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TOWN OF ST. JOHN, LAKE COUNTY, INDIANA

ORDINANCE NO. 1517

AN ORDINANCE AMENDING TOWN OF ST. JOHN Y2010 SALARY ORDINANCE NO. 1502 TO AUTHORIZE AND PROVIDE AN ADDITIONAL HEALTH INSURANCE OPTION FOR THE EMPLOYEES, AND PERMITTING ESTABLISHMENT OF AN EMPLOYEE FLEX BENEFIT PLAN AND FLEX-MED ACCOUNTS FOR SUCH PLAN THROUGH THE TOWN INSURANCE CARRIER, TO AUTHORIZE ALL ACTIONS REQUIRED FOR SAME, AND ALL MATTERS RELATED THERETO.

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, is the duly elected Legislative Body of the Town of St. John, and as such, has the general statutory authority and responsibility to establish a schedule of wages and salaries for Town Employees, Town Officials, Police Personnel, Fire Personnel, Building and Planning Department Employees, Park Department Employees, and Public Works Department Employees, including the Water Utility Employees, Wastewater Utility Employees, Street Department Employees, Sanitary District Employees, and Waterworks District Employees; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, did, on the 17th day of December, 2009, pass and adopt its Y2010 Salary Ordinance No. 1502, establishing the schedule of wages and salaries for Employees, Fire and Police Personnel, and Town Officials for 2010; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, did, in its passage and adoption of Y2010 Salary Ordinance No. 1502, provide Employee Health Benefits within such compensation for Town Employees covered by the provisions of the Town 2010 Salary Ordinance No. 1502; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, subsequent to the adoption of Town Y2010 Salary Ordinance No. 1502, become aware that substantial modifications were required to the Employee Health Benefits provisions of the Town Y2010 Salary Ordinance No. 1502 due to changes in coverage and options for coverage for Employee Health Benefits under report from the Town Manager and Town Insurance Agent; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has, as a consequence of the report of the Town Manager and Town Insurance Agent that substantial changes occurred in the Health Insurance Coverage options for Town Employees, exhaustively and thoroughly evaluated the Health Insurance Benefit options available; further, as an additional consequence of said exhaustive and thorough evaluation of options for Employee Health Benefits due to the changes presented by the Town Manager and Town Insurance Agent, the Town Council has determined it appropriate and necessary to amend the **Employees Health Benefits** provisions of Town Y2010 Salary Ordinance No. 1502 to authorize and provide an additional health insurance option for the employees, to permit establishment of an Employee

Flex Benefit Plan and Flex-Med Accounts for such plan through the Town Insurance Carrier, as well as to authorize all necessary actions to be undertaken to implement such additional Employee Health Insurance option; and

WHEREAS, the Town Council of the Town of St. John, Lake County, Indiana, has determined it appropriate, advisable, necessary, and in the best interests of the Employees of the Town, as a consequence of the circumstances presented by the Town Manager and Town Insurance Agent, to authorize and provide an additional Health Insurance Option for the Employees and to permit establishment of an Employee Flex Benefit Plan and Flex-Med Accounts for such plan by an amendment to Town Y2010 Salary Ordinance No. 1502 in its provisions pertaining to **Employees Health Benefits**.

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

SECTION ONE: That Section N., entitled **Employees Health Benefits**, of Town Y2010 Salary Ordinance No. 1502 be, and the same is hereby amended to add to the **Employee Health Benefits** provisions the following, namely:

“N. Employees Health Benefits

An additional health insurance option is hereby authorized and provided to the Employees with the establishment of an Employee Flex Benefits Plan for Employee Health Coverage. Under this additional Health Insurance option, an Employee Flex Benefit Plan is authorized to be established, together with Flex-Med Accounts for such Plan through the Town Insurance Carrier. Each Employee may elect participation in said additional Health Insurance Option and Employee Flex Benefit Plan with Flex-Med Accounts for such plan in the manner, and under the requirements for same through the Town Insurance Carrier. The Town Clerk-Treasurer is hereby authorized to fund the Employee Flex-Med Accounts for an established Employee Flex Benefit Plan of coverage from the funds, and in the percentages from such funds for each Employee consistent with the requirements of the Employee Flex Benefit Health Insurance Plan. The Clerk-Treasurer is further authorized hereby to transfer such funds as are required for each participating Town Employee in the Employee Flex Benefit Plan into the specific Employee Flex-Med Account in advance of such funds being earned as compensation by the participating Town Employee. Each participating Town Employee is required to contribute in the amount of participation with each payroll deduction made. Upon deduction from payroll compensation, funds advanced to fund the Employee Flex-Med Account for the Employee Flex Benefit Plan shall be reimbursed to the appropriate and designated Town Funds from which said advance payment was made to fund the Flex-Med Accounts for such participating Town Employee until full repayment or reimbursement to the Town has been made. It shall be a requirement of participation that each participating Town Employee acknowledges and agrees to the reimbursement of the monies advanced to fund the Employee Flex-Med Account for such Employee under the Employee Flex Benefit Plan until full reimbursement has been made. It shall be a further

condition and requirement of participation that each participating Town Employee shall agree that in the event of termination or cessation of employment with the Town, that all amounts remaining to be reimbursed for advancements made by the Town to the Employee Flex-Med Account for the Employee Flex Benefit Plan be deducted and withheld from final compensation, with the further requirement that any balance remaining unpaid in the event there are insufficient final payroll funds to cover same, shall remain the payment obligation of such Employee. It shall further be a condition and requirement of participation by a Town Employee in the Employee Flex Benefit Plan with Flex-Med Account Funding established through the Town Insurance Carrier that full and complete compliance with such Flex Benefit Health Insurance Plan be met and fulfilled.”

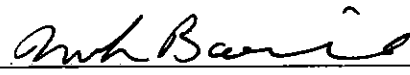
SECTION TWO: That all existing Ordinances, and Town Code Sections, or parts thereof, in conflict with the provisions of this Amendatory Ordinance, are hereby deemed null, void, and of no legal effect, and are specifically repealed.

SECTION THREE: 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 amendatory Ordinance.

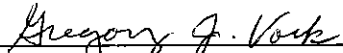
SECTION FOUR: That this Amendatory Ordinance shall take effect, and be in full force and effect, from and after passage and adoption by the Town Council of the Town of St. John, Lake County, Indiana, in conformance with applicable law.

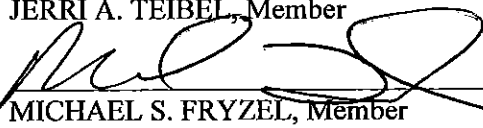
ALL OF WHICH IS PASSED AND ADOPTED THIS 27th DAY OF MAY, 2010, BY THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA.

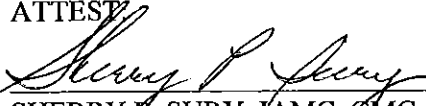
TOWN OF ST. JOHN, LAKE COUNTY, INDIANA,
TOWN COUNCIL


MARK BARENIE, President


MICHAEL S. FORBES, Vice-President


GREGORY J. VOLK, Member

JERRI A. TEIBEL, Member

MICHAEL S. FRYZEL, Member

ATTEST

SHERRY P. SURY, IAMC, CMC
Clerk-Treasurer