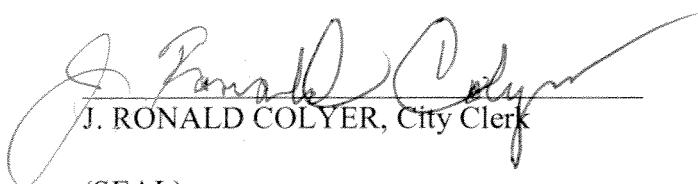
ABSTENTIONS: None.

PASSED by the City Council and APPROVED by the Mayor this 16<sup>th</sup> day of July, 2012.



KEVIN B. HUTCHINSON, Mayor

ATTEST:



J. RONALD COLYER, City Clerk

(SEAL)

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF MONROE )

**CERTIFICATE OF TRUE COPY**

I, J. Ronald Colyer, hereby certify that I am the duly elected and acting City Clerk of the City of Columbia, Illinois and as such I am the keeper of the books, records, files and corporate seal of said City.

I do further certify that Ordinance No. 2963, entitled:

**“AN ORDINANCE TO AUTHORIZE THE CITY OF COLUMBIA,  
ILLINOIS TO ENTER INTO A PARTICIPATION AGREEMENT  
WITH THE UNITED STEEL, PAPER AND FORESTRY, RUBBER,  
MANUFACTURING, ENERGY, ALLIED INDUSTRIAL AND  
SERVICE WORKERS INTERNATIONAL UNION TO PROVIDE  
HEALTH INSURANCE BENEFITS, THROUGH ITS HEALTH &  
WELFARE FUND, TO THE ELIGIBLE EMPLOYEES, RETIREES  
AND DISABLED EMPLOYEES OF THE CITY OF COLUMBIA,  
ILLINOIS”**

to which this certificate is attached, is a true, perfect, complete and correct copy of said ordinance as adopted at a regular meeting of the Columbia, Illinois City Council held on the 16th day of July, 2012.

IN WITNESS WHEREOF, I have made and delivered this certificate for the uses and purposes hereinabove set forth this 16th day of July, 2012.

*J. Ronald Colyer*  
J. RONALD COLYER, City Clerk

(SEAL)

**Bargaining/Non-Bargaining  
Actives/Retirees/Disabled Employees**

**STEELWORKERS HEALTH & WELFARE FUND  
PARTICIPATION AGREEMENT**

This Participation Agreement is entered into by and between City of Columbia, IL ("Employer") and the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW") acting on behalf of Local 9189-12 ("Union") to implement the terms and conditions of their collective bargaining agreement dated \_\_\_\_\_, 20\_\_\_\_ ("CBA") with respect to the provision of certain health and/or other welfare benefits to eligible employees and/or eligible retired employees. This Agreement also provides benefits for certain non-bargaining unit full-time employees.

1. **Trust Agreement.** The Employer and the Union each agree to be legally bound by the Steelworkers Health and Welfare Fund Agreement and Declaration of Trust, as it may be amended from time to time, which is incorporated by reference into this Agreement.
2. **Benefits.** The Fund will provide eligible employees and/or retired employees with coverage under the following benefit programs:
  - Medical Plan: PPO 90/70
  - Prescription Drug: \$10/\$20/\$35 Retail; \$20/\$40/\$70 Mail Order

Notwithstanding any other provision of this Participation Agreement, if the Fund provides any of the benefit programs selected above through a third-party carrier, and the carrier stops offering the program, the Fund may cease to provide coverage under that program effective on the date on which the carrier stops offering the program ("program termination date") by providing notice to the Employer and the Union at least 60 days in advance of the program termination date, and the Employer will have no further obligation under Section 4 to make contributions for coverage under the program after the program termination date.

3. **Eligibility.** Unless specifically excluded in this Section 3, each common law employee who works in a job classification covered under any collective bargaining agreement entered into by Employer, each eligible full-time non-bargaining unit employee, and each retired or disabled employee who is eligible for continued benefits coverage pursuant to (a) any collective bargaining agreement entered into by Employer; or (b) the laws of the State of Illinois, as well as the eligible dependents of each above-described employee/retiree, is eligible for the benefits described in Section 2 above, so long as said employee/retiree makes any applicable contribution(s) required.

Bargaining Unit Employees (This includes the United Steelworkers of America AFL-CIO-CLC Local 9189, Illinois Fraternal Order of Police Labor Council/Monroe County Lodge #145 Telecommunicator Unit, & The Illinois Fraternal Order of Police Labor Council/Monroe County Lodge #145 (Police Officers)

(a) Effective date of coverage

- (1) Coverage effective date for the employee:
  - ✓ First day of the following month after thirty (30) calendar days of employment unless otherwise described in said employee's unit's collective bargaining agreement.
- (2) Coverage effective date for dependents (*please refer to the Plan document for the definition of eligible dependents*):
  - ✓ Same date as employee
- (3) Employees excluded from coverage (*describe*): Part-time & seasonal employees are not eligible. Full-time employee means a person who is regularly scheduled to work a minimum of thirty (30) hours per week & who is on the permanent payroll of the Employer.

(b) Open Enrollment

- (1) Employees who choose not to become a participant on the earliest possible date, or who elect to terminate participation in a Fund benefit plan but otherwise remain eligible, may become a participant during the next following open enrollment period so long as the required contributions are made to the Fund on their behalf. This also applies to eligible dependents. For purposes of the open enrollment period, changes to employee or dependent participation status can be made during the month of June, annually, for a July 1<sup>st</sup> effective date.

(c) Termination of coverage (employee and eligible dependents)

- (1) Date of termination of coverage upon termination of employment:
  - ✓ First day of the month following termination of employment.
- (2) Date of termination of coverage upon retirement:
  - ✓ First day of the month following retirement or (i) as described in a collective bargaining agreement; or (ii) pursuant to the laws of the State of Illinois as they apply to retired municipal employees, whichever date is later.
- (3) Date of termination of coverage upon layoff:
  - ✓ First day of the month following layoff.
- (4) Date of termination of coverage upon disability:

- ✓ First day of the month following date of disability or (i) as described in a collective bargaining agreement; or (ii) pursuant to the laws of the State of Illinois as they apply to disabled municipal employees, whichever date is later.

(5) Date of termination of coverage upon other absence from work (describe *absence and date of termination of coverage*:) N/A

## Non-Bargaining Unit Employees

### (a) Effective date of coverage

- (1) Coverage effective date for the employee:
  - ✓ First day of the following month after thirty (30) calendar days of employment
- (2) Coverage effective date for dependents (*please refer to the Plan document for the definition of eligible dependents*):
  - ✓ Same date as employee
- (3) Employees excluded from coverage (*describe*): Part-time & seasonal employees are not eligible. Full-time employee means a person who is regularly scheduled to work a minimum of thirty (30) hours per week & who is on the permanent payroll of the Employer.

### (b) Open Enrollment

- (1) Employees who choose not to become a participant on the earliest possible date, or who elect to terminate participation in a Fund benefit plan but otherwise remain eligible, may become a participant during the next following open enrollment period so long as the required contributions are made to the Fund on their behalf. This also applies to eligible dependents. For purposes of the open enrollment period, changes to employee or dependent participation status can be made during the month of June, annually, for a July 1<sup>st</sup> effective date.

### (c) Termination of coverage (employee and eligible dependents)

- (1) Date of termination of coverage upon termination of employment:
  - ✓ First day of the month following termination of employment.
- (2) Date of termination of coverage upon retirement:
  - ✓ First day of the month following retirement or pursuant to the laws of the State of Illinois as they apply to retired municipal employees, whichever date is later.
- (3) Date of termination of coverage upon layoff:
  - ✓ First day of the month following layoff.
- (4) Date of termination of coverage upon disability:
  - ✓ First day of the month following date of disability or pursuant to the laws of the State of Illinois as they apply to disabled municipal employees, whichever date is later.
- (5) Date of termination of coverage upon other absence from work (*describe absence and date of termination of coverage*:) N/A

4. **Contributions.**

(a) **Initial Period.** For the period beginning on the first day of July, 2012, and continuing through the last day of June, 2013, the Employer shall make payments to the Fund at the rates set forth below on behalf of each eligible employee and/or retired employee described in Section 3 above.

	<b>Individual</b>	<b>Member +1</b>	<b>Family</b>
Medical Plan: PPO 90/70	\$515.26	\$1,350.27	\$1,606.40
Prescription Drug: \$10/\$20/\$35 Retail: \$20/\$40/\$70 Mail Order	\$108.11	\$ 297.38	\$ 297.38

(b) **Subsequent Periods.** For any period beginning with the expiration of the rates listed in Section 4(a) above and continuing through the expiration of this Agreement, the Employer shall make monthly payments to the Fund at the rates prescribed by the Board, or its authorized agent, on behalf of each eligible employee/retired employee described in Section 3 above. Each period for which a particular rate is in effect is considered to be a "Subsequent Period." No increase in rates will take effect before the first day of the month next following the expiration of the 30-day period after notice of the increase was furnished to the Employer and the Union.

(c) **Partial Coverage Months.** Contributions are due for each eligible employee/retired employee for each month during which the eligible employee/retired employee was provided with coverage except that, for individuals who were eligible employees for only part of a month, contributions shall be paid as follows:

- (1) **New Coverage:** Contribution is due only if employee/retired employee became eligible before the 16<sup>th</sup> day of the month for which coverage is provided.
- (2) **Termination of Coverage:** Contribution is due only if employee/retired employee ceased to be an eligible employee after the 15<sup>th</sup> day of the month for which coverage is provided.

(d) **Contribution Due Date.** All contributions are due no later than (1) the 10<sup>th</sup> day of the month or (2) the 15<sup>th</sup> day of the month in the event that ACH Debit Authorization has been granted to the Fund, for which the benefits attributable to such contributions are provided.

5. **Adjustment of Rates.** In the event the total number of employees enrolled for any benefit described in Section 2 above during the Initial Period or any Subsequent Period increases or decreases by twenty percent (20%) or more from the number of employees enrolled as of the first day of that period, the Fund reserves the right to adjust the contribution rates charged for any benefit for the rest of that period to reflect the change in enrollment. The Fund shall notify the Employer and the Union of any such adjustment no later than 30 days before the effective date of the adjustment.

6. **Waiver of Coverage.** If the Employer requires a monthly contribution from an employee/retired employee for any type of coverage (including coverage for dependents), and the employee either declines coverage as of the initial eligibility date or fails to pay the employee/retiree contribution for any subsequent month and loses coverage as a result, coverage will not be reinstated until the first day of the month following the end of an annual open enrollment period or, if there is no annual open enrollment period, the next renewal date under the contract between the Fund and the provider.
7. **Obligations With Respect to COBRA.** The Fund acknowledges that it is responsible for providing COBRA coverage to eligible covered employees/retired employees and their eligible dependents under section 4980B(f) of the Internal Revenue Code. To enable the Fund to satisfy its COBRA obligations under section 4980B(f) of the Internal Revenue Code, and as required of the Employer under that section, the Employer will notify the Fund of the following qualifying events as that term is defined under that section with respect to its employees including any retirees covered by the Fund as of the date of the qualifying event, within 30 days of the qualifying event: (1) the death of the covered employee; (2) the termination (other than by reason of such employees' gross misconduct), or reduction of hours of the covered employees' employment; (3) the covered employee becoming entitled to benefits under title XVIII of the Social Security Act; or (4) a proceeding in a case under title 11, United States Code, if any retirees are covered under this Agreement. The Employer agrees to comply with any statutory changes in its notification obligations that become effective during the term of this Agreement. The Employer agrees to indemnify the Fund against all losses that the Fund incurs as a result of the Employer's failure to comply with its notification obligations set forth in this Section 7.
8. **Complete Agreement.** This Agreement is the sole and total agreement between the Employer and the Union with respect to benefits identified herein. If any other agreement between the Employer and the Union (including the CBA) contains provisions inconsistent with this Agreement, those inconsistent provisions shall have no force and effect with respect to the obligations and agreements under this Agreement.
9. **Applicable Law.** This Agreement is subject in all respects to the provisions of the Labor-Management Relations Act of 1947, as amended, and to any other applicable laws.
10. **Fund Obligations.** The Employer and the Union understand that the Fund shall not be obligated to provide benefits to any eligible employee/retired employee (i) unless and until the Board's authorized agent accepts this Agreement by signing where indicated below, and (ii) with respect to any period for which the Employer does not make the full payments to the Fund described in Section 4.
11. **Assignment.** Neither the Employer nor the Union may assign any of its rights or obligations under this Agreement to another party without the advance written consent of the Fund.
12. **Amendment.** This Agreement may be amended at any time by the written consent of the Employer, the Union and the Fund.

**13. Term.** The provisions of this Agreement shall become effective as of the first day of July, 2012, and shall remain in effect until the last day of June, 2015. The termination of this Agreement shall not relieve the parties hereto of any statutory or contractual obligation to continue to provide health and/or welfare benefits to any eligible employee/retired employee covered by this Agreement or to make all contributions owed to the Fund.

**IN WITNESS WHEREOF,** the Employer and the Union hereby execute this Agreement effective as of the date specified in Section 13 above.

UNITED STEEL, PAPER AND FORESTRY,  
RUBBER, MANUFACTURING, ENERGY,  
ALLIED INDUSTRIAL AND SERVICE  
WORKERS INTERNATIONAL UNION  
AFL-CIO-CLC on behalf of Local No. 9189-12

City of Columbia, IL  
Employer

By: \_\_\_\_\_  
Title

By: \_\_\_\_\_  
International President

Attest: \_\_\_\_\_

By: \_\_\_\_\_  
International Secretary/Treasurer

By: \_\_\_\_\_  
International Vice President

By: \_\_\_\_\_  
International Vice President

By: \_\_\_\_\_  
Director

By: \_\_\_\_\_  
Staff Representative

Accepted on behalf of the Steelworkers

Health and Welfare Fund on \_\_\_\_\_, \_\_\_\_\_

By: \_\_\_\_\_  
Executive Director