

# OPERATING ENGINEERS TRUST FUNDS

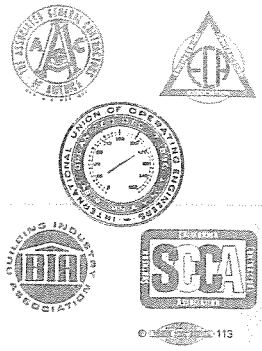
I.U.O.E. LOCAL 12 HEALTH & WELFARE / PENSION / VACATION / TRAINING

100 EAST CORSON STREET • PASADENA, CALIFORNIA 91103 • (626) 356-1000

P.O. BOX 7063, PASADENA, CALIFORNIA 91109

WEBSITE: [www.oefunds.org](http://www.oefunds.org)

## MEMORANDUM



TO: SIGNATORY EMPLOYERS DATE: July 15, 2011

FROM: OPERATING ENGINEERS HEALTH & WELFARE FUND

SUBJECT: HEALTH & WELFARE CONTRIBUTIONS FOR NON-BARGAINING EMPLOYEES

### Contribution Rate

Effective September 15, 2011, the Health & Welfare contribution rate for California employers will be raised to \$1,344.00 per employee per month. The contribution rate for Nevada employers will be \$1,359.00 per month. Any further increase as determined by the Board of Trustees will not be put into effect without 60 day's written notice to the Company and the Union.

### Eligibility

The standard flat rate eligibility rule is that an employee becomes eligible on the first day of the second month following the month for which he/she was reported. Example: If the employee is reported for the month of May, he will become eligible on July 1<sup>st</sup>.

Any current Reserve Hour Bank in the Health & Welfare Fund applicable to the non-bargaining employee which was accumulated based on hourly reporting will be frozen and cannot be used beginning with the date the new reporting procedure is initiated by your company.

Each employee earns 15 reserve hours for each reported month, with a maximum Reserve Hour Bank of 500 hours. Should the employee lose eligibility, 83 hours are deducted from the Reserve Hour Bank for each month of extended eligibility. This results in a maximum 6-month extension if there are 500 hours in the Reserve Hour Bank.

### Reporting Methods

The Fund office will provide monthly reporting forms to the employer. After the initial report is received and recorded, the employer will receive computer printed reports containing the names and Social Security numbers of the employees that were reported the previous month. The employer must only cross out those employees no longer working for him and add any new employees.

**ADMINISTRATIVE OFFICE**