

TOWN OF ST. JOHN, LAKE COUNTY, INDIANA

ORDINANCE NO. 940

AN ORDINANCE ESTABLISHING A PRE-TAX
PREMIUM PLAN FOR THE BENEFIT
OF THE EMPLOYEES OF THE TOWN OF ST. JOHN

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has reviewed the circumstances of compensation to its Employees, all of which is provided pursuant to the provisions of the Salary Ordinance of the Town, as amended from time to time; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has further reviewed the funding sources from which the salaries of the Employees of the Town is paid pursuant to the Salary Ordinance, as amended from time to time, and finds that such available funds are limited in order to provide an increase in compensation to the Employees; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has investigated the alternative methods available under applicable law to permit Employees of the Town to pay their portion of certain insurance programs as well as utilize a portion of salary benefits before Federal Taxes are withheld for such Employees; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has considered the establishment of a Pre-Tax Premium Plan pursuant to the applicable provisions of Internal Revenue Code Section 125, to be made available to all eligible Employees of the Town pursuant to applicable Federal legislation permitting such Pre-Tax Premium Plans; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has been advised that certain substantial tax benefits could accrue to eligible Employees of the Town electing to participate in an established Pre-Tax Premium Plan as well as the Town; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has determined that the establishment of a Pre-Tax Premium Plan providing certain substantial tax benefits to eligible participating Employees of the Town would act as an incentive to

participating Town Employees as a result of their employment as Public Municipal Employees, all at little or no cost to the Town; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has determined that it is advisable and in the best interests of the residents of the Town of St. John to provide an incentive to Employees of the Town to by establishing a Pre-Tax Premium Plan at little or no cost to the Town, and in order to provide substantial enhanced compensation benefit to such eligible participating Employees.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA:

SECTION ONE: The Town Council hereby establishes the Town of St. John, Lake County, Indiana, Pre-Tax Premium Plan for the voluntary participation of all eligible Employees of the Town. The established Pre-Tax Premium Plan is required to be established in conformance with the requirements of Section 125 of the Internal Revenue code, as amended from time to time.

SECTION TWO: The Clerk-Treasurer of the Town is hereby authorized to execute for the Town, individual participation agreements with each Employee requesting the same, and to act as the "Administrator" of the Plan representing the Town. The Town Council President is hereby authorized to execute such agreements and contracts as are necessary to implement the program, and the Clerk-Treasurer of the Town shall attest to the execution of the same by the Town Council President.

SECTION THREE: The Town of St. John, Lake County, Indiana, Pre-Tax Premium Plan is hereby established, provided that there is little or no cost to the Town for the Plan except for minor incidental administrative expenses regarding the same.

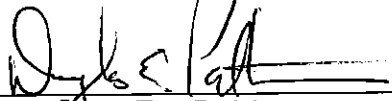
SECTION FOUR: That all existing Ordinances, Guidelines, Regulations or parts thereof, in conflict with the provisions of this Ordinance, are hereby deemed null, void, and of no legal effect, and are specifically repealed.

SECTION FIVE: If any section, clause, provision, or portion of this Ordinance shall be held to be invalid or unconstitutional by any Court of competent jurisdiction, such decision shall not affect any other section, clause, provision, or portion of this Ordinance.

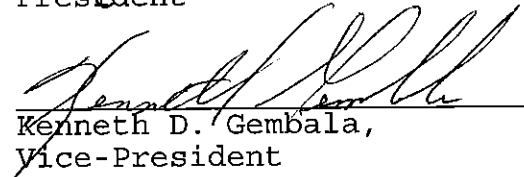
SECTION SIX: That this Ordinance shall take effect, and be in full force and effect, from and after its passage by the Town Council of the Town of St. John.

PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA, THIS 29 DAY OF November, 1993.

TOWN OF ST. JOHN, LAKE COUNTY,
INDIANA, TOWN COUNCIL



Douglas E. Patterson,
President



Kenneth D. Gembala,
Vice-President



Carl Brown,
Member

ATTEST:



JUDITH L. COMPANIK,
Clerk-Treasurer