

## **ORDINANCE 1643**

### **AMENDMENT 9 TO ORDINANCE 1611 2014 PAY PLAN**

**WHEREAS**, The Munster Town Council adopted Ordinance 1611 authorizing the 2014 Pay Plan; and

**WHEREAS**, From time to time it is necessary to amend said ordinance due to requested changes in personnel, administrative reorganizations, changes in employee payroll distributions, changes in the replacement market, complying with interpretations of the State Board of Accounts, or inadvertent errors and omissions in the original ordinance; now, therefore, be it

**ORDAINED**, By the Munster Town Council, that Ordinance 1611 as amended is hereby further amended as follows.

**ADD:** *Section IX – 2014 Early Retirement Program*

#### **Eligibility and Conditions**

1. Any employee, aged 60 and over as of September 30, 2014, regardless of length of service, or any employee with 30 or more years of service regardless of age is eligible to participate in the Early Retirement Program (hereinafter, "Program")
2. Retirement must commence between November 1, 2014, and February 3, 2015, with the last working day being no later than January 31, 2015
3. An election to participate in the Program is irrevocable and must commit to a specific date of retirement
4. The retirement date is the next business day after the employee's last working day

#### **Payout Methodology**

1. All employees who accept the buyout would be covered for six months at 100% for medical and dental insurance for the employee only. This pre-paid coverage does not extend to spouse, children, or family, but could be continued at the employee's expense under COBRA.
2. All employees who participate in the Program will receive a payment based upon:
  - a. Two weeks' (ten days') wages or salary
  - b. Two days' wages or salary for each year of service according to the amounts listed in the schedule that follows item 2.g. below. Employees must have attained the number of service years listed in order to receive the number of days of pay listed
  - c. Terminal leave of up to thirty days' wages or salary (in accordance with the current edition of the Employee Manual)
  - d. A bonus for early sign-ups of fifteen days' wages or salary for those with thirty years of service, and twenty days' wages or salary for those with thirty-five years of service. The bonus period would be the first ten business days after the effective date (November 1, 2014) of the Program
  - e. Accumulated vacation days, which is a variable cost according to their vacation bank
  - f. Longevity pay, prorated for a partial year
  - g. Payment (not time off) for accumulated compensatory time, if any. Under current rules, non-exempt employees can carry a maximum of eighty hours of compensatory time.

- h. The following chart outlines the total number of days eligible employees will be paid as part of the Program.

Service Length	2 weeks from notice date (2.a.)	2 days for each service year (2.b.)	Terminal Leave (2.c.)	Additional days if commit early (2.d.)	Total days
11	10	22	0	0	32
12	10	24	0	0	34
13	10	26	0	0	36
14	10	28	0	0	38
15	10	30	10	0	50
16	10	32	10	0	52
17	10	34	10	0	54
18	10	36	20	0	66
19	10	38	20	0	68
20	10	40	30	0	80
21	10	42	30	0	82
22	10	44	30	0	84
23	10	46	30	0	86
24	10	48	30	0	88
25	10	50	30	0	90
26	10	52	30	0	92
27	10	54	30	0	94
28	10	56	30	0	96
29	10	58	30	0	98
30	10	60	30	15	115
31	10	62	30	15	117
32	10	64	30	15	119
33	10	66	30	15	121
34	10	68	30	15	123
35 & over	10	70	30	20	130

3. Cash payouts to eligible employees will be made as follows
- Lump-sum payout with all deductions. Insurance after six months is the employee's responsibility. All employees are COBRA eligible and are permitted to stay on as long as they make premium payments (at 102%) for their selected level of coverage. The employee can elect to utilize the cash value of the incentive to pay for future medical premiums after taxes or receive the actual cash value and make payments on their own, either under COBRA or to a private insurance company.
  - A portion, or all, of the cash value can be contributed to a Health Retirement Account (HRA) through ICMA-RC. Employees would need to enroll in the program. Employees must enroll in the ICMA-RC HRA prior to their retirement date. The Town will make a lump-sum payment to their account.

**ORDAINED and ADOPTED** By the Town Council of the Town of Munster, Indiana, on the 13<sup>th</sup> day of OCTOBER, 2014, by a vote of 4 in favor and 0 opposed.

**TOWN COUNCIL OF THE TOWN OF MUNSTER,  
LAKE COUNTY, INDIANA**

  
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**John P. Reed, President**

**ATTEST:**

  
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**David F. Shafer, Clerk-Treasurer**