



Legislation Text

File #: 17232, Version: 1

Fiscal Note

Dissolution of the existing Local 311 Trust and transfer of assets to a new entity will have no budgetary impact.

Title

Amending and supplementing Resolution No. 09-0868 by providing that the assets of Fire Fighters Local 311 Post-Retirement Benefits Trust be transferred to a new plan sponsored by ICMA-RC, authorizing the Mayor and City Clerk to enter into agreements as may be necessary for such termination and transfer, including any necessary indemnification clauses, and any necessary changes to the collective bargaining agreement between the City and Local 311, adopting the ICMA Retirement Corporation's VantageCare Retirement Health Savings Plan and Adoption Agreement, authorizing the establishment of a Trust and designating Trustees therefore, and making other provisions for the new Local 311 post employment health plan (PEHP).

Body

On October 20, 2009, the Common Council passed Resolution No. 09-0868, Legislative File No. 16060, providing for the termination of the existing Fire Fighters Local 311 Post-Retirement Benefits Trust and the transfer of the assets to a new Trust and Plan to be operated pursuant to agreements with Precision Retirement Group. A copy of that resolution is attached. Since that time, Local 311 has determined that it prefers to utilize a plan offered by ICMA Retirement Corporation (ICMA-RC) VantageCare Retirement Health Savings Plan. The City Attorney and Comptroller have reviewed the proposed Plan and have no objection to the City entering into the necessary agreements to sponsor the Plan for use by Local 311. However, in order to do so, the City must modify the prior resolution and provide authority to enter into the new Plan.

WHEREAS, the City of Madison, Wisconsin (Employer) has employees rendering valuable services; and

WHEREAS, the establishment of a retirement health savings plan for such employees serves the interests of the Employer by enabling it to provide reasonable security regarding such employees' health needs during retirement, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that the establishment of the retirement health savings plan (the "Plan") serves the above objectives;

NOW, THEREFORE, BE IT RESOLVED:

1. That Resolution No. 09-0868 is hereby amended and supplemented in the following respects:
 - A. The title of the Resolution is amended to read: Terminating Fire Fighters Local 311 Post-Retirement Benefits Trust, Authorizing the transfer of assets to a new Trust to be operated pursuant to agreements with ICMA Retirement Group and others, and Authorizing the Mayor and City Clerk to enter into agreements as may be necessary for such termination and transfer, including any necessary changes to the collective bargaining agreement between the City and Local 311.
 - B. The second paragraph of the Background section of the Resolution is amended to read: Local 311 now desires to dissolve and terminate the existing Trust and transfer the assets to a new

trust. The new post-retirements benefit trust and program would be operated pursuant to agreements with ICMA Retirement Group and its affiliates.

- C. The second Resolved Clause of the Resolution is amended to read: BE IT FURTHER RESOLVED, that the City agrees to assist Local 311 in the transfer of amounts in the Trust to a new trust and Plan to be operated pursuant to agreements with ICMA Retirement Group and others; and
 - D. That the Employer hereby adopts the Plan in the form of the ICMA Retirement Corporation's VantageCare Retirement Health Savings program.
 - E. That the assets of the Plan shall be held in trust, with the following persons serving as the Board of Trustees: the City of Madison Fire Fighters Local 311 Plan Board of Trustees, consisting of three (3) persons selected by and replaced or changed as necessary by Fire Fighters Local 311. The assets shall be held in trust for the exclusive benefit of Plan participants and their survivors, and the assets of the Plan shall not be diverted to any other purpose prior to the satisfaction of all liabilities of the Plan.
 - F. That the Employer is authorized to and shall execute the Declaration of Trust of the City of Madison Fire Fighters Local 311 Plan Integral Part Trust, to enter into the Administrative Services Agreement with ICMA-RC to act as Plan Administrator, and to enter into the Adoption Agreement and Plan.
 - G. That the City Human Resources Director or designee shall be the primary coordinator and contact for the Plan and shall receive necessary reports and notices. The City Comptroller or designee shall assist in making necessary contributions.
 - H. That the Mayor and City Clerk are authorized to sign the Adoption Agreement, Trust, Administrative Services Agreement, and Plan to accomplish these objectives, which documents shall be substantially in the form attached hereto, and may contain any necessary or desired indemnification clauses. All of these documents are subject to the review and approval of the City Attorney prior to execution by the City.
 - I. That the City is authorized to make any required discretionary contribution to the Plan or Trust as may be necessary to make the Plan effective January 1, 2010.
2. That except as modified herein, Resolution 09-0868 remains in full force and effect.