

**TOWN OF MUNSTER, INDIANA
ORDINANCE 1764
AMENDMENT #2 TO ORDINANCE 1759
2019 PAY PLAN**

WHEREAS, the Town Council of the Town of Munster, Lake County, Indiana adopted Ordinance 1759 authorizing the 2019 Pay Plan on December 17, 2018; and,

WHEREAS, the Town of Munster is facing serious financial stress in the year 2020 due to the changes in the property tax circuit breakers; and,

WHEREAS, the Munster Town Council wants to be proactive and prepare for the known financial challenges by reducing costs and building fund balances leading into the year 2020; and,

WHEREAS, the Munster Town Council desires to offer its employees the opportunity to voluntarily separate from the Town prior to 2020 as a cost-savings measure; now, therefore, be it

ORDAINED, By the Town Council of the Town of Munster, Lake County, Indiana, that Ordinance 1759 is amended by adding the following section.

Section X: 2019 Separation Incentive Program (SIP)

- A. **ELIGIBILITY** – All regular, full-time, non-elected employees with at least one (1) year of service will be eligible for a SIP payment.
- B. **CASH INCENTIVE** – Eligible employees entering into a SIP agreement will receive the following.
- a. A payment made at a day's current pay x number of years served calculation in accordance with the table below; and

<u>Years of Service</u>	<u>Daily Equation</u>
1 - 14	1 day
15 - 19	1.15
20 - 29	1.2
30 - 39	1.25
40 or more	1.5

- b. Twenty (20) day's pay if the employee enters a SIP agreement by January 25, 2019 and the last day of work is prior to January 31, 2019; or
- c. Fifteen (15) day's pay if the employee enters a SIP agreement by February 15, 2019 and the last day of work is prior to February 28, 2019; or
- d. Ten (10) day's pay if the employee enters a SIP agreement by March 15, 2019 and the last day of work is prior to March 31, 2019.
- C. **INSURANCE INCENTIVE** – Eligible employees entering into a SIP agreement will receive medical, dental and vision coverage as follows.

<u>Years of Service</u>	<u>Months of Coverage</u>	<u>PPO Plan Dollar Value</u>	<u>High Deductible Dollar Value</u>
1-14	3	\$2,831.28	\$2,659.68
15-19	6	\$5,662.56	\$5,319.36
20-29	9	\$8,493.84	\$7,979.04
30-39	12	\$11,325.12	\$10,638.72
40 or more	12	\$11,325.12	\$10,638.72

1. The Town will pay 100% of the premium cost for employee only coverage.
2. Dependent coverage is the responsibility of the employee and is at the COBRA rate.
3. Continued coverage beyond the time shown will be the responsibility of the employee and will be governed by the COBRA rules.
4. This insurance incentive, whether taken as insurance coverage or cash, is offered in place of the insurance outlined in section 10-C on page 30 of the current personnel rules. (See Item D below for further information regarding this benefit.)
5. Eligible employees can receive the equivalent dollar value as a cash payment in lieu of insurance coverage. Such payments will be net of any mandatory taxes and deductions.
6. Insurance eligibility is subject to each employee's Medicare or other insurance coverage.

D. NOTES AND CLARIFICATIONS

1. Cash payment amounts based on days will be calculated at eight (8) hours multiplied by the number of applicable days multiplied by the employee's pay rate in place on the last day of work. Payments will be net of any mandatory taxes and deductions.
2. The number of days is based on completed years of service; there will be no proration of days.
3. SIP payments will be made in a lump sum included with the final paycheck for hours worked and other amounts due. The final paycheck will be issued on the pay date that includes the final hours worked.
4. Employees must give at least two weeks' notice to receive any SIP payments.
5. The last day of work must be March 31, 2019 or earlier.
6. All SIP payments are in addition to any other separation payments an employee may be eligible to receive such as longevity, accrued vacation, accrued compensatory time, and terminal leave.
7. The terminal leave payment, as described in the Personnel Rules Section 10-C, is available to those who are eligible as described in said rules. The insurance portion of Section 10-C of the Personnel Rules is replaced by the Insurance Incentive described in Item C of this ordinance for SIP purposes only.
8. Total minimum staffing level as it pertains to the early separation incentive program is articulated in Exhibit A as column "Historic Low".

ADOPTED AND PASSED this 21ST day of JAN. 2019, by a vote of 5 in favor and 0 opposed.

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



Dr. Andy Koultourides, President

ATTEST:



David F. Shafer, Clerk-Treasurer

EXHIBIT A

	Historic Low		August 2018	
DEPARTMENT	FT	PT	FT	PT
Town Manager's Office	6	6	6	6
Clerk-Treasurer	7	0	8	0
Community Development	5	0	7	0
Fire	0	0	1	1
Police	42	0	47	0
Parks	11	23	12	88
Public Works	28	1	35	5
TOTAL	99	14	116	100