



EMPLOYEE TRUSTEES
CHARLES A. WHOBREY
GEORGE J. WESTLEY
MARVIN KROPP
WILLIAM D. LICHTENWALD

EMPLOYER TRUSTEES
ARTHUR H. BUNTE, JR.
GARY F. CALDWELL
GREG R. MAY
CHRISTOPHER J. LANGAN

EXECUTIVE DIRECTOR
THOMAS C. NYHAN

December 19, 2016

Beth Kirchman
Business Agent
Local Union No. 662
850 Highway 153 – Suite D
Mosinee, WI 54455

Jessie Lillibridge
City of Manitowoc
900 Quay Street
Manitowoc, WI 54220-4543

RE: CITY OF MANITOWOC
ACCOUNT NO.: 5001950-0200-00662-A (PUBLIC WORKS)
-0201-00662-A (TRANSIT)

Dear Ms. Kirchman and Ms. Lillibridge:

Our records indicate that the most recent collective bargaining agreement between City of Manitowoc and Local Union No. 662 provided for Health and Welfare Plan C6 benefits. The new contribution rates required are as follows:

<u>Effective Date</u>	<u>04/30/2017</u>	<u>*04/29/2018</u>	<u>*04/28/2019</u>
H & W	\$375.70	* \$398.20	* \$438.00

*** NOT TO EXCEED RATES**

Enclosed please find a notice concerning the "grandfathered health plan" status of the Central States Health and Welfare Fund. The Trustees have chosen to maintain this status in order to maintain low contribution rates and to minimize changes needed to be implemented on account of the Affordable Care Act in order to limit disruption to the administration of the plan. In accordance with the present requirements for grandfathered status plans please be advised that there are two restrictions that you need to be aware of. First, the Fund has a limited ability to accept renewal contracts that change benefits that were in effect on March 23, 2010 unless the parties sign a "bona fide employment based reason" statement. Also, the Fund is limited in being able to accept new contracts that shift any additional portion of the cost of the health coverage to the bargaining unit member. If you have questions in regard to this, please contact your Field Service Representative or the Contract Department on Extension 5703 before entering into any new agreement which may not be acceptable to the Fund.

Also be advised that the waiting periods for new hires must be in accordance with Question and Answer #1 of Special Bulletin 2013-1 (attached). Collective Bargaining Agreements ratified on or after July 1, 2013 will not be accepted unless the waiting period under the terms of the agreement is no more than thirty (30) calendar days unless the Board of Trustees explicitly consents in writing to a longer period.

Lastly, Fund policy requires that health and welfare contributions be submitted on all employees covered by the agreement for all compensated periods, including full-time and non full-time employees after they have been on the Employer's payroll for no longer than 30 calendar days. However, if your agreement has historically excluded or limited

Beth Kirchman
Local Union No. 662
December 19, 2016
Page Two

Jessie Lillibridge
City of Manitowoc

health contributions on non full-time employees, the agreement may or may not be in compliance with the Fund's policies. If you have historically excluded non full-time employees, please contact the Fund at 847-518-9800, ext. 3247 for discussion and information prior to completing your negotiations.

Upon execution of the renewal agreement and participation agreement, you are required to send a copy to:

Central States Health and Welfare Fund
9377 W. Higgins Road
Rosemont, IL 60018-4938
Attn: Contract Department

If there are any questions, please let me know. I can be reached at (800) 323-2152, extension 5703.

Sincerely,



Karl A. Lewis
Division Manager
Contracts

KAL:mk- City of Manitowoc 121615

cc: Heather Schissel, Teamleader, Contract Department



A NATIONAL TEAMSTER HEALTH PLAN

WISCONSIN MUNICIPALITIES PARTICIPATION AGREEMENT

BARGAINING UNIT EMPLOYEES

ACCOUNT NUMBER: 5001950-0200-00662-A

THIS AGREEMENT between the Employer and the Central States, Southeast and Southwest Areas Health and Welfare Fund ("Health and Welfare Fund") sets forth the terms under which the Employer will participate in the Health and Welfare Fund on behalf of Employees covered by its collective bargaining agreement with a Local Union affiliated with the International Brotherhood of Teamsters (the "Union") covering the following job classification(s):

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

1. The Employer agrees to be bound by the Trust Agreement 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 and Welfare Fund and accepts the respective Employer and Employee Trustees and their successors.

2. The Employer shall contribute to the Health and Welfare Fund for each Employee at the following weekly rates:

Effective Date:	<u>04/30/2017</u>	Rate:	<u>\$ 375.70</u>
Effective Date:	<u>* 04/29/2018</u>	Rate:	<u>*\$ 398.20</u>
Effective Date:	<u>* 04/28/2019</u>	Rate:	<u>*\$ 438.00</u>

(*NOT TO EXCEED)

3. The contribution rate beginning twelve months after the last Effective Date set forth in paragraphs 2 shall be the rate determined by the Trustees to maintain the existing benefit plan and such rate changes shall be incorporated into this Agreement.

4. This Agreement and the Employer's obligation to pay contributions shall continue in effect until three years after the initial "Effective Date" set forth in paragraph 2 and will continue thereafter for three year terms absent a written notice of termination served by certified mail (return receipt requested) that is mailed at least 60 days before the initial termination date or extended termination date. Any notice directed to the Health and Welfare Fund shall be sent to the above address and shall be directed to the Contracts Department. Any notice to the Employer shall be sent to the address set forth below or the address to which monthly contribution bills are sent. Notwithstanding the foregoing, this Participation Agreement shall terminate a) on the date selected by the Trustees in the event they decide to terminate participation under Article IV, Section 20 of the Trust Agreement because they determine that this Agreement is unlawful and/or inconsistent with any rule or requirement for participation by Employers in the Fund and/or that the Employer is engaged in one or more practices or arrangements that threaten to cause economic harm to, and/or impairment of the actuarial soundness of the Fund, or b) the date of the certification of the result of an election that terminates the Union's status as representative of the Employees, or c) the date the Union's

representative status terminates through a valid disclaimer of interest. In the event an election certification or disclaimer of interest referred to in b) or c) relates to only part of the bargaining unit, this Agreement shall remain in effect with respect to the remainder of the bargaining unit.

5. For purposes of this Agreement, the term "Employee" shall mean any full-time or part-time employee performing work in a classification covered by a collective bargaining agreement between the Employer and the Union or represented by the Union. Temporary and casual (i.e. short term employees who work for uncertain or irregular duration) are excluded. 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 and Welfare Fund.

6. The Employer agrees to remit contributions on behalf of each 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 Labor Relations Board proceeding, grievance/arbitration proceeding or other legal proceeding or settlement.

7. On or before the 15th day of each month, the Employer must report to the Health and Welfare Fund any change in the 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 and 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 and 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.

8. The Employer shall provide the Trustees with access to its payroll records and other pertinent records when requested by the Health and 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 and 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 and Welfare Fund.

9. The Employer acknowledges that it is aware of the Health and Welfare Fund's 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.

10. 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 and Welfare Fund receive actual written notice of the existence of the Employer's liability.

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

CITY OF MANITOWOC

Employer Name

Central States Southeast and Southwest
Areas Pension Fund and Central States
Southeast and Southwest and Southwest
Areas Health and Welfare Fund.

Representative Signature

Printed Name and Title

Date

Date

Complete Address of Employer

() _____ () _____
Telephone Number Fax Number



A NATIONAL TEAMSTER HEALTH PLAN

WISCONSIN MUNICIPALITIES PARTICIPATION AGREEMENT

BARGAINING UNIT EMPLOYEES

ACCOUNT NUMBER: 5001950-0201-00662-A

THIS AGREEMENT between the Employer and the Central States, Southeast and Southwest Areas Health and Welfare Fund ("Health and Welfare Fund") sets forth the terms under which the Employer will participate in the Health and Welfare Fund on behalf of Employees covered by its collective bargaining agreement with a Local Union affiliated with the International Brotherhood of Teamsters (the "Union") covering the following job classification(s):

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

1. The Employer agrees to be bound by the Trust Agreement 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 and Welfare Fund and accepts the respective Employer and Employee Trustees and their successors.

2. The Employer shall contribute to the Health and Welfare Fund for each Employee at the following weekly rates:

Effective Date:	<u>04/30/2017</u>	Rate:	<u>\$ 375.70</u>
Effective Date:	<u>* 04/29/2018</u>	Rate:	<u>*\$ 398.20</u>
Effective Date:	<u>* 04/28/2019</u>	Rate:	<u>*\$ 438.00</u>

(*NOT TO EXCEED)

3. The contribution rate beginning twelve months after the last Effective Date set forth in paragraphs 2 shall be the rate determined by the Trustees to maintain the existing benefit plan and such rate changes shall be incorporated into this Agreement.

4. This Agreement and the Employer's obligation to pay contributions shall continue in effect until three years after the initial "Effective Date" set forth in paragraph 2 and will continue thereafter for three year terms absent a written notice of termination served by certified mail (return receipt requested) that is mailed at least 60 days before the initial termination date or extended termination date. Any notice directed to the Health and Welfare Fund shall be sent to the above address and shall be directed to the Contracts Department. Any notice to the Employer shall be sent to the address set forth below or the address to which monthly contribution bills are sent. Notwithstanding the foregoing, this Participation Agreement shall terminate a) on the date selected by the Trustees in the event they decide to terminate participation under Article IV, Section 20 of the Trust Agreement because they determine that this Agreement is unlawful and/or inconsistent with any rule or requirement for participation by Employers in the Fund and/or that the Employer is engaged in one or more practices or arrangements that threaten to cause economic harm to, and/or impairment of the actuarial soundness of the Fund, or b) the date of the certification of the result of an election that terminates the Union's status as representative of the Employees, or c) the date the Union's

representative status terminates through a valid disclaimer of interest. In the event an election certification or disclaimer of interest referred to in b) or c) relates to only part of the bargaining unit, this Agreement shall remain in effect with respect to the remainder of the bargaining unit.

5. For purposes of this Agreement, the term "Employee" shall mean any full-time or part-time employee performing work in a classification covered by a collective bargaining agreement between the Employer and the Union or represented by the Union. Temporary and casual (i.e. short term employees who work for uncertain or irregular duration) are excluded. 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 and Welfare Fund.

6. The Employer agrees to remit contributions on behalf of each 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 Labor Relations Board proceeding, grievance/arbitration proceeding or other legal proceeding or settlement.

7. On or before the 15th day of each month, the Employer must report to the Health and Welfare Fund any change in the 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 and 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 and 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.

8. The Employer shall provide the Trustees with access to its payroll records and other pertinent records when requested by the Health and 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 and 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 and Welfare Fund.

9. The Employer acknowledges that it is aware of the Health and Welfare Fund's 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.

10. 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 and Welfare Fund receive actual written notice of the existence of the Employer's liability.

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

CITY OF MANITOWOC

Employer Name

Central States Southeast and Southwest
Areas Pension Fund and Central States
Southeast and Southwest and Southwest
Areas Health and Welfare Fund.

Representative Signature

Printed Name and Title

Date

Date

Complete Address of Employer

() ()

Telephone Number Fax Number