

ORDINANCE NO. _____

AN ORDINANCE AMENDING AND RESTATING ORDINANCE 17928 WHICH ESTABLISHED SALARY RANGES AND FRINGE BENEFITS FOR NON-UNION EMPLOYEES (Amendment to Group Health Insurance)

WHEREAS, the Mayor and City Council of the City of Joliet, Illinois (City) has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs and protect the public health, safety, and welfare of its citizens; and

WHEREAS, the City is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois; and

WHEREAS, the Mayor and City Council previously established fringe benefits for exempt employees and enacted Ordinance No. 16569 on or about December 15, 2009 which has subsequently been amended, most recently by Ordinance 17928; and

WHEREAS, the Mayor and City Council recognize that Section 16 of Ordinance 17928 must be amended; and

WHEREAS, the proposed Ordinance replaces Section 16 and incorporates the changes that will become effective on 01/01/2025; and

WHEREAS, there are no other changes to Ordinance 17928; and

WHEREAS, the City of Joliet is a home rule unit of local government.

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF JOLIET, ILLINOIS, PURSUANT TO ITS STATUTORY AND HOME RULE AUTHORITY, AS FOLLOWS:

SECTION 1: The Mayor and City Council hereby find that the recitals contained in the preamble to this Ordinance are true, correct and complete and are hereby incorporated into this Ordinance by reference.

SECTION 2: That ORDINANCE 17928 shall be amended as follows:

Section 16: Insurance

- (a) **Group Health Insurance** The City shall provide group health insurance benefits for each non-union full-time employee covered by this Agreement, and their qualifying dependents, in accordance with the Plan Documents, costs, and schedule of benefits adopted by City Council annually.
- (b) **Group Term Life Insurance** Each Group I, II, III and IV employee shall receive term life insurance coverage while employed by the City in the amount of \$50,000.

(c) Group Long Term Disability Insurance Each full-time employee shall receive long-term disability insurance coverage in accordance with a plan approved by the City Council.

(d) Working Spouses and Dependents of Full-Time Exempt Employees

(1) Primary Coverage Limited In the event the spouse or a dependent of an active employee enrolled in the City's group health insurance plan is employed on a non part-time basis (defined 36 hours or more per week on average), and the spouse or dependent is eligible for health insurance provided by his or her employer, then the spouse or dependent shall not be insured by the City on primary basis. Coverage by the City on a secondary basis shall be available, provided the spouse or dependent has enrolled with his or her employer for primary coverage, the spouse or dependent is properly enrolled in the City's Plan and all applicable premiums and copayments are paid as required.

(2) Duty of Employee to Notify City of Status of Spouse or Dependent The City shall provide an annual open enrollment process in which the employee shall be required to provide sufficient information to the City to establish the proper status of a spouse or dependent in order to determine eligibility for benefits and appropriate premiums and copayments under this Section. In addition, employees shall notify the City of a spouse or dependent becoming eligible for employer-provided health insurance within thirty (30) days of such eligibility. The City shall also permit mid-year changes in enrollment status of spouses and dependents due to changes in employment status.

An employee's failure to timely notify the City of a change in the status of a spouse or dependent, or to provide complete and accurate information required by the City pursuant to this Section may constitute just cause for discipline and for the denial or limitation of benefits and for the reimbursement of benefits improperly paid.

(3) Coordination of Benefits-Dependent Children of Parents not Separated or Divorced or of Divorced Parents Having Joint Custody In the event that a dependent child is covered by more than one health insurance plan, then the plan covering the parent whose birthday falls earlier in the year shall provide primary coverage for the dependent child. If both parents have the same birthday, then the plan that has provided coverage longer shall provide primary coverage.

(4) Coordination of Benefits-Dependent Children of Divorced or Separated Parents In the event that a dependent child is covered by more than one health insurance plan, then the plan covering the parent with custody of the child shall provide primary coverage and the plan of the spouse of the parent having custody shall provide secondary coverage. The plan of the parent not having custody of the child shall provide the next level of coverage.

The foregoing notwithstanding, if an order or decree issued by a court of competent jurisdiction provides a different method of coordination of benefits, then such method shall govern and control upon proper notification to the affected plans.

(e) Employee Election to Opt Out of Group Health Insurance Plan Section to be Eliminated

(f) *Health Benefit Plan for Separating Employees (Retirees)*

- (1) Each Group I,II, III and IV employee who, at the time of that employee's termination of employment, has a minimum of eight years of service as a full time City employee and is at least 55 years of age shall be eligible to continue to receive health insurance benefits and group term life insurance in accordance with plan documents, costs, and schedule of benefits adopted by City Council annually. Eligible separating employees shall be entitled to receive Hospital Benefits, Physician Benefits and Prescription Drug Program Benefits, but not Dental Benefits or Vision Benefits, in accordance with the Plan Documents and schedule of benefits adopted annually by the City Council.

The cost for those benefits shall be paid in accordance with the following schedules:

<u>Service Credits</u>	<u>City Pays</u>	<u>Employee Pays</u>
20 years or more	100%	0%
15 years through 19 years	75%	25%
12 years through 14 years	65%	35%
8 years through 11 years	50%	50%

The eligible retiree shall be responsible for the cost of those benefits for eligible dependents of the retiree as established in the plan. The retiree shall pay the applicable monthly premiums for that portion of the benefits payable by the retiree.

SECTION 3: No Vested Right in Benefits This Ordinance shall not establish any vested right in any salary or fringe benefit for any employee. Nothing in this Ordinance shall be construed to create a contractual right to a position, salary or an increase in salary or benefit conferred by this Ordinance. The Mayor and City Council reserve the right to modify or terminate any benefit conferred by this Ordinance without notice and without cause.

SECTION 4: Administrative Policies, Rules, and Regulations The City Manager is authorized to promulgate policies, rules, and regulations consistent with the terms of this Ordinance for the implementation and administration of the provisions of this Ordinance. Any such policy, rule or regulation in effect on the effective date of this Ordinance shall continue in full force and effect provided it is not inconsistent with any provision of this Ordinance.

SECTION 5: Severability This Ordinance shall be considered severable. The invalidity of any section, clause, paragraph, sentence or provision of the Ordinance shall not affect the validity of any other portion of the Ordinance.

SECTION 6: Conflicting Ordinances All Ordinances or parts of Ordinances conflicting with any of the provisions of this Ordinance are hereby repealed to the extent of such conflict.

SECTION 7: Effective Date This Ordinance shall be in full force and effect from and after its passage, approval and publication as provided by law.

PASSED this _____ day of _____,2024.

MAYOR

CITY CLERK

VOTING NO: _____

VOTING YES: _____

NOT VOTING: _____