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PRESIDENT  
Dr. James L. Discipio

VILLAGE MANAGER  
Julia A. Cedillo

VILLAGE CLERK  
Meghan M. Kooi



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TRUSTEES  
Scott F. Mesick  
Michael L. Sheehan  
James P. Kucera  
Robert T. Lautner  
Jamie M. Zaura  
Amanda G. Seidel

## **VILLAGE BOARD MEETING**

Tuesday, May 26, 2020 – 7:30 p.m.

### **Via Teleconference due to COVID-19 Outbreak**

Members of the public are encouraged to attend this meeting.

To Access This Meeting:

**You can dial in using your phone.**

United States: [+1 \(646\) 749-3131](tel:+16467493131)

**Access Code: 948-633-301**

Public Comments may be submitted prior to and up until 5:00 p.m. on the day of the meeting via email: [info@lagrangepark.org](mailto:info@lagrangepark.org). Please put Public Comment in the subject line and reference the meeting your comment is intended for. You may also submit your comments by calling (708) 354-0225, Monday through Fridays, from 8:30 a.m. – 5:00 p.m.

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## **AGENDA**

- 1. Call Meeting to Order**
- 2. Pledge of Allegiance**
- 3. Roll Call**
- 4. Public Participation (Agenda Related Items Only)**
- 5. Consent Agenda (Roll Call Vote)**

*No discussion. Trustees wishing to discuss any of the items below MUST request that the item be removed from the Consent Agenda prior to motion to approve.*

**A. Approval of Minutes**

- i. Village Board Meeting – April 28, 2020*
- ii. Village Board Work Session – May 12, 2020*
- iii. Executive Session Meeting – May 12, 2020*

**B. Action – Authorization to Destroy Executive Session Recordings – Motion: To Adopt A Resolution Authorizing the Destruction of Certain Verbatim Records of Closed Meetings**

**C. Action – Motion to Authorize the President and Chairperson of the Finance Committee to Sign the Register for Bills, and Authorize the Treasurer and**

**VILLAGE BOARD MEETING**  
**May 26, 2020 – 7:30 p.m.**

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**AGENDA (continued – Page 2)**

*Village Clerk to Sign Checks in Payment of Operating Bills and Salaries as Itemized in the Check Registers*

- D. Action – Motion to Authorize the Village Treasurer and Village Clerk to Sign Checks in the Payment of Payroll and Other Bills that Become Due Between this Date and the Next Village Board Meeting with Subsequent Approval of the Payroll Register and Voucher Register by the Board of Trustees at Its Next Meeting*

**6. Village Manager’s Report**

**7. Administration Committee – Amanda Seidel, Chairman**

A. Monthly Report

B. Discussion & Action – Suspension of Block Parties, Garage Sales, Plant Sales, etc. due to COVID-19 – *Motion: To Suspend Block Parties; House, Apartment, Garage and Yard Sales; Arts and Craft Shows, and Plant Shows (Indoor or Outdoor); and Sidewalk Sales, Through June 30, 2020*

**8. Building & Zoning Committee – Jamie Zaura, Chairman**

A. Monthly Report

B. Discussion & Action – Temporary Outdoor Dining for Restaurants – *Motion: To Approve an Ordinance Allowing for Temporary Outdoor Dining*

**9. Engineering & Capital Projects Committee – James Kucera, Chairman**

A. Monthly Report

**10. Public Safety Committee – Robert Lautner, Chairman**

A. Monthly Report – Police Department

B. Monthly Report – Fire Department

**11. Public Works Committee – Michael Sheehan, Chairman**

A. Monthly Report

B. Discussion & Action – 31<sup>st</sup> Water Main Construction Engineering - Edwin Hancock Engineering Agreement – *Motion: To Approve and Authorize the Village President to Execute Agreements Between the Village of La Grange Park and Edwin Hancock Engineering for Construction Engineering Services in an Amount of \$94,200.00 for the 31<sup>st</sup> Street Water Main Replacement Program*

**VILLAGE BOARD MEETING**  
**May 26, 2020 – 7:30 p.m.**

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**AGENDA (continued – Page 3)**

C. Discussion & Action – Core & Main Invoice – *Motion: (1) To Accept the Invoice from Core & Main in the Amount of \$19,620.00 and (2) to Authorize the Village manager to Sign the Purchase Requisition*

D. Rebuild Illinois – Fast Track Public Infrastructure Program – Information

**12. Finance Committee** – Scott Mesick, Chairman

A. Monthly Report

B. Discussion & Action – Cafeteria Plan Amendment – *Motion: To Approve A Resolution Amending the Village’s Section 125 Cafeteria Plan and Authorize the Village Manager to Execute All Required Documents*

**13. Other Reports**

A. Village Clerk

B. Village Treasurer

C. Commercial Revitalization Committee – James Kucera, Chairman

1. Monthly Report

D. Village Engineer

E. Village Attorney

F. Committee and Collectors Report

*Action – Motion: To Approve Committee and Collectors Report as Presented*

**14. Village President**

A. Discussion & Action – Commission Appointments – 2020 – *Motion: To Approve Committee and Commission Appointments and Reappointments*

B. Discussion – Local State of Emergency - Review

C. Proclamation – National EMS Week, May 17-23, 2020

**15. Public Participation (Non-Agenda Related Items Only)**

**16. New Business**

**17. Executive Session**

**18. Adjourn**

*Items of Interest:*

*Village Board Work Session, June 9, 2020*

*Village Board Meeting, June 23, 2020*



## **Rules for Public Comment**

### **Village Board Meetings**

1. Please step up to the microphone before speaking, and announce your name before beginning your comments.
2. After announcing your name for the record, you will be allowed to speak for three (3) minutes.
3. You may not use profane or obscene language and you may not threaten any person with bodily harm, or engage in conduct which amounts to a threat of physical harm.
4. Agenda-related comments: The Village President reserves the right to disallow comments that are repetitive of comments previously made during the meeting, or comments that do not relate to agenda items.
5. The Village of La Grange Park complies with the Americans with Disabilities Act of 1990. If you require accommodations in order to observe or participate in the meeting, please contact Assistant Village Manager Emily Rodman at (708) 354-0225 between 9:00 and 5:00 before the meeting so that the Village can make reasonable accommodations for you.

## **Consent Agenda Items Divider**

# **Village Board Agenda Memo**

**Date:** May 26, 2020

**To:** President & Board of Trustees

**From:** Julia Cedillo, Village Manager



**RE:** Authorization to Destroy Executive Session Recordings

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## **GENERAL BACKGROUND:**

Consistent with the provisions of 5 ILCS 12/2.06, the Village Board may authorize the destruction of verbatim records of closed sessions provided that the minutes of the particular closed session have been approved and that the verbatim record is of a meeting that occurred not less than 18 months previous. Accordingly, the attached resolution, if approved by the Village Board would authorize the destruction of the verbatim records of closed session meetings that comport with the provisions of the state statutes.

## **STAFF RECOMMENDATION:**

Staff recommends that the Village Board adopt the attached resolution. The minutes of the meetings have been previously approved, there is no purpose being served in maintaining the verbatim record since the approved minutes serve as the official record of the meeting, and the 18 month time frame required by law has elapsed.

## **MOTION / ACTION REQUESTED:**

This item is being placed on the May 26, 2020 consent agenda for approval.

**Motion: *To Adopt a Resolution Authorizing the Destruction Of Certain Verbatim Records of Closed Meetings***

## **DOCUMENTATION:**

- Resolution Authorizing the Destruction of Certain Verbatim Records
- Exhibit A, Dates of Closed Session Meetings for Verbatim Record Destruction

**RESOLUTION NO. 20-11**

**RESOLUTION AUTHORIZING THE DESTRUCTION  
OF CERTAIN VERBATIM RECORDS**

WHEREAS, the Illinois Open Meetings Act, (5 ILCS 120/) provides for certain procedures governing the maintenance of verbatim records of closed meetings; and

WHEREAS, the provisions of the Illinois Open Meetings Act provides for the destruction of verbatim records of closed session meetings that are at least 18 months old and further provided that the minutes pertaining to those particular closed session meetings have been approved by the public body that conducted the closed session meeting; and

WHEREAS, on May 12, 2020, the Village Board did meet in executive session to review minutes of closed session meetings; and

WHEREAS, on May 12, 2020, the Village Board determined that no executive session minutes should be released to the public since the reasons to maintain those particular minutes as confidential still apply; and

WHEREAS, the Village currently maintains verbatim recordings of closed session minutes that are more than 18 months old;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois as follows:

Section 1: That the Village of La Grange Park currently maintains and has approved minutes of the closed session meetings conducted on the dates as contained in Exhibit A, attached to this Resolution.

Section 2: That the verbatim records of the closed session meetings conducted on the dates as contained in Exhibit A, attached to this Resolution, are more than 18 months old and that the Illinois Open Meetings Act permits the destruction of said verbatim records.

Section 3: the Village Manager is hereby authorized to destroy any and all verbatim records of closed session meetings conducted on the dates as contained in Exhibit A, attached to this Resolution.

ADOPTED BY THE PRESIDENT AND BOARD OF TRUSTEES of the Village of La Grange Park, Cook County, Illinois this 26 day of May, 2020.

AYES:

NAYS:

ABSENT:

Approved this 26<sup>th</sup> day of May, 2020.

\_\_\_\_\_  
James L. Discipio  
Village President

ATTEST:

\_\_\_\_\_  
Meghan M. Kool  
Village Clerk

*APPROVED AS TO FORM*  
VILLAGE ATTORNEY: \_\_\_\_\_

**Exhibit A**  
**Dates of Closed Session Meetings**  
**(May 2020 Review)**

June 12, 2018

June 26, 2018

August 14, 2018

October 23, 2018

November 13, 2018

# **Administration Committee Divider**

**Amanda Seidel, Chairwoman**

**Michael Sheehan**

**James Kucera**



## MEMORANDUM

**TO:** President Discipio and Board of Trustees  
**FROM:** Emily Rodman, Assistant Village Manager  
**DATE:** May 26, 2020  
**RE:** Administration Report

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### **COVID-19 Information**

The Village of La Grange Park is monitoring the coronavirus (COVID-19) situation very closely in an effort to support the agencies charged with managing the outbreak and provide timely updates to residents via our website, or email newsletter and Facebook. The Village's website has a variety of resources available to assist residents, including information on dining options, meal delivery, emergency childcare, small businesses resources, volunteer opportunities and more. Have a question? Village staff is always available to assist residents. Call the Village Hall at (708) 354-0225.

### **Vehicle Stickers Due Date Extended**

Due to COVID-19, Village vehicle sticker and dog tag due dates have been extended to October 31, 2020. Stickers with the July 31, 2020 expiration date are valid until October 31, 2020. Questions regarding the deadline extension may be directed to Village Hall at (708) 354-0225.

### **It's Not Too Late – There is Still Time to Be Counted**

La Grange Park has the third highest response rate to the 2020 Census in Proviso Township (just behind Western Springs and Westchester). If your household is one of the 24% that has not yet responded, there is still time. In early April, every home should have received an invitation to participate in the 2020 Census. Responses for each household can be made in one of three ways, online, by phone, or by mail. Learn more about Census 2020 and complete your census online at [www.census2020.org](http://www.census2020.org).

# Village Board Agenda Memo

Date: May 24, 2020  
To: Village President & Board of Trustees  
From: Emily Rodman, Assistant Village Manager   
Julia Cedillo, Village Manager   
RE: **Suspension of Block Parties, Garage Sales, Plant Shows, etc. due to COVID-19**

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## GENERAL BACKGROUND

The current Stay-at-Home Order issued by Governor Pritzker expires on May 30<sup>th</sup>. In order to comply with the Stay-at-Home Order and social distancing requirements, on April 24<sup>th</sup>, the Village Board suspended all garage/yard sales, block parties, craft and plant shows, and sidewalk sales (curbside pickup is allowed) through May 30<sup>th</sup>.

On May 6<sup>th</sup>, Governor Pritzker released the *Restore Illinois* plan, outlining a four region, five-phased, health based approach to the reopening of Illinois. Based on comments from the Governor's Office, it is anticipated all regions of Illinois will transition to Phase 3 on May 29<sup>th</sup>. While the Phase 3 regulations allow for the opening of additional businesses with restrictions, gatherings remain limited to 10 people.

In order to adhere to the anticipated regulations for Phase 3 under the *Restore Illinois* plan and in the interest of protecting the public health and safety of La Grange Park residents, it is recommended the Village extend the suspension of activities that encourage to people to congregate beyond the initial May 30<sup>th</sup> deadline. These activities include:

- Block parties
- House, apartment, garage and yard sales
- Arts and craft shows, and plant shows (indoor or outdoor)
- Sidewalk sales

Currently, the Illinois Municipal League is advising municipalities to postpone or cancel all community events and large gatherings through the end of the summer. The *Restore Illinois* plan doesn't permit large gatherings of up to 50 people until Phase 4 and still requires social distancing during this Phase. As the timing of the transition from Phase 3 to Phase 4 is currently unknown, staff recommends extending the suspension of the above activities through June 30<sup>th</sup> and re-evaluating the suspension on a monthly basis going forward.

## MOTION/ACTION REQUESTED

This item is for discussion and action.

***Motion to suspend block parties; house, apartment, garage and yard sales; arts and craft shows, and plant shows (indoor or outdoor); and sidewalk sales, through June 30, 2020.***

## STAFF RECOMMENDATION

Staff recommends approval of the motion.

# **Building & Zoning Committee Divider**

**Jamie Zaura, Chairwoman**

**Scott Mesick**

**Mike Sheehan**

# Village Board Agenda Memo

**Date:** May 26, 2020  
**To:** Village President & Board of Trustees  
**From:** Emily Rodman, Assistant Village Manager  
Julia Cedillo, Village Manager   
**RE:** Temporary Outdoor Dining for Restaurants

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## GENERAL BACKGROUND

The State of Illinois has been under Governor Pritzker's Stay-at-Home order since March 21, 2020 due to the COVID-19 pandemic. On May 6, 2020 Governor Pritzker announced the Restore Illinois plan, a four region, five-phased, public health based plan to re-open the Illinois economy. Governor Pritzker recently announced that the State of Illinois will transition to Phase 3 of the Restore Illinois plan on May 29<sup>th</sup>, which has been modified to allow restaurants to engage in outdoor dining subject to Illinois Department of Public Health regulations.

In La Grange Park, four of our seven restaurants currently have a varying degrees of outdoor dining available (Panera, Bill's Place, Mattone, Posto 31). Our other restaurants, Subway, Rosati's, Golden Wok and eventually, Ino's, currently have no outdoor dining. Indoor dining is not permitted for Phase 3 and outdoor dining is restricted to 50% of normal capacity and subject to social distancing requirements. As a result, La Grange Park restaurants will be severely limited, if not entirely prohibited, in engaging in outdoor dining.

Under the La Grange Park Municipal Code, certain temporary uses are permitted subject to staff approval and all other temporary uses require Village Board approval. Due to the need to respond quickly and support our local restaurant businesses, staff recommends the Village allow for temporary outdoor dining at all our restaurants, subject to a Temporary Use Permit approved at the administrative level (by the Zoning Administrator). This would allow restaurants with existing outdoor dining to potentially expand their outdoor dining area and those restaurants who currently don't have outdoor dining available, the opportunity to offer this experience.

The Illinois Department of Public Health will be releasing regulations pertaining to outdoor dining in Phase 3. Additionally, the Village's risk management provider (IRMA) has also issued guidelines to municipalities for how to manage and regulate temporary outdoor dining. IRMA strongly urges municipalities to approve outdoor dining as a temporary use, as it is being permitted by the Governor expressly to assist restaurants during the COVID-19 pandemic and is not intended to be a permanent allowance.

As the situation of each restaurant is unique, staff will work with business owners through the Temporary Use Permit process to identify the safest manner in which they can accommodate additional outdoor dining if they so desire.

**MOTION/ACTION REQUESTED**

This item is for discussion and action.

*Motion to Approve an Ordinance Allowing for Temporary Outdoor Dining.*

**STAFF RECOMMENDATION**

Staff recommends approval of the motion.

**DOCUMENTATION**

Ordinance Allowing for Temporary Outdoor Dining

**ORDINANCE NO. 1130**

**AN ORDINANCE ALLOWING FOR TEMPORARY OUTDOOR DINING**

**WHEREAS**, On March 11, 2020, the World Health Organization ("WHO") declared COVID-19 (a.k.a., Novel Coronavirus) a severe respiratory illness caused by the SARS-CoV-2 virus, a new strain of coronavirus that is spread from person to person, to be a global pandemic; and

**WHEREAS**, On March 20, 2020, Governor Pritzker issued an Executive Order requiring all nonessential persons to stay at home with limited exceptions and non-essential businesses to cease operations with limited exceptions, which order was effective March 21, 2020 through April 7, 2020, and was subsequently extended to April 30, 2020 and again to May 30, 2020 ("Stay at Home Order"); and

**WHEREAS**, On April 22, 2020, Village President James L. Discipio issued a Declaration of a Local State of Emergency for the Village of La Grange Park to address the impact of COVID-19 on the Village of La Grange Park, its residents and business and property owners, which was extended by Village Ordinance on April 28, 2020 ("Emergency Declaration"); and

**WHEREAS**, On May 6, 2020 Governor Pritzker announced the Restore Illinois plan, a four region, five-phased public health based plan to re-open the Illinois economy; and

**WHEREAS**, Governor Pritzker has announced that the State of Illinois will transition to Phase 3 of the Restore Illinois plan on May 29, which has been modified to allow restaurants to engage in outdoor dining subject to Illinois Department of Public Health regulations; and

**WHEREAS**, the Title 15, Section 153 of the La Grange Park Municipal Code sets forth standards and regulations for construction and operation of permanent outdoor dining accessory to permitted restaurants; and

**WHEREAS**, Title 15, Section 153 of the La Grange Park Municipal Code allows certain enumerated temporary uses, and allows temporary uses not listed in Section 153.195 upon specific approval by the Village Board.

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees (together, the "Corporate Authorities") of the Village of La Grange Park, Cook County, Illinois, as follows:

**SECTION 1:** That temporary outdoor dining accessory to permitted restaurants is hereby permitted as a Temporary Use, subject to the following conditions:

- a. That any outdoor dining use submit an Application for a Temporary Use; and
- b. That any outdoor dining use adhere to Illinois Department of Public Health regulations; and
- c. That any Application for a Temporary Use is subject to the review and approval of the Zoning Administrator; and
- d. That all outdoor dining permitted as a Temporary Use shall cease operation no later than December 31, 2020 or at such time as the restaurant is permitted by the State of Illinois to resume normal operations at its previously approved occupancy levels, whichever occurs first.

**SECTION 2:** That all necessary permits may be issued by the Village of La Grange Park, subject to further compliance with this Ordinance and all other applicable Village Ordinances and Codes.

**SECTION 3:** That this Ordinance shall become effective and shall be in full force and effect from and after its passage in the manner provided by law.

**ADOPTED BY THE PRESIDENT AND THE BOARD OF TRUSTEES of the Village of La Grange Park, Cook County, Illinois this 26<sup>th</sup> day of May, 2020.**

YES: \_\_\_\_\_

NO: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**APPROVED this 26<sup>th</sup> day of May, 2020.**

\_\_\_\_\_  
Dr. James L. Discipio, Village President

ATTEST: \_\_\_\_\_  
Meghan Kooi, Village Clerk

Reviewed by CMK: 5/21/2020

# **Public Works Committee Divider**

**Michael Sheehan, Chairman**

**Jamie Zaura**

**Scott Mesick**

# Village Board Agenda Memo

**Date:** May 26, 2020

**To:** President and Board of Trustees

**From:** Richard Radde, Public Works Director  
Julia Cedillo, Village Manager



**RE:** 31<sup>st</sup> Water Main Construction Engineering – Edwin Hancock Engineering Agreement

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## **PURPOSE**

To approve an Engineering Service Agreement with Edwin Hancock Engineering Company for construction engineering services for the 31<sup>st</sup> Street Water Main replacement project.

## **GENERAL BACKGROUND:**

This year's budget includes the replacement of the 31<sup>st</sup> Street Water Main from Meadowcrest to Barnsdale road. The Village Engineer, Edwin Hancock Engineering, will provide professional construction engineering services in the amount of \$94,200.000. This expenditure is budgeted under the Water Distribution account (05-44-2-220).

## **STAFF RECOMMENDATION:**

Staff recommends discussion and motion to approve an agreement between the Village and Edwin Hancock Engineering Company at the Board Meeting on May 26, 2020.

## **MOTION/ACTION REQUESTED:**

This item is for discussion and action.

***Motion: To Approve and Authorize the Village President to Execute Agreements Between the Village of La Grange Park and Edwin Hancock Engineering for Construction Engineering Services In an amount of \$94,200.00 for the 31<sup>st</sup> Street Water Main Replacement Program.***

## **DOCUMENTATION:**

- Engineering Agreement with Hancock Engineering for Construction Engineering Services for 31<sup>st</sup> Street Water Main Replacement.

**AGREEMENT**

**between the**

**VILLAGE OF LAGRANGE PARK**

**and the**

**EDWIN HANCOCK ENGINEERING COMPANY**

**for**

**FURNISHING OF  
PROFESSIONAL  
CONSTRUCTION ENGINEERING SERVICES**

**for the**

**31<sup>st</sup> STREET WATER MAIN REPLACEMENT PROJECT  
MEADOWCREST ROAD TO BARNSDALE ROAD**

**in**

**LAGRANGE PARK, ILLINOIS**

**May 2020**

**AGREEMENT**  
between the  
**VILLAGE OF LAGRANGE PARK**  
and the  
**EDWIN HANCOCK ENGINEERING COMPANY**  
for furnishing of  
**CONSTRUCTION ENGINEERING SERVICES**  
for the  
**31<sup>st</sup> STREET WATER MAIN REPLACEMENT PROJECT**  
**MEADOWCREST ROAD TO BARNSDALE ROAD**

LAGRANGE PARK, ILLINOIS

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THIS AGREEMENT, made and entered into between the VILLAGE of LAGRANGE PARK, hereinafter referred to as "VILLAGE", and the EDWIN HANCOCK ENGINEERING COMPANY, hereinafter referred to as "ENGINEER", covers the furnishing of Professional Engineering Services necessary for the Construction Engineering required for the 31<sup>st</sup> Street Water Main Replacement Project. The limits of the improvement will be between Meadowcrest Road and Barnsdale Road.

The general scope of construction will include installation of new 12" water main from 31<sup>st</sup> and Meadowcrest Road to 31<sup>st</sup> and Barnsdale Road including crossing 31<sup>st</sup> Street with distribution water main; fire hydrants and isolation valves; reconnection of water services; abandoning of the existing water main; restoration of disturbed streets, sidewalks, and parkways; and all other appurtenant work.

Construction Engineering includes line and grade staking of the proposed work, observation of the work as it progresses to become familiar with the progress and quality of the work completed and to determine if the work when completed will be in accordance with the contract documents, attendance at progress meetings during construction as may be required, measurement of quantities and preparation of pay estimates as required, as well as other services outlined in Section I.A. of this AGREEMENT.

WITNESSETH THAT; in consideration of these premises and of the mutual covenants set forth,

THE ENGINEER AGREES: upon authorization by the OWNER.

- A. To perform, or be responsible for the performance of, the following **Construction Engineering services** for the proposed improvement:
1. Preparation of all necessary contract documents resulting from the award of the contract.

2. Consulting on interpretations of specifications and any changes under consideration as construction proceeds, including attending such meetings as may be required to inform the VILLAGE on the progress of the work.
  3. Checking of shop and equipment drawings for general conformance of the information given with the design concept expressed in the contract documents.
  4. Providing line-and-grade staking.
  5. Providing resident observation of the construction work to become familiar with the progress and quality of the work completed and to determine if the work when completed will be in accordance with the contract documents.
  6. Maintaining a daily record of the contractor's activities throughout construction including sufficient information to permit verification of the nature and cost of changes in plans and authorized extra work.
  7. Coordination of materials testing engineers and review of invoiced time and materials inspection reports as provided by the firm selected by the VILLAGE.
  8. Advising the VILLAGE of defects and deficiencies observed in the work of the contractor, but the ENGINEER shall not be responsible for nor does it guarantee the performance of the contract by the contractor.
  9. Making any necessary changes in working plans as may be required after the award of the construction contract and during construction of the improvement and which are consistent with the original scope of the project. Changes not in the original scope that are requested by the VILLAGE, or requested by the CONTRACTOR and agreed to by the VILLAGE, or are deemed necessary to the project but not reasonably foreseeable by the ENGINEER during the time of the design, shall be performed by the ENGINEER at an agreed additional cost.
  10. Making final measurement of quantities of work performed under the contract as required for determining payment due for the work.
  11. Preparing contractor's partial and final payment estimates, change orders, and other records that may be required.
  12. Performing final inspection of all improvements.
- B. That ENGINEER will save harmless the VILLAGE and its employees from all damages and liabilities caused by negligent or wrongful acts or omissions of ENGINEER in the performance of his professional services. ENGINEER shall carry adequate insurance as agreed upon between VILLAGE and ENGINEER, including insurance covering this indemnity. Such insurance shall remain in force until all work is completed and all final measurements and reports have been made and accepted by the VILLAGE.

## II. THE VILLAGE AGREES:

- A. That for the performance by the ENGINEER of the services set forth above, the VILLAGE shall pay the ENGINEER on the following basis of payment:
  - 1. To pay the Engineer as compensation for all Construction Engineering services performed as stipulated in the above Section I.A. shall be an ENGINEERING FEE in the amount of \$94,200.00, unless there is a substantial change in the scope, complexity, or character of the site improvements to be constructed or there is a substantial overrun in the time necessary for the ENGINEER to complete his work due to causes beyond his control. Should such circumstances occur, adjustments in the total compensation to the ENGINEER shall be determined through discussions between the parties of the AGREEMENT.
  - 2. For any related work requested of the ENGINEER that is outside the scope of this AGREEMENT, and for the purpose of determining progress payments prior to final payment of the total fee, the costs for the engineering services rendered shall be determined by the Schedule of Hourly Rates shown in Attachment A.
- B. That payment to the ENGINEER for the services rendered shall be made in the following manner:
  - 1. During the project, and upon receipt of monthly invoices from the ENGINEER and the approval thereof by the VILLAGE, monthly progress payments for the work performed shall be due and payable to the ENGINEER. Such monthly payments shall be equal to One Hundred Percent (100%) of the value of services rendered to date based on percent completion of tasks as outlined less all previous payments made to the ENGINEER for design engineering services.
  - 2. Final Payment - Upon approval by the VILLAGE, but not later than sixty (60) days after the site improvements have been completed and all final measurements and reports have been made and accepted by the VILLAGE, One Hundred Percent (100%) of the total ENGINEERING FEE, less progress payments made, shall be due and payable to the ENGINEER.

## III. IT IS MUTUALLY AGREED:

- A. That this AGREEMENT may be terminated by either party upon a thirty (30) days written notice should the other party fail substantially to perform in accordance with the terms of the AGREEMENT through no fault of the other. Upon such termination and upon payment in full to ENGINEER of all sums due and owing it, the ENGINEER shall cause to be delivered to the VILLAGE, copies of partially completed drawings, specifications, partial and completed

estimates, and data, if any, from soil surface and subsurface investigations with the understanding that all such materials become the property of the VILLAGE. The ENGINEER shall be paid promptly for any services completed and any services partially completed. VILLAGE assumes all responsibility and releases ENGINEER from any liability arising from the VILLAGE'S use of partially completed drawings, specifications, or other work product prepared by ENGINEER or for any reuse of ENGINEER'S work product on another project.

- B. ENGINEER shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the construction Work, since these are solely the contractor's rights and responsibilities under the contract documents.
- C. Any claim, dispute, or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to the institution of legal proceedings by either party. The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the county where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.
- D. VILLAGE and ENGINEER waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with the terms of this Agreement.
- E. This Agreement represents the entire and integrated agreement between VILLAGE and ENGINEER and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instruments signed by both parties hereto.

IN WITNESS WHEREOF, the parties have caused this AGREEMENT to be executed in duplicate counterparts, each of which shall be considered as an original, by their duly authorized officers as of the dates below indicated.

Executed by the VILLAGE, this

\_\_\_\_\_ day of \_\_\_\_\_, 2020

**VILLAGE OF LAGRANGE PARK**  
An Illinois Municipal Corporation

By \_\_\_\_\_  
Julia Cedillo, Village Manager

ATTEST:

By \_\_\_\_\_  
Meghan Kooi, Village Clerk

(SEAL)

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Executed by the ENGINEER, this

\_\_\_\_\_ day of \_\_\_\_\_, 2020

**EDWIN HANCOCK ENGINEERING COMPANY**  
9933 ROOSEVELT ROAD  
WESTCHESTER, ILLINOIS 60154

By \_\_\_\_\_  
Derek Treichel, P.E., President

ATTEST:

By \_\_\_\_\_  
Mark W. Volk, P.E., Vice President

(SEAL)

## ATTACHMENT A

### SCHEDULE OF HOURLY RATES

<u>PERSONNEL CLASSIFICATION</u>	<u>HOURLY RATE</u>
ENG-VI	143.00
ENG-V	133.00
ENG-IV	123.00
ENG-III	118.00
ENG- II	105.00
ENG- I	93.00
ENGINEERING TECH-V	123.00
ENGINEERING TECH-IV	113.00
ENGINEERING TECH-III	83.00
ENGINEERING TECH-II	65.00
ENGINEERING TECH-I	40.00
CAD MGR	118.00
CAD- II	108.00
CAD- I	98.00
ADMINISTRATIVE	65.00

**Note:** Schedule of Hourly Rates is subject to change annually as of March 1<sup>st</sup>.  
The most current Schedule of Hourly Rates will be in effect at the date of service.

# Village Board Agenda Memo

**Date:** May 26, 2020

**To:** President and Board of Trustees

**From:** Richard Radde, Public Works Director  
Julia Cedillo, Village Manager



**RE:** Core & Main Invoice

---

**PURPOSE:** Approve the invoice with Core & Main for the upkeep of the Village's Sensus water meter reading infrastructure.

**GENERAL BACKGROUND:**

In May of 2015, the Village entered into an agreement with Core & Main (formally H-D Supply) to host the data from the Village's Water Meter System and provide yearly maintenance to the system. Each year the invoice is submitted and will need Village Board approval since it's over the Village Manager's authorization.

**STAFF RECOMMENDATION:**

Staff recommends approval at the May 26, 2020, Village Board Work Session Meeting of the Invoice to Core & Main in the amount of \$19,620.00. Budgeted in Water Distribution is \$19,200.00 (03-44-2-250).

**MOTION/ACTION REQUESTED:**

This item is for discussion and Action.

***Motion: (1) To Accept the Invoice from Core & Main in the Amount of \$19,620.00 and (2) to Authorize the Village Manager to Sign the Purchase Requisition.***

**DOCUMENTATION:**

- Core & Main Invoice



# INVOICE

1830 Craig Park Court  
St. Louis, MO 63146

Invoice # M279291  
Invoice Date 4/30/20  
Account # 104519  
Sales Rep ROBERT CAPPS  
Phone # 630-665-1800  
Branch #229 Carol Stream, IL  
Total Amount Due \$19,620.00

Backordered from:  
6/30/17 H257745

Remit To:  
CORE & MAIN LP  
PO BOX 28330  
ST LOUIS, MO 63146

LAGRANGE PARK VILLAGE OF  
447 N CATHERINE AVE  
LA GRANGE PARK IL 60526-2006

000/0000  
00000

Shipped To:  
PUBLIC WORKS DEPARTMENT  
937 BARNSDALE RD.  
LAGRANGE PARK, IL

-----  
Thank you for the opportunity to serve you! We appreciate your prompt payment.

Date Ordered 5/25/17 Date Shipped 4/24/20 Customer PO # VERBAL Job Name Job # Bill of Lading Shipped Via Invoice#  
DIRECT M279291

Product Code	Description	Quantity		B/O	Price	UM	Extended Price
		Ordered	Shipped				
	CORE & MAIN PO#-		8172861				
/45014909335	YEAR 4 RNI SAAS FEE	1	1		17620.00000	EA	17,620.00
/45014917547	YEAR 4 ANALYTICS ENHANCED	1	1		N/C	EA	
/45014909336	YEAR 5 RNI SAAS FEE	1	1		18150.00000	EA	.00
/45014917548	YEAR 5 ANALYTICS ENHANCED	1	1		N/C	EA	
42PMM400WARYR1	M400 EXTENDED WARRANTY YR1 PM M400 WAR YEARS 1-5	2	1	1	2000.00000	EA	2,000.00

Freight	Delivery	Handling	Restock	Misc	Subtotal:	19,620.00
					Other:	.00
					Tax:	.00
Terms: NNT 30					Invoice Total:	\$19,620.00

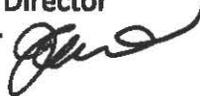
This transaction is governed by and subject to Core & Main's standard terms and conditions, which are incorporated by reference and accepted.  
To review these terms and conditions, please visit: <http://tandc.coreandmain.com/>

# **Village Board Agenda Memo**

**Date:** May 26, 2020

**To:** President and Board of Trustees

**From:** Richard Radde, Public Works Director  
Julia Cedillo, Village Manager



**RE:** Rebuild Illinois – Fast Track Infrastructure Program – Informational Only

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## **PURPOSE**

To inform the Village Board that Public Works seeks a grant for roadway improvements utilizing the services of Baxter & Woodman, Consulting Engineers.

## **GENERAL BACKGROUND:**

The Village has an opportunity to capitalize on a DCEO grant established to promote growth in the State's economy. The Fast Track program includes \$25,000,000 of new funding for infrastructure projects that are "shovel ready," or can begin within 90 days of award notification. This grant has a minimum award amount of \$500,000 and a maximum award of \$5,000,000. Currently the Village does not have any "shovel ready" projects available. Alternatively, a grind and resurface project appears the best option for grant approval. In spring, two individual resurfacing projects were submitted for grants. 1.) Meadowcrest and Woodside from 31<sup>st</sup> to 29<sup>th</sup> and 28<sup>th</sup> between Forest and Homestead was sent for CDBG grant approval. 2.) 26<sup>th</sup> Street from Kemman to Maple was sent to the Invest in Cook grant submission. Both the CDGB and Invest in Cook plans are capable of receiving an excellent qualifying score for the Rebuild Illinois grant, in return providing the Village with a positive award outcome.

For the application to proceed, a resolution approved by the Village Board and Public Hearing are required. The Public Hearing will be scheduled on June 9<sup>th</sup> at 7:15 p.m. before the Work Session meeting and the resolution for local fund allocation placed on the evenings Agenda.

## **MOTION/ACTION REQUESTED:**

This memo is for informational purposes only. Staff will provide an overview of the application at the June 9<sup>th</sup> Public Hearing.

## **DOCUMENTATION:**

- Illinois Press Release on the Fast Track Infrastructure Grants Program
- Hancock Engineering Grant Opportunity Notice: Fast Track Infrastructure (FTPI) Program

# Pritzker Administration Announces \$25 Million Fast-Track Grants to Accelerate Planned Infrastructure Projects in the Wake of Covid-19

FOR IMMEDIATE RELEASE

5/12/2020

State leverages Rebuild Illinois Dollars to Support Public Infrastructure Projects and Construction Jobs for Summer

Governor JB Pritzker and the Illinois Department of Commerce and Economic Opportunity (DCEO) today announced Fast-Track Public Infrastructure Grants, an initiative to accelerate work on planned public infrastructure projects around the state. The State is expediting \$25 million of existing Rebuild Illinois funding to local public infrastructure projects that are ready to begin work this summer, as many local governments face lost revenues, impacting their ability to finance these projects.

While COVID-19 places a unique economic burden on communities across the state, this shift in grant funding will help accelerate construction on planned infrastructure projects, while helping return skilled labor to work.

"I'm proud to announce we are moving forward with \$25 million in DCEO grants to help local governments jumpstart public infrastructure projects for the summer construction season," **said Governor JB Pritzker**. "This will keep key public infrastructure projects in the pipeline, and support the return of skilled labor to job sites for the busy summer season. Starting today, local governments with shovel ready projects – including school districts, townships, and other entities – can apply for this funding."

The Fast-Track program leverages funding from Rebuild Illinois, the state's multi-year capital plan, for allocation to shovel-ready projects just in time for the summer construction season. Fast-Track frontloads a portion of an existing Notice of Funding, to expedite funds available for grants ranging in size between \$500,000 and \$5 million. Funding will be awarded on a rolling basis, with projects submitted in underserved areas to be given priority.

"We recognize the unique challenge and burdens that COVID-19 is placing on us all, and we are taking steps to provide relief to businesses and communities," **said DCEO Director Erin Guthrie**. "Through the Fast Track Public Infrastructure Grants Program, the administration will provide a much-needed boost for workers across the state as well as the critical infrastructure projects our state depends on."

The Fast-Track grants will help restore key public works projects that may have

otherwise been cancelled and will help skilled labor return to the job in time for the construction season. Funds can be used to support projects such as expansions of water and sewer systems and reinvestment to modernize schools and other public buildings.

"This program is about putting people back on the job now," said Illinois AFL-CIO President Tim Drea. "We applaud Gov. Pritzker for being proactive and innovative. The return of every dollar spent on public works is another brick in rebuilding our economy – both in terms of jobs created and economic development created by improved infrastructure."

Eligible grantees are local governments and other public entities with significant public infrastructure projects that could commence work within 90 days of receiving award notice. Projects eligible for grant funding must be public assets, must be permanent in nature and must not have recurring project expenses. Fast-Track projects must meet shovel-ready criteria, as well as the minority business participation requirements of the State of Illinois' Business Enterprise Program. To apply for the grants, please visit <https://bit.ly/3cGMtHv>.

These Fast Track grants accelerate a portion of an ongoing \$50 million Notice of Funding Opportunity for public infrastructure. Communities that need more time or that do not have projects that meet the shovel-ready criteria may submit an application to receive a grant for the remainder of the funds by June 30.

Source funding for the Fast Track grants is generated by Rebuild Illinois— a \$45 billion plan passed by Governor Pritzker to provide the state's first comprehensive capital plan in more than a decade. DCEO has been charged with spearheading a number of Rebuild Illinois programs, including investments to expand broadband capacity, fund new public works projects, incentivize business development, and other initiatives designed to promote economic growth for all communities across the state.

The Fast Track grants program is one of a number of economic assistance initiatives designed by DCEO to mitigate the economic impact of the pandemic— with relief programs making more than \$100 million available to Illinois communities in response to COVID-19. These emergency relief initiatives include the Downstate Small Business Stabilization Program, Emergency Hospitality Grants, the Emergency Small Business Loan Fund, and other targeted assistance to serve businesses and communities with the greatest needs.

DCEO will conduct a series of webinars and outreach to local governments to provide information on the new Fast Track grants. For a list of upcoming webinars as well as a list of resources available to small businesses please visit [DCEO's website](#).



## Grant Opportunity Notice

Prepared by Hancock Engineering May 12, 2020

**Grant Title:** REBUILD ILLINOIS - Fast-Track Public Infrastructure (FTPI) Program

**Sponsoring Agency:** State of Illinois through the Department of Economic Opportunity (DCEO)

**Eligible Applicants:** Units of local government (i.e., cities, villages, townships and counties).

**Type of Program:** The objective of this program is to stimulate the economy in the wake of the COVID-19 health crisis by quickly getting Illinoisans back to work on public infrastructure projects that are valuable to their communities.

**Types of Activities/Projects:** Public infrastructure improvement projects, including projects that entail new construction and/or significant renovation or improvements of:

- Publicly owned buildings, facilities, and parks
- Publicly owned industrial and commercial sites
- Waste disposal systems
- Water and sewer line extensions
- Water distribution and purification facilities
- Gas and electric utility extensions
- Dredging of waterways
- Rail, air, or water port improvements
- ADA-compliant sidewalks, curb and gutters
- Previously unimproved WPA streets
- Other public infrastructure capital improvements

Only projects that can demonstrate the ability to break ground within 90 days of receiving a Notice of State Award Finalist (NOSAF) will be eligible for grants.

All uses must comply with the Bondability Guidelines attached to the Notice of Funding Opportunity.

**Funding Available:** \$25,000,000 total in the Rebuild Illinois Fast-Track Public Infrastructure (FTPI) Program. The maximum award is \$5 million for a project. The minimum award is \$500,000.

**Matching Fund Requirements:** Match is not required to apply for grant funds. Note that the intent to use local funding will require a Public Hearing and a Resolution committing the funds.

**Grant Schedule:**

- Applications will be accepted on a rolling basis during the acceptance period of 5/12/2020-6/15/2020.
- Projects will be funded on a first come, first qualified, first serve basis.
- Applications will be accepted electronically by DCEO until midnight, Monday, June 15, 2020 or until funds have been exhausted.
- However, project evaluations will begin after May 31, 2020 for applications received up to that date, on a first come basis.

- Anticipated award schedule not yet available.
- Successful applicants will receive a Notice of State Award Finalist (NOSAF) specifying terms and conditions of the grant.
- Grantees are expected to complete all grant conditions within **60 days** of the NOSAF date.
- Once terms are accepted, and the conditions met, the Grantee will receive a Notice of State Award (NOSA)

**Evaluation Criteria:** Projects will be scored out of 100 possible points according to the following criteria. Projects scoring **80 points** will be recommended for award.

- Capacity (25 points)
- Community Need (30 points)
- Creation of Jobs (25 points)
- Project Quality (20 points)

See the Guidebook for further breakdown and explanation of the scoring criteria.

**Links:**

- Full Grant Info:  
[https://www2.illinois.gov/dceo/CommunityServices/CommunityInfrastructure/Pages/RebuildIllinois\\_Programs.aspx](https://www2.illinois.gov/dceo/CommunityServices/CommunityInfrastructure/Pages/RebuildIllinois_Programs.aspx)
- Official NOFO:  
<https://www2.illinois.gov/sites/GATA/grants/sitepages/csfa.aspx?page=opportunity.aspx?nofo%3d1548>
- Link to download Guidebook:  
<https://www2.illinois.gov/dceo/CommunityServices/CommunityInfrastructure/Documents/2020%20Rebuild%20Illinois%20Fast%20Track%20Public%20Infrastructure%20Guidebook.docx>
- For information send questions to [ceo.ocd@illinois.gov](mailto:ceo.ocd@illinois.gov) or call 217/843-0068.

**Note:** Some text was made **bold** by us, to highlight important information or to emphasize information applicable to municipalities.

# **Finance Committee Divider**

**Scott Mesick, Chairman**  
**James Kucera**  
**Robert Lautner**

## **Village Board Agenda Memo**

**Date:** May 21, 2020

**To:** Finance Committee Chair Scott Mesick  
President Discipio and Board of Trustees

**From:** Larry Noller, Finance Director  
Julia Cedillo, Village Manager



**Re:** Cafeteria Plan Amendment

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### **PURPOSE**

Consider amending the Village's Section 125 Cafeteria Plan Document.

### **BACKGROUND**

The Village provides health and dental insurance benefits to eligible employees. A portion of the premium cost of these benefits is paid by the employee. The Village has an existing "cafeteria plan" that allows the employee portion of the premium to be paid using pre-tax dollars under the Internal Revenue Code.

BKD has assisted staff with updating the existing cafeteria plan document, including modifying the plan year to coincide with the Village's health insurance plan year, which is July 1-June 30. In addition, employees will be automatically enrolled in the plan unless they elect not to participate.

### **STAFF RECOMMENDATION**

Staff recommends the Village Board consider approving the attached resolution approving the amendment of the Village's Section 125 Cafeteria Plan at the May 26<sup>th</sup> meeting.

### **ACTION REQUESTED**

***Motion to approve a Resolution Amending the Village's Section 125 Cafeteria Plan and authorize the Village Manager to execute all required documents.***

### **DOCUMENTATION**

- Resolution
- Plan Document
- Summary Plan Description

**RESOLUTION NO. 20-12**

**RESOLUTION AMENDING THE  
VILLAGE OF LA GRANGE PARK  
SECTION 125 PLAN**

WHEREAS, the Village of La Grange Park provides group insurance policies for health insurance and dental insurance in which eligible full-time employees may participate; and

WHEREAS, the Village requires its employees to pay either all or a portion of the premium cost through wage deductions; and

WHEREAS, Section 125 of the Internal Revenue Code makes it possible for employers to offer their employees the opportunity to reduce their taxable income by the amount of certain wage deductions through a Cafeteria Plan;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of La Grange Park, Cook County, Illinois as follows:

**SECTION ONE:** That the form of Cafeteria Plan under Section 125 of the Internal Revenue Code of 1986, presented to this meeting is hereby amended and approved and that the proper Officers of the Village are hereby authorized and directed to execute and deliver to the Plan Administrator one or more copies of the Plan. This restatement shall be effective July 1, 2020

**SECTION TWO:** That the Plan is being amended to change the Plan Year End from the 12 month period ending on December 31st of each year to the 12 month period ending June 30th.

**SECTION THREE:** That the proper Officers of the Village shall act as soon as possible to notify employees of the Village of the amendment of the Plan by delivering to each employee a copy of the summary plan description of the Plan in the form of the Summary Plan Description presented to this meeting, which form is hereby approved. The undersigned certifies that attached hereto respectively are true copies of the Plan Document and Summary Plan Description for Village of La Grange Park Section 125 Plan approved and adopted in the foregoing resolutions.

ADOPTED BY THE PRESIDENT AND BOARD OF TRUSTEES of the Village of La Grange Park, Cook County, Illinois this 26<sup>th</sup> day of May, 2020.

YES:

NO:

ABSENT:

Approved this 26<sup>th</sup> day of May, 2020.

James L. Discipio, Village President  
Village of La Grange Park

ATTEST: Meghan Kooi  
Village Clerk

**VILLAGE OF LA GRANGE PARK SECTION 125 PLAN**  
**With Premium Payment Benefits**

*Effective: July 1, 2020*

**VILLAGE OF LA GRANGE PARK SECTION 125 PLAN**  
**With Premium Payment Benefits**

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# **Village of La Grange Park Section 125 Plan**

**(With Premium Payment Benefits)**

## **ARTICLE I**

### **Introduction**

#### **1.1 Amendment and Restatement of Plan**

Village of La Grange Park, ("the Employer") hereby amends and restates the provisions of the Village of La Grange Park Section 125 Plan ("the Plan"), as amended, effective as of July 1, 2020. The Plan was originally effective January 1, 2004. Capitalized terms used in this Plan that are not otherwise defined shall have the meanings set forth in Article II, Definitions.

This Plan is designed to permit an Eligible Employee to pay for his or her share of Contributions on a pre-tax salary reduction basis under the Premium Benefits.

#### **1.2 Legal Status**

This Plan is intended to qualify as a "cafeteria plan" under Code section 125 and the regulations issued thereunder and shall be interpreted to accomplish that objective.

## ARTICLE II

### Definitions

**"Benefits"** mean cash, flex credits and the various qualified benefits under Section 125(f) of the Code sponsored by the Employer and made available by the Employer through the Plan, including, but not limited to, premium insurance benefits as described in Section 6.1.

**"Benefit Package Option"** means a qualified benefit under Code section 125(f) that is offered under a cafeteria plan or an option for coverage under an underlying accident or health plan.

**"Change In Status"** has the meaning described in Section 7.3.

**"COBRA"** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

**"Code"** means the Internal Revenue Code of 1986, as amended.

**"Compensation"** means all the earned income, salary, wages and other earnings paid by the Employer to a Participant during a Plan Year, including any amounts contributed by the Employer pursuant to a salary reduction agreement which are not includable in gross income under sections 125, 132(f)(4), 401(k), 403(b), 408(k) or 457(b) of the Code.

**"Contributions"** means the amount contributed to pay for the cost of Benefits (including self-funded Benefits as well as those that are insured), as calculated under Section 6.2 for Premium Payment Benefits.

**"Dependent"** means an individual who qualifies as a dependent of a Participant under Code section 152 (as modified by Code section 105(b)). For purposes of the Premium Payment Benefit(s), "Dependent" does not include any individual who is not a dependent under the underlying insurance contract. A child who is determined to be a Participant's alternate recipient under a qualified medical child support order (QMCSO) under ERISA section 609 shall be considered a Dependent under this Plan, as applicable.

**"Effective Date"** of this Plan has the meaning described in Section 1.1.

**"Election Form/Salary Reduction Agreement"** means the actual or deemed paper or electronic form provided by the Administrator for the purpose of allowing an Eligible Employee to participate in the Plan by electing Salary Reductions to pay for any of the Benefits under the Plan. It includes an agreement pursuant to which an Eligible Employee or Participant authorizes the Employer to make Salary Reductions. If an interactive voice-response system or web-based program is used for enrollment, the Election Form/Salary Reduction Agreement may be maintained on an electronic database in accordance with applicable laws.

**"Eligible Employee"** means any Employee who is employed by a participating Employer other than:

- (a) Employees who regularly work less than 30 hours per week;
- (b) Employees who are self-employed individuals as defined in section 401(c) of the Internal Revenue Code (including sole proprietors and partners in a partnership);
- (c) Employees who own (or are considered to own within the meaning of section 318 of the Internal Revenue Code) more than two percent (2%) of the outstanding stock of an S corporation or stock possessing more than two percent (2%) of the total combined voting power of all stock of such corporation.

In the event an individual who is not characterized or treated by the Participating Employer as a common law employee of a Participating Employer is reclassified as a common law employee of a Participating Employer who meets the definition of an Eligible Employee, the individual shall continue to be excluded from the Plan until the Plan is amended to classify such individual as an Eligible Employee (to the extent

such individual otherwise qualifies as an Eligible Employee hereunder). In no event shall such individual be eligible to participate in the Plan prior to the effective date of such Amendment.

The Plan Administrator shall have full and complete discretion to determine eligibility for participation and benefits under this Plan, including, without limitation, the determination of those individuals who are deemed Employees of the Employer (or any controlled group member.) The Plan Administrator's decision shall be final, binding, and conclusive on all parties having or claiming a benefit under this Plan. This Plan is to be construed to exclude, and the Plan Administrator is authorized to exclude, all individuals who are not considered Employees for purposes of the Employer's payroll system.

**"Employee"** means a person who is currently or hereafter employed by the Employer and any Related Employers that have adopted the Plan. Former Employees are also considered "Employees" of the Employer strictly for the limited purpose of allowing continued eligibility for benefits under the Plan for the remainder of the Plan Year in which an Employee ceases to be employed by the Employer, but only to the extent specifically provided elsewhere under this Plan.

**"Employer"** means Village of La Grange Park.

**"Employment Commencement Date"** means the first regularly-scheduled working day on which the Employee first performs an hour of service for the Employer for Compensation.

**"Entry Date"** means the date that an Eligible Employee actually becomes a Participant in the Plan. Eligibility requirements are defined in Section 3.1 and the specific Entry Dates for the Plan are listed in Section 3.1, unless a Component Plan has different eligibility requirements.

**"FMLA"** means the Family and Medical Leave Act of 1993, as amended.

**"Health Flex Contribution"** means an employer contribution that: (1) the employee may not opt to receive the amount as a taxable benefit, (2) the employee may use the amount to pay for minimum essential coverage, and (3) the employee may use the amount exclusively to pay for medical care, within the meaning of § 213. A health flex contribution reduces the employee's required contribution and is treated as made ratably for each month of the period to which it relates.

**"Medical Insurance Plan"** means the plan(s) that the Employer maintains for its Employees (and for their Spouses and Dependents that may be eligible under the terms of such plan), providing major medical type benefits through a group insurance policy or policies, dental care, vision care, etc. The Employer may substitute, add, subtract, or revise at any time the menu of such plans and/or the benefits, terms, and conditions of any such plans. Any such substitution, addition, subtraction, or revision will be communicated to Participants and will automatically be incorporated by reference under this Plan.

**"National Medical Support Notice"** means a standardized medical child support order that is used by state child support enforcement agencies to obtain group health coverage for children.

**"Non-Health Flex Contribution"** means an employer flex contribution that is available to pay for health care, but may also pay for any non-health care benefits under the § 125 cafeteria plan (such as dependent care or group term life insurance). A non-health flex contribution may be received as cash and does not reduce the employee's required contribution.

**"Open Enrollment Period"** means with respect to a Plan Year the month preceding the Plan Year, or such other period as may be prescribed by the Plan Administrator.

**"Participant"** means a person who is an Eligible Employee and who enters the Plan after meeting the eligibility requirements of Section 3.1. Participants include those who elect any benefit(s) offered under the Plan including those covered through COBRA and their respective beneficiaries.

**"Participating Employer"** means Village of La Grange Park and any Related Employer that adopts the Plan.

**"Period of Coverage"** means the Plan Year, with the following exceptions: (a) for Employees who first become eligible to participate, it shall mean the portion of the Plan Year following the date on which participation commences, as described in Section 3.1; and (b) for Employees who terminate participation, it shall mean the portion of the Plan Year prior to the date on which participation terminates, as described in Section 3.2.

**"PHSA"** means the federal Public Health Service Act, which contains the provisions of COBRA that govern continuation coverage under government-sponsored Group Health Plans, as well as certain provisions of HIPAA and other federal group health plan mandates that are part of health care reform.

**"Plan"** means the Village of La Grange Park Section 125 Plan as set forth herein and as amended from time to time.

**"Plan Administrator"** means Village of La Grange Park or such other person or committee as may be appointed by the Employer to administer the Plan.

**"Plan Year"** means the 12-month period commencing July 1st and ending on June 30th.

**"Premium Payment Benefits"** means the benefits of this Plan described in Article VI.

**"Related Employer"** means any employer affiliated with Village of La Grange Park that, under Code Sections 414(b), (c), or (m), is treated as a single employer with Village of La Grange Park for purposes of Code section 125(g)(4).

**"Salary Reduction"** means the amount by which the Participant's Compensation is reduced and applied by the Employer under this Plan to pay for one or more of the Benefits, as permitted for the applicable Component, before any applicable state and/or federal taxes have been deducted from the Participant's Compensation (i.e., on a pre-tax basis).

**"Spouse"** means an individual who is legally married to a Participant as determined under the laws of the state or sovereign Country where the place of celebration occurred and who is treated as a spouse for federal income tax purposes pursuant to Revenue Ruling 2013-17.

**"Timely Submitted"** means, unless the Plan Administrator has specific and special cause to alter the definition of this phrase, within 30 calendar days of event that has triggered the Change in Status as described in Section 7.2(a).

**"USERRA"** means the Uniformed Services Employment and Reemployment Rights Act of 1994, as amended.

## **ARTICLE III**

### **Eligibility and Participation**

#### **3.1 Eligibility to Participate**

An Individual is eligible to participate in this Plan, including the Premium Payment Benefits, if the Individual satisfies all of the following:

- (a) is an Eligible Employee; and
- (b) is eligible to participate in the Employer's group medical insurance.

Once an Employee has met the Plan's eligibility requirements, the Eligible Employee may commence participation on the same day as the Employer's group medical plan or for any subsequent Plan Year, in accordance with the procedures described in Article IV, Method and Timing of Elections.

#### **3.2 Termination of Participation**

A Participant will cease to be a Participant in this Plan upon the earlier of:

- the date on which the Plan terminates;
- the date on which the Employee ceases (because of retirement, termination of employment, layoff, reduction of hours, or any other reason) to be an Eligible Employee; or
- the date on which the Employee fails to make a contribution required under the terms of the Plan.

Notwithstanding the above, the Plan Administrator may, in its sole discretion, cause the participation of the Participant and/or their dependents in a benefit plan to terminate if they provide false information or make misrepresentations in connection with a claim for benefits; permit a nonparticipant to use a membership or other identification card for the purpose of wrongfully obtaining benefits; or obtain or attempt to obtain benefits by means of false, misleading, or fraudulent information, acts, or omissions.

Termination of participation in this Plan will automatically revoke the Participant's elections.

The Premium Insurance Benefits will terminate as of the date specified in the Premium Plan.

#### **3.3 Participation Following Termination of Employment or Loss of Eligibility**

If a Participant terminates his or her employment for any reason, including, but not limited to, disability, retirement, layoff, or voluntary resignation, and then is rehired within 30 days or less after the date of termination of employment, and is otherwise eligible to participate in the Plan, the Employee will immediately rejoin the Plan and be reinstated with the same elections that the Individual had before termination.

If a former Participant is rehired more than 30 days following termination of employment and is otherwise eligible to participate in the Plan, then the Employee may immediately rejoin the Plan and may make new benefit elections.

Notwithstanding the above, an election to participate in the Premium Payment Benefits will be reinstated only to the extent that coverage under the Premium Insurance Benefits is reinstated.

If an Employee (whether or not a Participant) ceases to be an Eligible Employee for any reason (other than for termination of employment), including, but not limited to, a reduction of hours, and then becomes an Eligible Employee again, the Employee must re-satisfy (complete the waiting period) Plan eligibility requirements to rejoin the Plan as described in Section 3.1 (or before becoming eligible to participate in the Plan).

#### **3.4 FMLA Leaves of Absence**

The Family and Medical Leave Act ("the FMLA") requires employers with 50 or more employees to permit

eligible employees to take up to 12 weeks of unpaid, job-protected leave each year because of the birth of a child or the placement of a child for adoption or foster care, to care for an immediate family member who has a serious health condition, or because of the employee's own serious health condition. The FMLA also permits an eligible employee to take up to 12 workweeks of leave during any 12-month period for a "qualifying exigency" arising because the employee's spouse, son, daughter, or parent is on active duty (or has been notified of a call or order to active duty) in the Armed Forces in support of a "contingency operation." In addition, an eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member is entitled to take up to 26 workweeks of leave during a 12-month period to care for the service member. These FMLA provisions have been further amended regarding qualifying exigency leave and covered service member leave for employees who are relatives of veterans and members of the Armed Forces.

**(a) Health Benefits.** Notwithstanding any provision to the contrary in this Plan, if a Participant goes on a qualifying leave under the FMLA, then to the extent required by the FMLA, the Employer will continue to maintain the Participant's Premium Insurance Benefits on the same terms and conditions as if the Participant were still an active Employee. That is, if the Participant elects to continue his or her coverage while on leave, the Employer will continue to pay its share of the Contributions. An Employer may require participants to continue all Premium Insurance Benefits coverage for Participants while they are on paid leave, provided that Participants on non-FMLA paid leave are required to continue coverage. If so, the Participant's share of the Contributions shall be paid by the method normally used during any paid leave (e.g., on a pre-tax salary reduction basis). In the event of unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued), a Participant may elect to continue his or her Premium Insurance Benefits during the leave. If the Participant elects to continue coverage while on FMLA leave, then the Participant may pay his or her share of the Contributions in one of the following ways:

- with after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
- Pre-Pay with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);
- Pay-as-you-go with their share of premium payments on the same schedule as payments would be made if the Employee were not on leave, or under another schedule permitted under Department of Labor regulations and in a manner approved by the Plan Administrator; or
- under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If the Employer requires all Participants to continue Premium Insurance Benefits during an unpaid FMLA leave, then the Participant may elect to discontinue payment of the Participant's required Contributions until the Participant returns from leave. Upon returning from leave, the Participant will be required to repay the Contributions not paid by the Participant during the leave. Payment shall be withheld from the Participant's Compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and the Participant through a written notice to the Employer.

If a Participant's Premium Insurance Benefits coverage ceases while on FMLA leave (e.g., for non-payment of required contributions), then the Participant is permitted to re-enter the Premium Insurance Benefits as applicable, upon return from such leave on the same basis as when the Participant was participating in the Plan prior to the leave, or as otherwise required by the FMLA. In addition, the Plan may require Participants whose Premium Insurance Benefits coverage terminated

during the leave to be reinstated in such coverage upon return from a period of unpaid leave, provided that Participants who return from a period of unpaid, non-FMLA leave are required to be reinstated in such coverage.

**(b) Non-Health Benefits.** If a Participant goes on a qualifying leave under the FMLA, then entitlement to non-health benefits (such as DCAP Benefits) is to be determined by the Employer's policy for providing such Benefits when the Participant is on non-FMLA leave, as described in Section 3.5.

### **3.5 Non-FMLA Leaves of Absence**

If a Participant goes on an unpaid leave of absence that does not affect eligibility, then the Participant will continue to participate and the Contributions due for the Participant will be paid in one of the following ways:

- with after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
- with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);
- with their share of premium payments on the same schedule as payments would be made if the Employee were not on leave, or under another schedule permitted under Department of Labor regulations; or
- under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If a Participant goes on an unpaid leave that affects eligibility, then the election change rules in Section 7.3 will apply.

## **ARTICLE IV**

### **Method and Timing of Elections**

#### **4.1 Elections When First Eligible**

Once an Employee has met the Plan's eligibility requirements, the Employee will automatically be enrolled in the Premium Payment Benefits, with the employee's salary reduced pretax to pay for a portion of the cost of the coverage, unless the employee affirmatively elects otherwise.

Eligibility for Premium Payment Benefits shall be subject to the additional requirements, if any, as specified by the insurance benefits provider(s). The provisions of this Plan are not intended to override any exclusions, eligibility requirements, or waiting periods specified by the insurance benefits provider(s).

#### **4.2 Irrevocability of Elections**

Unless an exception applies, as described in Article VII, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates.

## ARTICLE V

### Benefits Offered and Method of Funding

#### 5.1 Benefits Offered

When first eligible or during the Open Enrollment Period as described under Article IV, Participants will be given the opportunity to elect specific Benefits offered under this Plan:

- \* Premium Payment Benefits, as described in Article VI.

In no event shall Benefits under the Plan be provided in the form of deferred compensation.

#### 5.2 Participant Contributions

Participants who elect Benefits under the Plan may pay for the cost of that coverage on a pre-tax salary reduction basis by completing an Election Form/Salary Reduction Agreement.

**(a) Salary Reductions.** The salary reduction for a pay period for a Participant is, for the Benefits elected, an amount equal to (1) the annual Contributions for such Benefits (elected under the Plan as applicable), divided by the number of pay periods in the Period of Coverage; (2) an amount otherwise agreed upon between the Employer and the Participant; or (3) an amount deemed appropriate by the Plan Administrator (i.e., in the event of shortage in reducible Compensation, amounts withheld and the Benefits to which salary reductions are applied may fluctuate).

**(b) Considered Employer Contributions for Certain Purposes.** Salary reductions are applied by the Employer to pay for the Participant's share of the Contributions for the benefits elected under the Plan and, for the purposes of this Plan and the Code, are considered to be Employer contributions.

**(c) Salary Reduction Balance Upon Termination of Coverage.** If, as of the date that any elected coverage under this Plan terminates, a Participant's year-to-date salary reductions exceed or are less than the Participant's required Contributions for the benefit coverage, the Employer will, as applicable, either return any unused contributions to the Participant as additional taxable wages or recoup the due salary reduction amounts from any remaining Compensation.

**(d) After-Tax Contributions for Premium Payment Benefits.** For those Participants who elect to pay their share of the Contributions for any of the Premium Insurance Benefits with after-tax deductions, both the Employee and Employer portions of such Contributions will be paid outside of this Plan.

#### 5.3 Funding This Plan

All of the amounts payable under this Plan may be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable Insurance policy. Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid. While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable Insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf.

#### 5.4 Maximum Contribution

The maximum contribution that may be made under this Plan for a Participant is the total of the maximums that may be elected as Employer and Participant Contributions, as described under each Component.

## ARTICLE VI

### Premium Payment Benefits

#### 6.1 Benefits

The premium insurance benefits that may be offered under the Premium Payment Benefits for premium-type benefits pursuant to an insurance policy issued by an insurance company, or a contract with a point of service organization are medical, dental, vision, or other qualified benefits under Section 125.

Notwithstanding any other provision in this Plan, the premium insurance benefits are subject to the terms and conditions of the respective insurance policy. No changes can be made with respect to such premium insurance benefits under this Plan (such as mid-year changes in election) if such changes are not permitted under the applicable insurance policy. Unless an exception applies, as described in Article VII, such election is irrevocable for the duration of the Period of Coverage to which it relates.

#### 6.2 Contributions for Cost of Coverage

The annual Contribution for a Participant's Premium Payment Benefits is equal to the amount as set by the Employer, which may or may not be the same amount charged by the insurance provider.

#### 6.3 Events Permitting Exception to Irrevocability Rule

A Participant may make a new election upon the occurrence of certain events, including a Change in Status as described in Section 7.3, but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

Change in Status means any of the events described below, as well as any other events included under subsequent changes to Code section 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan.

A Participant may change an election under the regulations for the Premium Benefits of this Plan as described below upon the occurrence of the stated events:

- (a) Open Enrollment Period
- (b) Change in Status:
  - (b.1) Change in Employee's Legal Marital Status
  - (b.2) Change in the Number of Employee's Dependents
  - (b.3) Change in Employment Status of Employee, Spouse or Dependent that Affects Eligibility
  - (b.4) Event Causing Employee's Dependent to Satisfy or Cease to Satisfy Eligibility Requirements
  - (b.5) Change in Place of Residence
- (c) Cost Changes with Automatic Increase/Decrease in Elective Contributions
- (d) Significant Cost Increase or Significant Cost Decrease
- (e) Significant Curtailment of Coverage (With or Without Loss of Coverage)
- (f) Addition or Significant Improvement of a Benefit Package Option
- (g) Change in Coverage Under Another Employer Cafeteria Plan or Qualified Benefits Plan
- (h) Loss of Coverage Under Other Group Health Coverage
- (i) Revocation due to reduction in hours of service
- (j) Revocation due to enrollment in a Qualified Health Plan; i.e., Marketplace, Exchange
- (k) COBRA Qualifying Events
- (l) Certain Judgments, Decrees and Orders (QMCSO)

- (m) Medicare and Medicaid Eligibility
- (n) FMLA Leaves of Absence

#### **6.4 Insurance Benefits Provided Under the Plan**

Insurance benefits will be provided by the insurance provider(s), not this Plan. The types and amounts of insurance benefits, the requirements for participating in each insurance plan, and the other terms and conditions of coverage and benefits of the insurance plan(s) are set forth by the insurance provider. All claims to receive benefits under the insurance plan shall be subject to and governed by the terms and conditions of the insurance plan and the rules, regulations, policies, and procedures adopted in accordance therewith, as may be amended from time to time.

#### **6.5 Medical Insurance Benefits: COBRA**

Notwithstanding any provision to the contrary in this Plan, to the extent required by COBRA, a Participant and his or her Spouse and Dependents, as applicable, whose coverage terminates under the medical insurance plan because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA), shall be given the opportunity to continue on a self-pay basis the same coverage that he or she had under the medical insurance plan the day before the qualifying event for the periods prescribed by COBRA. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Contributions for COBRA coverage for medical insurance benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either (a) because the Employee ceases to be eligible because of a reduction in hours; or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for medical insurance benefits shall be paid on an after-tax basis (unless may be otherwise permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

## ARTICLE VII

### Irrevocability of Elections; Exceptions

#### 7.1 Irrevocability of Elections

Except as described in this Article, a Participant's election under the Plan is irrevocable for the duration of the Period of Coverage to which it relates. In other words, unless an exception applies, the Participant may not change any elections for the duration of the Period of Coverage regarding:

- participation in this Plan;
- salary reduction amounts; or
- election of particular Benefit Package Options.

#### 7.2 Procedure for Making New Election If Exception to Irrevocability Applies

**(a) Timeframe for Making New Election.** A Participant (or an Eligible Employee who, when first eligible under Section 3.1, declined to be a Participant) may make a new election within 30 days of the occurrence of an event described in Section 7.3, as applicable, but only if the election under the new Election Form/Salary Reduction Agreement is made on account of and is consistent with the event and if the election is made within any specified time period. Notwithstanding the foregoing, a Change in Status (e.g., a divorce) that results in a beneficiary becoming ineligible for coverage under the Medical Insurance Plan shall automatically result in a corresponding election change, whether or not requested by the Participant within the normal 30-day period.

**(b) Effective Date of New Election.** Elections made pursuant to this Section shall be effective for the balance of the Period of Coverage following the change of election unless a subsequent event allows for a further election change. All election changes shall be effective immediately.

#### 7.3 Change in Status Defined

A Participant may make a new election upon the occurrence of certain events as described below, including a Change in Status, for the applicable Component, but only if such election change is made on account of and corresponds with a Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer (referred to as the general consistency requirement). A Change in Status that affects eligibility for coverage under a plan of the Employer or a plan of the Spouse's or Dependent's employer includes a Change in Status that results in an increase or decrease in the number of an Employee's family members (i.e., a Spouse and/or Dependents) who may benefit from the coverage.

"Change in Status" means any of the events described below, as well as any other events included under subsequent changes to Code section 125 or regulations issued thereunder, which the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations and under this Plan:

**(a) Open Enrollment Period.** A Participant may change an election during the Open Enrollment Period in accordance with Section 4.2.

**(b) Termination of Employment.** A Participant's election will terminate under the Plan upon termination of employment in accordance with Sections 3.2 and 3.3, as applicable.

**(c) Legal Marital Status.** A change in a Participant's legal marital status, including marriage, death of a Spouse, divorce, legal separation, or annulment.

**(d) Number of Dependents.** Events that change a Participant's number of Dependents, including birth, death, adoption, and placement for adoption.

**(e) Employment Status.** Any of the following events that change the employment status of the Participant or his or her Spouse or Dependents: (1) a termination or commencement of employment; (2) a strike or lockout; (3) a commencement of or return from an unpaid leave of absence; (4) a change in worksite; and (5) if the eligibility conditions of this Plan or other employee benefits plan of the Participant or his or her Spouse or Dependents depend on the employment status of that individual and there is a change in that individual's status with the consequence that the individual becomes (or ceases to be) eligible under this Plan or other employee benefits plan, such as if a plan only applies to salaried employees and an employee switches from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa), with the consequence that the employee ceases to be eligible for the Plan.

**(f) Dependent Eligibility Requirements.** An event that causes a Dependent to satisfy or cease to satisfy the dependent eligibility requirements for a particular benefit, such as attaining a specified age, or any similar circumstance.

**(g) Change in Residence.** A change in the place of residence of the Participant or his or her Spouse or Dependents that causes the gain or loss of eligibility for coverage option.

**(h) Leaves of Absence.** A Participant may change an election under the Plan upon FMLA leave in accordance with Section 3.4 and upon non-FMLA leave in accordance with Section 3.5.

Assuming that the general consistency requirement is satisfied, a requested election change must also satisfy the following specific consistency requirements in order for a Participant to be able to alter his or her election based on the specified Change in Status:

**(h.1) Loss of Spouse or Dependent Eligibility; Special COBRA Rules.** For a Change in Status involving a Participant's divorce, annulment or legal separation from a Spouse, the death of a Spouse or a Dependent, or a Dependent's ceasing to satisfy the eligibility requirements for coverage, a Participant may only elect to cancel accident or health insurance coverage for (a) the Spouse involved in the divorce, annulment, or legal separation; (b) the deceased Spouse or Dependent; or (c) the Dependent that ceased to satisfy the eligibility requirements. Canceling coverage for any other individual under these circumstances would fail to correspond with that Change in Status. Notwithstanding the foregoing, if the Participant or his or her Spouse or Dependent becomes eligible for COBRA (or similar health plan continuation coverage under state law) under the Employer's plan (and the Participant remains a Participant under this Plan in accordance with Section 3.2), then the Participant may increase his or her election to pay for such coverage (this rule does not apply to a Participant's Spouse who becomes eligible for COBRA or similar coverage as a result of divorce, annulment, or legal separation).

**(h.2) Gain of Coverage Eligibility Under Another Employer's Plan.** For a Change in Status in which a Participant or his or her Spouse or Dependent gains eligibility for coverage under a cafeteria plan or qualified benefit plan of the employer of the Participant's Spouse or Dependent as a result of a change in marital status or a change in employment status, a Participant may elect to cease or decrease coverage for that individual only if coverage for that individual becomes effective or is increased under the Spouse's or Dependent's employer's plan. The Plan Administrator may rely on a Participant's certification that the Participant has obtained or will obtain coverage under the Spouse's or Dependent's employer's plan, unless the Plan Administrator has reason to believe that the Participant's certification is incorrect.

**(i) HIPAA Special Enrollment Rights.** If a Participant or his or her Spouse or Dependent is entitled to special enrollment rights under a group health plan (other than an excepted benefit), as required by HIPAA under Code section 9801(f), then a Participant may revoke a prior election for group health plan coverage and make a new election (including, when required by HIPAA, an election to enroll in another benefit package under a group health plan), provided that the election change corresponds with such HIPAA special enrollment right. As required by HIPAA, a special enrollment right will arise in the following circumstances:

**(I.1)** a Participant or his or her Spouse or Dependent declined to enroll in group health plan coverage because he or she had coverage, and eligibility for such coverage is subsequently lost because: (1) the coverage was provided under COBRA and the COBRA coverage was exhausted; or (2) the coverage was non-COBRA coverage and the coverage terminated due to loss of eligibility for coverage or the employer contributions for the coverage were terminated; or

**(I.2)** a new Dependent is acquired as a result of marriage, birth, adoption, or placement for adoption.

An election to add previously eligible Dependents as a result of the acquisition of a new Spouse or Dependent child shall be considered to be consistent with the special enrollment right. An election change on account of a HIPAA special enrollment attributable to the birth, adoption, or placement for adoption of a new Dependent child may, subject to the provisions of the underlying group health plan, be effective retroactively (up to 30 days).

An election change on account of a HIPAA special enrollment attributable to an employee or dependent becoming eligible for a state premium assistance subsidy under the plan from Medicaid or SCHIP may, subject to the provisions of the underlying group health plan be effective retroactively (up to 60 days).

**(j) Certain Judgments, Decrees and Orders.** If a judgment, decree, or order (collectively, an "Order") resulting from a divorce, legal separation, annulment, or change in legal custody (including a QMCSO) requires accident or health coverage for a Participant's child (including a foster child who is a Dependent of the Participant), then a Participant may (1) change his or her election to provide coverage for the child (provided that the Order requires the Participant to provide coverage); or (2) change his or her election to revoke coverage for the child if the Order requires that another Individual (including the Participant's Spouse or former Spouse) provide coverage under that Individual's plan and such coverage is actually provided.

**(k) Medicare and Medicaid.** If a Participant or his or her Spouse or Dependent who is enrolled in a health or accident plan under this Plan becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid (other than coverage consisting solely of benefits under Section 1928 of the Social Security Act providing for pediatric vaccines), then the Participant may prospectively reduce or cancel the health or accident coverage of the person becoming entitled to Medicare or Medicaid.

**(l) Change in Cost.** For purposes of this Section, "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage. For purposes of this definition, (1) a health FSA is not similar coverage with respect to an accident or health plan that is not a health FSA; (2) an HMO and a PPO are considered to be similar coverage; and (3) coverage by another employer, such as a Spouse's or Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage.

**(I.1) Increase or Decrease for Insignificant Cost Changes.** Participants are required to increase their elective contributions (by increasing salary reductions) to reflect insignificant increases in their required contribution for their Benefit Package Option(s), and to decrease their elective contributions to reflect insignificant decreases in their required contribution. The Plan Administrator will determine whether an increase or decrease is insignificant based upon all the surrounding facts and circumstances, including but not limited to the dollar amount or percentage of the cost change. The Plan Administrator, on a reasonable and consistent basis, will automatically effectuate this increase or decrease in affected employees' elective contributions on a prospective basis.

**(I.2) Significant Cost Increases.** If the Plan Administrator determines that the cost charged to an Employee of a Participant's Benefit Package Option(s) significantly increases during a Period of Coverage, then the Participant may (a) make a corresponding prospective increase in his or her elective contributions (by increasing salary reductions); (b) revoke his or her election for that

coverage, and in lieu thereof, receive on a prospective basis coverage under another Benefit Package Option that provides similar coverage (such as an HMO); or (c) drop coverage prospectively if there is no other Benefit Package Option available that provides similar coverage.

**(l.3) Significant Cost Decreases.** If the Plan Administrator determines that the cost of any Benefit Package Option significantly decreases during a Period of Coverage, then the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option (such as an HMO) other than the Benefit Package Option that has decreased in cost may change their election on a prospective basis to elect the Benefit Package Option that has decreased in cost (such as the PPO for the Medical Insurance Plan); and (b) Employees who are otherwise eligible under Section 3.1 may elect the Benefit Package Option that has decreased in cost (such as the PPO) on a prospective basis, subject to the terms and limitations of the Benefit Package Option.

**(m) Change in Coverage.** For purposes of this Section, "similar coverage" means coverage for the same category of benefits for the same individuals (e.g., family to family or single to single). For example, two plans that provide major medical coverage are considered to be similar coverage. For purposes of this definition, (1) a health FSA is not similar coverage with respect to an accident or health plan that is not a health FSA; (2) an HMO and a PPO are considered to be similar coverage; and (3) coverage by another employer, such as a Spouse's or Dependent's employer, may be treated as similar coverage if it otherwise meets the requirements of similar coverage.

**(n) Significant Curtailment.** If coverage is "significantly curtailed" (as defined below), Participants may elect coverage under another Benefit Package Option that provides similar coverage. In addition, as set forth below, if the coverage curtailment results in a "Loss of Coverage" (as defined below), then Participants may drop coverage if no similar coverage is offered by the Employer.

**(n.1) Significant Curtailment Without Loss of Coverage.** If the Plan Administrator determines that a Participant's coverage under a Benefit Package Option under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed without a Loss of Coverage during a Period of Coverage, the Participant may revoke his or her election for the affected coverage, and in lieu thereof, prospectively elect coverage under another Benefit Package Option that provides similar coverage (such as the HMO). Coverage under a plan is deemed to be "significantly curtailed" only if there is an overall reduction in coverage provided under the plan so as to constitute reduced coverage generally.

**(n.2) Significant Curtailment With a Loss of Coverage.** If the Plan Administrator determines that a Participant's Benefit Package Option coverage under this Plan (or the Participant's Spouse's or Dependent's coverage under his or her employer's plan) is significantly curtailed, and if such curtailment results in a Loss of Coverage during a Period of Coverage, then the Participant may revoke his or her election for the affected coverage and may either prospectively elect coverage under another Benefit Package Option that provides similar coverage (such as the HMO) or drop coverage if no other Benefit Package Option providing similar coverage is offered by the Employer.

**(n.3) Definition of Loss of Coverage.** For purposes of this Section, a "Loss of Coverage" means a complete loss of coverage (including the elimination of a Benefit Package Option, an HMO ceasing to be available where the Participant or his or her Spouse or Dependent resides, or a Participant or his or her Spouse or Dependent losing all coverage under the Benefit Package Option by reason of an overall lifetime or annual limitation). In addition, the Plan Administrator may treat the following as a Loss of Coverage:

- a substantial decrease in the medical care providers available under the Benefit Package Option (such as a major hospital ceasing to be a member of a preferred provider network or a substantial decrease in the number of physicians participating in the PPO for the Medical Insurance Plan or in an HMO);

- a reduction in benefits for a specific type of medical condition or treatment with respect to which the Participant or his or her Spouse or Dependent is currently in a course of treatment; or
- any other similar fundamental loss of coverage.

**(o) Addition or Significant Improvement of a Benefit Package Option.** If during a Period of Coverage the Plan adds a new Benefit Package Option or significantly improves an existing Benefit Package Option, the Plan Administrator may permit the following election changes: (a) Participants who are enrolled in a Benefit Package Option other than the newly added or significantly improved Benefit Package Option may change their elections on a prospective basis to elect the newly added or significantly improved Benefit Package Option; and (b) Employees who are otherwise eligible under Section 3.1 may elect the newly added or significantly improved Benefit Package Option on a prospective basis, subject to the terms and limitations of the Benefit Package Option.

**(p) Loss of Coverage Under Other Group Health Coverage.** A Participant may prospectively change his or her election to add group health coverage for the Participant or his or her Spouse or Dependent, if such individual(s) loses coverage under any group health coverage sponsored by a governmental or educational institution, including (but not limited to) the following: a state children's health insurance program (SCHIP) under Title XXI of the Social Security Act; a medical care program of an Indian Tribal government (as defined in Code §7701(a)(40)), the Indian Health Service, or a tribal organization; a state health benefits risk pool; or a foreign government group health plan, subject to the terms and limitations of the applicable Benefit Package Option(s).

**(q) Change in Coverage Under Another Employer Plan.** A Participant may make a prospective election change that is on account of and corresponds with a change made under an employer plan (including a plan of the Employer or a plan of the Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change that would be permitted under applicable IRS regulations; or (b) the Plan permits Participants to make an election for a Period of Coverage that is different from the Plan Year under the other cafeteria plan or qualified benefits plan. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, will decide whether a requested change is on account of and corresponds with a change made under the other employer plan, in accordance with prevailing IRS guidance.

**(r) Reduction of Hours (Applies Only to Premium Payment Benefits for the Medical Insurance Plan).** A Participant who was reasonably expected to average 30 hours of service or more per week and experiences an employment status change such that he or she is reasonably expected to average less than 30 hours of service per week may prospectively revoke his or her election for Medical Insurance Plan coverage, provided that the Participant certifies that he or she and any related individuals whose coverage is being revoked have enrolled or intend to enroll in another plan providing minimum essential coverage under health care reform for coverage that is effective no later than the first day of the second month following the month that includes the date the Medical Insurance Plan coverage is revoked.

**(s) Exchange Enrollment (Applies Only to Premium Payment Benefits for the Medical Insurance Plan).** A Participant who is eligible to enroll for coverage in a government-sponsored Exchange (Marketplace) during an Exchange special or annual open enrollment period may prospectively revoke his or her election for Medical Insurance Plan coverage, provided that the Participant certifies that he or she and any related individuals whose coverage is being revoked have enrolled or intend to enroll in new Exchange coverage that is effective no later than the day immediately following the last day of the Medical Insurance Plan coverage.

**(t) Loss of Individual Market Health Insurance Coverage (Applies Only to Premium Payment Benefits for the Medical Insurance Plan).** Eligible Employees and their dependents may be eligible for special enrollment in the group health plan if an individual loses eligibility for coverage in the individual market, including coverage purchased through a Marketplace (other than loss of eligibility

for coverage due to failure to pay premiums on a timely basis or termination of coverage for cause, such as making a fraudulent claim or an intentional misrepresentation of a material fact). Eligible Employees be eligible for special enrollment in the group health plan coverage regardless of whether they may enroll in other individual market coverage, through or outside of a Marketplace.

**7.4 Election Modifications Required by Plan Administrator**

The Plan Administrator may, at any time, require any Participant or class of Participants to amend the amount of their salary reductions for a Period of Coverage if the Plan Administrator determines that such action is necessary or advisable in order to (a) satisfy any of the Code's nondiscrimination requirements applicable to this Plan or other cafeteria plan; (b) prevent any Employee or class of Employees from having to recognize more income for federal income tax purposes from the receipt of benefits hereunder than would otherwise be recognized; (c) maintain the qualified status of benefits received under this Plan; or (d) satisfy Code nondiscrimination requirements or other limitations applicable to the Employer's qualified plans. In the event that contributions need to be reduced for a class of Participants, the Plan Administrator will reduce the salary reduction amounts for each affected Participant, beginning with the Participant in the class who had elected the highest salary reduction amount and continuing with the Participant in the class who had elected the next-highest salary reduction amount, and so forth, until the defect is corrected.

## **ARTICLE VIII**

### **Recordkeeping and Administration**

#### **8.1 Plan Administrator**

The administration of this Plan shall be under the supervision of the Plan Administrator. It is the principal duty of the Plan Administrator to see that this Plan is carried out, in accordance with its terms, for the exclusive benefit of persons entitled to participate in this Plan without discrimination among them.

#### **8.2 Powers of the Plan Administrator**

The Plan Administrator shall have such duties and powers as it considers necessary or appropriate to discharge its duties. It shall have the exclusive right to interpret the Plan and to decide all matters thereunder, and all determinations of the Plan Administrator with respect to any matter hereunder shall be conclusive and binding on all persons. Without limiting the generality of the foregoing, the Plan Administrator shall have the following discretionary authority:

- (a) to construe and interpret this Plan, including all possible ambiguities, inconsistencies, and omissions in the Plan and related documents, and to decide all questions of fact, questions relating to eligibility and participation, and questions of benefits under this Plan;
- (b) to prepare and distribute information explaining this Plan and the benefits under this Plan in such manner as the Plan Administrator determines to be appropriate;
- (c) to request and receive from all Employees and Participants such information as the Plan Administrator shall from time to time determine to be necessary for the proper administration of this Plan;
- (d) to furnish each Employee and Participant with such reports with respect to the administration of this Plan as the Plan Administrator determines to be reasonable and appropriate, including appropriate statements setting forth the amounts by which a Participant's Compensation has been reduced in order to provide benefits under this Plan;
- (e) to provide the Employer with such tax or other information it may require in connection with the Plan;
- (f) to receive, review, and keep on file such reports and information regarding the benefits covered by this Plan as the Plan Administrator determines from time to time to be necessary and proper;
- (g) to employ any agents, attorneys, accountants or other parties (who may also be employed by the Employer) and to allocate or delegate to them such powers or duties as is necessary to assist in the proper and efficient administration of the Plan, provided that such allocation or delegation and the acceptance thereof is in writing;
- (h) to appoint and employ such individuals or entities to assist in the administration of this Plan as it determines to be necessary or advisable, including legal counsel and benefit consultants;
- (i) to sign documents for the purposes of administering this Plan, or to designate an individual or individuals to sign documents for the purposes of administering this Plan;
- (j) to report to the Employer, or any party designated by the Employer, after the end of each Plan Year regarding the administration of the Plan, and to report any significant problems as to the administration of the Plan and to make recommendations for modifications as to procedures and benefits, or any other change which might ensure the efficient administration of the Plan.

However, nothing in this Section is meant to confer upon the Plan Administrator any powers to amend the Plan or change any administrative procedure or adopt any other procedure involving the Plan without the express written approval of the Employer regarding any amendment or change in administrative procedure, or Benefit Provider. Notwithstanding the preceding sentence, the Plan Administrator is empowered to take any actions he or she sees fit to assure that the Plan complies with the nondiscrimination requirements of Section 125 of the Code.

### **8.3 Reliance on Participant, Tables, etc.**

The Plan Administrator may rely upon the direction, information, or election of a Participant as being proper under the Plan and shall not be responsible for any act or failure to act because of a direction or lack of direction by a Participant. The Plan Administrator will also be entitled, to the extent permitted by law, to rely conclusively on all tables, valuations, certificates, opinions, and reports that are furnished by accountants, attorneys, or other experts employed or engaged by the Plan Administrator.

### **8.4 Provision for Third-Party Plan Service Providers**

The Plan Administrator, subject to approval of the Employer, may employ the services of such persons as it may deem necessary or desirable in connection with the operation of the Plan. Unless otherwise provided in the service agreement, obligations under this Plan shall remain the obligation of the Employer.

### **8.5 Fiduciary Liability**

To the extent permitted by law, the Plan Administrator shall not incur any liability for any acts or for failure to act except for their own willful misconduct or willful breach of this Plan.

### **8.6 Compensation of Plan Administrator**

Unless otherwise determined by the Employer and permitted by law, any Plan Administrator that is also an Employee of the Employer shall serve without compensation for services rendered in such capacity, but all reasonable expenses incurred in the performance of their duties shall be paid by the Employer.

### **8.7 Insurance Contracts**

The Employer shall have the right to: (a) enter into a contract with one or more insurance companies for the purpose of providing any benefits under the Plan; and (b) replace any of such insurance companies or contracts. Any dividends, retroactive rate adjustments, or other refunds of any type that may become payable under any such insurance contract shall not be assets of the Plan but shall be the property of and be retained by the Employer, to the extent that such amounts are less than aggregate Employer contributions toward such insurance.

### **8.8 Inability to Locate Payee**

If the Plan Administrator is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person, then such payment and all subsequent payments otherwise due to such Participant or other person shall be forfeited following a reasonable time after the date any such payment first became due.

### **8.9 Effect of Mistake**

In the event of a mistake as to the eligibility or participation of an Employee, the allocations made to the account of any Participant, or the amount of benefits paid or to be paid to a Participant or other person, the Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under Code section 125 or the regulations issued thereunder, cause to be allocated or cause to be withheld or accelerated, or otherwise make adjustment of, such amounts as it will in its judgment accord to such Participant or other person the credits to the account or distributions to which he or she is properly entitled under the Plan. Such action by the Plan Administrator may include withholding of any amounts due to the Plan or the Employer from Compensation paid by the Employer.

## **ARTICLE IX**

### **General Provisions**

#### **9.1 Plan Expenses**

All reasonable expenses incurred in administering the Plan are currently paid by both, the Employer and the participants' account balances. The Employer has the discretion to decide upon an appropriate expense amount to offset experience gains.

#### **9.2 No Contract of Employment**

Nothing herein contained is intended to be or shall be construed as constituting a contract or other arrangement between any Employee and the Employer to the effect that such Employee will be employed for any specific period of time. All Employees are considered to be employed at the will of the Employer.

#### **9.3 Amendment and Termination**

This Plan has been established with the intent of being maintained for an indefinite period of time. Nonetheless, the Employer may amend or terminate all or any part of this Plan at any time for any reason by resolution of the Employer's Board of Directors or by any person or persons authorized by the Board of Directors to take such action, and any such amendment or termination will automatically apply to the Related Employers that are participating in this Plan.

#### **9.4 Governing Law**

This Plan shall be construed, administered, and enforced according to the laws of the State of ILLINOIS, to the extent not superseded by the Code.

#### **9.5 No Guarantee of Tax Consequences**

Neither the Plan Administrator nor the Employer makes any commitment or guarantee that any amounts paid to or for the benefit of a Participant under this Plan will be excludable from the Participant's gross income for federal, state, or local income tax purposes. It shall be the obligation of each Participant to determine whether each payment under this Plan is excludable from the Participant's gross income for federal, state, and local income tax purposes and to notify the Plan Administrator if the Participant has any reason to believe that such payment is not so excludable.

#### **9.6 Indemnification of Employer**

If any Participant receives one or more payments or reimbursements under this Plan on a tax-free basis and if such payments do not qualify for such treatment under the Code, then such Participant shall indemnify and reimburse the Employer for any liability that it may incur for failure to withhold federal income taxes, Social Security taxes, or other taxes from such payments or reimbursements.

#### **9.7 Non-Assignability of Rights**

The right of any Participant to receive any reimbursement under this Plan shall not be alienable by the Participant by assignment or any other method and shall not be subject to claims by the Participant's creditors by any process whatsoever. Any attempt to cause such right to be so subjected will not be recognized, except to the extent required by law.

#### **9.8 Headings**

The headings of the various Articles and Sections are inserted for convenience of reference and are not to be regarded as part of this Plan or as indicating or controlling the meaning or construction of any provision.

#### **9.9 Plan Provisions Controlling**

In the event that the terms or provisions of any summary or description of this Plan are in any construction interpreted as being in conflict with the provisions of this Plan as set forth in this document, the provisions of this Plan shall be controlling.

**9.10 Severability**

Should any part of this Plan subsequently be invalidated by a court of competent jurisdiction, the remainder of the Plan shall be given effect to the maximum extent possible.

\* \* \*

IN WITNESS WHEREOF, and as conclusive evidence of the adoption of the foregoing instrument comprising the Village of La Grange Park Section 125 Plan, Village of La Grange Park has caused this Plan to be executed in its name and on its behalf, on this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

**Employer:**

Village of La Grange Park

\_\_\_\_\_  
Julia Cedillo  
Village Manager

**Village of La Grange Park Section 125 Plan**  
**SUMMARY PLAN DESCRIPTION**

Effective July 1, 2020

# **Summary Plan Description With Premium Payment Component**

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**Village of La Grange Park Section 125 Plan  
With Premium Payment Component**

**Summary Plan Description**

**Article I  
INTRODUCTION**

Village of La Grange Park, (the "Employer") sponsors the Village of La Grange Park Section 125 Plan (the "Cafeteria Plan") that allows Eligible Employees to pay for the medical insurance benefit with pre-tax dollars. Alternatively, Eligible Employees may choose to pay for the Employer's group medical insurance benefits with after-tax contributions on a payroll-reduction basis.

This Summary Plan Description (SPD) describes the basic features of the Cafeteria Plan, how it operates, and how to get the maximum advantage from it. This Summary does not describe every detail of the Cafeteria Plan and is not meant to Interpret or change the provisions of your Plan. A copy of your Plan is on file at your Employer's office and may be read by you, your Beneficiaries, or your legal representatives at any reasonable time. In the event of any inconsistencies or conflict between the actual provisions of the Cafeteria Plan document and this Summary, the Cafeteria Plan Document shall govern.

## **Article II PARTICIPATION IN YOUR PLAN**

### **How can I participate in the Cafeteria Plan?**

Once an Employee has met the Plan's eligibility requirements, and provided that the election procedures outlined under 'How do I become a Participant and when is my Entry Date?' section are followed, the Eligible Employee may participate in the Plan.

### **What are the Eligibility Requirements to participate in the Plan?**

Employees who are eligible to participate in the Employer's group medical insurance and are employed by a participating Employer may participate in the Plan once they meet the eligibility requirements and provided that the election procedures outlined under 'How do I become a Participant?' section are followed.

Eligibility for the Premium Insurance Benefits is also subject to the additional eligibility requirements, if any, specified in the Medical Insurance Plan.

### **Are there any Employees who are not eligible to participate in the Plan?**

The following Employees are excluded from participating in the Plan: Part-time employees who regularly work less than 30 hours per week, and self-employed individuals, partners in a partnership, or more-than-2% shareholders in a Subchapter S corporation.

### **How do I become a Participant and when is my Entry Date?**

After you satisfy the eligibility requirements described under 'What are the Eligibility Requirements to participate in the Cafeteria Plan?', you will automatically be enrolled in the Premium Payment Benefits, with the employee's salary reduced pretax to pay for a portion of the cost of the coverage, unless the employee affirmatively elects otherwise before a date specified in the open enrollment materials.

An Eligible Employee who fails to complete, sign, and return an Election Form/Salary Reduction Agreement, (or waiver of pre-tax premiums) as required, for subsequent Plan Years, then the Employee: shall continue with same elections as prior year for insured/premium benefits.

Employees who actually participate in the Cafeteria Plan are called "Participants." An Employee continues to participate in the Cafeteria Plan until: (a) termination of the Cafeteria Plan; or (b) the date on which the Participant ceases to be an Eligible Employee (because of retirement, termination of employment, layoff, reduction of hours, or any other reason).

However, for purposes of pre-taxing COBRA coverage for Premium Insurance Benefits, certain Employees may be able to continue eligibility in the Cafeteria Plan for certain periods. See 'What is Continuation Coverage and how does it work?', and 'What happens if my employment ends during the Plan Year or I lose eligibility for other reasons?' for information about how termination of participation affects your Benefits.

**What is the "Open Enrollment Period" and the "Plan Year"?**

The Open Enrollment Period is the period during which you have an opportunity to participate under the Cafeteria Plan or decline coverage and have no salary reduction.

You will be notified of the timing and duration of the Open Enrollment Period prior to the beginning of the new Plan Year. The Plan Administrator will inform all Participants of the applicable dates for each annual enrollment period.

The Plan Year is the 12 months beginning on each July 1st and ending on June 30th.

**What happens if my employment ends during the Plan Year or I lose eligibility for other reasons?**

If your employment with the Employer is terminated during the Plan Year, then your active participation in the Cafeteria Plan will cease and you will not be able to make any more contributions to the Cafeteria Plan for the Premium insurance benefits.

The Premium Insurance Benefits will terminate as of the date specified in the Medical Insurance Plan.

See 'What is Continuation Coverage and how does it work?' and the booklets for the Medical Insurance Plan for information on your right to continued or converted group health coverage after termination of your employment.

For purposes of pre-taxing COBRA coverage for Premium Insurance Benefits, certain Employees may be able to continue eligibility in the Cafeteria Plan for certain periods. See 'What is Continuation Coverage and how does it work?'.

If you are rehired within 30 days or less during the same Plan Year and are eligible for the Cafeteria Plan, then your prior elections will be reinstated.

If you are rehired more than 30 days after you terminated employment, and are eligible for the Cafeteria Plan, then you may immediately rejoin the Plan and may make new benefit elections. Any unused reimbursement benefits account balance prior to the initial separation of service date will be forfeited.

If you cease to be an Eligible Employee for reasons other than termination of employment, such as a reduction of hours, then you must complete the waiting period described under 'How can I participate in the Cafeteria Plan?' before again becoming eligible to participate in the Plan.

**What is "Continuation Coverage" and how does it work?**

To the extent required by COBRA, a Participant and his or her Spouse and Dependents, as applicable, whose coverage terminates under the medical insurance plan because of a COBRA qualifying event (and who is a qualified beneficiary as defined under COBRA), may be given the opportunity to continue on a self-pay basis the same coverage that he or she had under the medical insurance plan the day before the qualifying event for the periods prescribed by COBRA. Such continuation coverage shall be subject to all conditions and limitations under COBRA. Contributions for COBRA coverage for medical insurance benefits may be paid on a pre-tax basis for current Employees receiving taxable compensation (as may be permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year) where COBRA coverage arises either: (a) because the Employee ceases to be eligible because of a reduction in hours; or (b) because the Employee's Dependent ceases to satisfy the eligibility requirements for coverage. For all other individuals (e.g., Employees who cease to be eligible because of retirement, termination of employment, or layoff), Contributions for COBRA coverage for medical insurance benefits shall be paid on an after-tax basis (unless may be otherwise permitted by the Plan Administrator on a uniform and consistent basis, but may not be prepaid from contributions in one Plan Year to provide coverage that extends into a subsequent Plan Year).

## **USERRA**

Continuation and reinstatement rights may also be available if you are absent from employment due to service in the uniformed services pursuant to the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). More information about coverage under USERRA is available from the Plan Administrator.

### **How does a leave of absence (such as under FMLA) affect my benefits?**

The Family and Medical Leave Act ("the FMLA") requires employers with 50 or more employees to permit eligible employees to take up to 12 weeks of unpaid, job-protected leave each year because of the birth of a child or the placement of a child for adoption or foster care, to care for an immediate family member who has a serious health condition, or because of the employee's own serious health condition. The FMLA also permits an eligible employee to take up to 12 workweeks of leave during any 12-month period for a "qualifying exigency" arising because the employee's spouse, son, daughter, or parent is on active duty (or has been notified of a call or order to active duty) in the Armed Forces in support of a "contingency operation." In addition, an eligible employee who is the spouse, son, daughter, parent, or next of kin of a covered service member is entitled to take up to 26 workweeks of leave during a 12-month period to care for the service member. These FMLA provisions have been further amended regarding qualifying exigency leave and covered service member leave for employees who are relatives of veterans and members of the Armed Forces.

### ***FMLA Leaves of Absence***

If you go on a qualifying leave under the Family and Medical Leave Act of 1993 (FMLA), then to the extent required by the FMLA your Employer will continue to maintain your Premium insurance benefits on the same terms and conditions as if you were still active (that is, your Employer will continue to pay its share of the contributions to the extent that you opt to continue coverage). Your Employer may require you to continue all Premium insurance Benefits coverage while you are on paid leave (so long as Participants on non-FMLA paid leave are required to continue coverage). If so, you will pay your share of the contributions by the method normally used during any paid leave (for example, on a pre-tax salary-reduction basis).

If you are going on unpaid FMLA leave (or paid FMLA leave where coverage is not required to be continued) and you opt to continue your Premium insurance Benefits, then you may pay your share of the contributions in one of the following ways:

- \* With after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
- \* Pre-pay with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);
- \* Pay-as-you-go with their share of premium payments on the same schedule as payments would be made if the Employee were not on leave, or under another schedule permitted under Department of Labor regulations; or
- \* Under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If your Employer requires all Participants to continue Premium Insurance Benefits during the unpaid FMLA leave, then you may discontinue paying your share of the required contributions until you return from leave. Upon returning from leave, you must pay your share of any required contributions that you did not pay during the leave. Payment for your share will be withheld from your compensation either on a pre-tax or after-tax basis, depending on what you and the Plan Administrator agree to. If your Premium Insurance Benefits coverage ceases while you are on FMLA leave (e.g., for non-payment of required contributions), you will be permitted to re-enter such Benefits, as applicable, upon return from such leave on the same

basis as when you were participating in the Plan before the leave or as otherwise required by the FMLA. You may be required to have coverage for such Benefits reinstated so long as coverage for Employees on non-FMLA leave is required to be reinstated upon return from leave.

If you are commencing or returning from FMLA leave, then your election for non-health benefits (such as life insurance, etc.) will be treated in the same way as under your Employer's policy for providing such Benefits for Participants on a non-FMLA leave (see below). If that policy permits you to discontinue contributions while on leave, then upon returning from leave you will be required to repay the contributions not paid by you during leave. Payment will be withheld from your compensation either on a pre-tax or after-tax basis, as agreed to by the Plan Administrator and you or as the Plan Administrator otherwise deems appropriate.

***Non-FMLA Leaves of Absence***

If you go on an unpaid leave of absence that does not affect eligibility, then you will continue to participate and the contribution due from you (if not otherwise paid by your regular salary reductions) will be paid:

- \* with after-tax dollars, by sending monthly payments to the Employer by the due date established by the Employer;
- \* with pre-tax dollars, by having such amounts withheld from the Participant's ongoing Compensation, if any, including unused sick days and vacation days, or pre-paying all or a portion of the Contributions for the expected duration of the leave on a pre-tax salary reduction basis out of pre-leave Compensation. To pre-pay the Contributions, the Participant must make a special election to that effect prior to the date that such Compensation would normally be made available (pre-tax dollars may not be used to fund coverage during the next Plan Year);
- \* with their share of premium payments on the same schedule as payments would be made if the Employee were not on leave, or under another schedule permitted under Department of Labor regulations; or
- \* under another arrangement agreed upon between the Participant and the Plan Administrator (e.g., the Plan Administrator may fund coverage during the leave and withhold "catch-up" amounts from the Participant's Compensation on a pre-tax or after-tax basis) upon the Participant's return.

If you go on an unpaid leave that does affect eligibility, then the Change in Status rules will apply (see **"When Can I Change Elections Under the Cafeteria Plan During the Plan Year?"**).

## **Article III PAYING FOR YOUR BENEFITS UNDER YOUR PLAN**

### **How do employees pay for benefits on a pre-tax basis?**

An Employee pays for benefits on a pre-tax or after-tax instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes. From then on, you must pay contributions for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally an equal portion from each paycheck, or an amount otherwise agreed to or as deemed appropriate by the Plan Administrator).

### **Will I pay any administrative costs under the Cafeteria Plan?**

The cost of the plan includes administrative expenses and is paid partially by the Employer and partially by the Employees, as explained in the open enrollment materials.

### **Can I change my elections under the Cafeteria Plan during the Plan Year?**

You generally cannot change your election to participate in the Cafeteria Plan or vary the salary reduction amounts that you have selected during the Plan Year (known as the irrevocability rule). Of course, you can change your elections for benefits and salary reductions during the Open Enrollment Period, but those election changes will apply only for the following Plan Year.

The Plan Administrator may also reduce your salary reductions (and increase your taxable regular pay) during the Plan Year if you are a key employee or highly compensated individual as defined by the Internal Revenue Code ("the Code"), if necessary to prevent the Cafeteria Plan from becoming discriminatory within the meaning of the federal income tax law. Additionally, if a mistake is made as to your eligibility or participation, the allocations made to your account, or the amount of benefits to be paid to you or another person, then the Plan Administrator shall, to the extent that it deems administratively possible and otherwise permissible under the Code and other applicable law, allocate, withhold, accelerate, or otherwise adjust such amounts as will in its judgment accord the credits to the account or distributions to which you or such other person is properly entitled under the Cafeteria Plan. Such action by the Plan Administrator may include withholding of any amounts due from your compensation.

### **When can I change elections under the cafeteria plan during the Plan Year?**

Participants can change their elections under the Cafeteria Plan during a Plan Year if an event occurs that is a Change in Election Event and certain other conditions are met, as described below. For details, see the various 'Change in Election Events' headings below for the specific type of Change in Election Event:

Leaves of absence, including FMLA leave (defined under '**How do leaves of absence (such as under FMLA) affect my benefits?**'); Changes in Status; Special Enrollment Rights; Certain Judgments, Decrees, and Orders; Medicare or Medicaid; Changes in Cost; Changes in Coverage. Note also that no changes can be made with respect to Medical Insurance Benefits if they are not permitted under the Medical Insurance Plan.

If any Change in Election Event occurs, you must inform the Plan Administrator and complete a new Election Form/Salary Reduction Agreement within 30 days after the occurrence.

If the change involves a loss of your Spouse's or Dependent's eligibility for Medical Insurance Benefits, then the change will be deemed effective as of the date that eligibility is lost due to the occurrence of the Change in Election Event, even if you do not request it within 30 days.

#### **1. Leaves of Absence**

*(Applies to Medical Insurance Benefits)*

You may change an election under the Cafeteria Plan upon FMLA and non-FMLA leave only as described under 'How do leaves of absence (such as under FMLA) affect my benefits?'

## **2. Change in Status.**

*(Applies to Medical Insurance Benefits)* If one or more of the following Changes in Status occur, you may revoke your old election and make a new election, provided that both the revocation and new election are on account of and correspond with the Change in Status (as described in Item 3 below). Those occurrences that qualify as a Change in Status include the events described below, as well as any other events that the Plan Administrator, in its sole discretion and on a uniform and consistent basis, determines are permitted under IRS regulations:

- \* a change in your legal marital status (such as marriage, death of a Spouse, divorce, legal separation, or annulment);
- \* a change in the number of your Dependents (such as the birth of a child, adoption or placement for adoption of a Dependent, or death of a Dependent);
- \* any of the following events that change the employment status of you, your Spouse, or your Dependent and that affect benefits eligibility under a cafeteria plan (including this Cafeteria Plan) or other employee benefit plan of you, your Spouse, or your Dependents. Such events include any of the following changes in employment status: termination or commencement of employment; a strike or lockout; a commencement of or return from an unpaid leave of absence; a change in worksite; switching from salaried to hourly-paid, union to non-union, or full-time to part-time (or vice versa); incurring a reduction or increase in hours of employment; or any other similar change that makes the individual become (or cease to be) eligible for a particular employee benefit;
- \* an event that causes your Dependent to satisfy or cease to satisfy an eligibility requirement for a particular benefit (such as attaining a specific age, or a similar circumstance); or
- \* a change in your, your Spouse's, or your Dependent's place of residence.

## **3. Change in Status-Other Requirements.**

*(Applies to Medical Insurance Benefits)*

If you wish to change your election based on a Change in Status, you must establish that the revocation is on account of and corresponds with the Change in Status. The Plan Administrator, in its sole discretion and on a uniform and consistent basis, shall determine whether a requested change is on account of and corresponds with a Change in Status. As a general rule, a desired election change will be found to be consistent with a Change in Status event if the event affects coverage eligibility.

In addition, you must satisfy the following specific requirements in order to alter your election based on that Change in Status:

- \* *Loss of Spouse or Dependent Eligibility; Special COBRA Rules.* For accident and health benefits (the Medical Insurance Plan), a special rule governs which type of election changes are consistent with the Change in Status. For a Change in Status involving your divorce, annulment, or legal separation from your Spouse, the death of your Spouse or your Dependent, or your Dependent's ceasing to satisfy the eligibility requirements for coverage, you may elect only to cancel the accident or health benefits for the affected Spouse or Dependent. A change in election for any individual other than your Spouse involved in the divorce, annulment, or legal separation, your deceased Spouse or Dependent, or your Dependent that ceased to satisfy the eligibility requirements would fail to correspond with that Change in Status.

**Example:** Employee Mike is married to Sharon, and they have one child. The employer offers a calendar-year cafeteria plan that allows employees to elect any of the following: no medical coverage, employee-only coverage, employee-plus-one-dependent coverage, or family coverage. Before the plan year, Mike elects family coverage for himself, his wife Sharon, and their child. Mike and Sharon subsequently divorce during the plan year; Sharon loses eligibility for coverage under the plan, while the child is still eligible for coverage under the plan. Mike now wishes to revoke his previous election and elect no medical coverage. The divorce

between Mike and Sharon constitutes a Change in Status. An election to cancel medical coverage for Sharon is consistent with this Change in Status. However, an election to cancel coverage for Mike and/or the child is not consistent with this Change in Status. In contrast, an election to change to employee-plus-one dependent coverage would be consistent with this Change in Status.

However, if you, your Spouse, or your Dependent elects COBRA continuation coverage under the Employer's plan because you ceased to be eligible because of a reduction of hours or because your Dependent ceases to satisfy eligibility requirements for coverage, and if you remain a Participant under the terms of this Cafeteria Plan, then you may in certain circumstances be able to increase your contributions to pay for such coverage. See "What is "Continuation Coverage" and how does it work?".

- \* **Gain of Coverage Eligibility Under Another Employer's Plan.** For a Change in Status in which you, your Spouse, or your Dependent gains eligibility for coverage under another employer's cafeteria plan (or qualified benefit plan) as a result of a change in your marital status or a change in your, your Spouse's, or your Dependent's employment status, your election to cease or decrease coverage for that individual under the Cafeteria Plan would correspond with that Change in Status only if coverage for that individual becomes effective or is increased under the other employer's plan.

**4. Special Enrollment Rights.** *(Applies to Medical Insurance Benefits)* In certain circumstances, enrollment for Medical Insurance Benefits may occur outside the Open Enrollment Period, as explained in materials provided to you separately describing the Medical Insurance Benefits. (The Employer's Special Enrollment Notice also contains important information about the special enrollment rights that you may have. Contact the Benefits Administrator if you need another copy.) When a special enrollment right explained in those separate documents applies to your Medical Insurance Benefits, you may change your election under the Cafeteria Plan to correspond with the special enrollment right.

**5. Certain Judgments, Decrees, and Orders.** *(Applies to Medical Insurance Benefits)* If a judgment, decree, or order from a divorce, separation, annulment, or custody change requires your child (including a foster child who is your Dependent) to be covered under the Medical Insurance Benefits, you may change your election to provide coverage for the child. If the order requires that another individual (such as your former Spouse) cover the child, then you may change your election to revoke coverage for the child, provided that such coverage is, in fact, provided for the child.

**6. Medicare or Medicaid.** *(Applies to Medical Insurance Benefits)* If you, your Spouse, or your Dependent becomes entitled to (i.e., becomes enrolled in) Medicare or Medicaid, then you may reduce or cancel that person's accident or health coverage under the Medical Insurance Plan. Similarly, if you, your Spouse, or your Dependent who has been entitled to Medicare or Medicaid loses eligibility for such coverage, then you may elect to commence or increase that person's accident or health coverage (here, Medical Insurance Benefits, as applicable).

**7. Change in Cost.** *(Applies to Medical Insurance Benefits)* If the cost charged to you for your Medical Insurance Benefits significantly increases during the Plan Year, then you may choose to do any of the following: (a) make a corresponding increase in your contributions; (b) revoke your election and receive coverage under another benefit package option (if any) that provides similar coverage, or elect similar coverage under the plan of your Spouse's employer; or (c) drop your coverage, but only if no other benefit package option provides similar coverage.

For insignificant increases or decreases in the cost of benefits, however, the Plan Administrator will automatically adjust your election contributions to reflect the minor change in cost. The Plan Administrator generally will notify you of increases in the cost of Medical Insurance benefits.

**8. Change in Coverage.** *(Applies to Medical Insurance Benefits)* You may also change your election if one of the following events occurs:

- \* **Significant Curtailment of Coverage.** If your Medical Insurance Benefits coverage is significantly curtailed without a loss of coverage (for example, when there is an increase in the deductible under the Medical Insurance Benefits), then you may revoke your election for that coverage and elect coverage under another benefit package option that provides similar coverage. (Coverage under a plan is significantly curtailed only if there is an overall reduction of coverage under the plan generally-loss of one particular physician in a network does not constitute significant curtailment.) If your Medical Insurance Benefits coverage is significantly curtailed with a loss of coverage (for example, if you lose all coverage under the option by reason of an overall lifetime or annual limitation), then you may either revoke your election and elect coverage under another benefit package option that provides similar coverage, elect similar coverage under the plan of your Spouse's employer, or drop coverage, but only if there is no option available under the plan that provides similar coverage. (The Plan Administrator generally will notify you of significant curtailments in Medical Insurance Benefits coverage.)
- \* **Addition or Significant Improvement of Cafeteria Plan Option.** If the Cafeteria Plan adds a new option or significantly improves an existing option, then the Plan Administrator may permit Participants who are enrolled in an option other than the new or improved option to elect the new or improved option. Also, the Plan Administrator may permit eligible Employees to elect the new or improved option on a prospective basis, subject to limitations imposed by the applicable option.
- \* **Loss of Other Group Health Coverage.** You may prospectively change your election to add group health coverage for you, your Spouse or Dependent, if any of you loses coverage under any group health coverage sponsored by a governmental or educational institution, including (but not limited to) the following: a state children's health insurance program (SCHIP); a medical care program of certain Indian Tribal programs or a tribal organization; a state health benefits risk pool; or a foreign government group health plan, subject to the terms and limitations of the applicable Benefit Package Option(s).

An election change on account of a HIPAA special enrollment attributable to an employee or dependent becoming eligible for a state premium assistance subsidy under the plan from Medicaid or SCHIP may, subject to the provisions of the underlying group health plan, be effective retroactively (up to 60 days).

- \* **Loss of Individual Market Health Insurance Coverage (Applies Only to Premium Payment Benefits for the Medical Insurance Plan).** Eligible Employees and your dependents may be eligible for special enrollment in the group health plan if you lose eligibility for coverage in the individual market, including coverage purchased through a Marketplace (other than loss of eligibility for coverage due to failure to pay premiums on a timely basis or termination of coverage for cause, such as making a fraudulent claim or an intentional misrepresentation of a material fact). Eligible Employees be eligible for special enrollment in the group health plan coverage regardless of whether they may enroll in other individual market coverage, through or outside of a Marketplace.
- \* **Change in Election Under Another Employer Plan.** You may make an election change that is on account of and corresponds with a change made under another employer plan (including a plan of the Employer or a plan of your Spouse's or Dependent's employer), so long as (a) the other cafeteria plan or qualified benefits plan permits its participants to make an election change permitted under the IRS regulations; or (b) the Cafeteria Plan permits you to make an election for a period of coverage (for example, the Plan Year) that is different from the period of coverage under the other cafeteria plan or qualified benefits plan, which it does. For example, if an election to drop coverage is made by your Spouse during his or her employer's open enrollment, you may add coverage under the Cafeteria Plan to replace the dropped coverage.

- \* ***Change for Revocation Due to Reduction in Hours of Service.***
  - (1) The employee has been in an employment status under which the employee was reasonably expected to average at least 30 hours of service per week and there is a change in that employee's status so that the employee will reasonably be expected to average less than 30 hours of service per week after the change, even if that reduction does not result in the employee ceasing to be eligible under the group health plan; and
  - (2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the employee, and any related individuals who cease coverage due to the revocation, in another plan that provides minimum essential coverage with the new coverage effective no later than the first day of the second month following the month that includes the date the original coverage is revoked.
  
- \* ***Change for Revocation Due to Enrollment in a Qualified Health Plan.***
  - (1) The employee is eligible for a Special Enrollment Period to enroll in a Qualified Health Plan through a Marketplace pursuant to guidance issued by the Department of Health and Human Services and any other applicable guidance, or the employee seeks to enroll in a Qualified Health Plan through a Marketplace during the Marketplace's annual open enrollment period; and
  - (2) The revocation of the election of coverage under the group health plan corresponds to the intended enrollment of the employee and any related individuals who cease coverage due to the revocation in a Qualified Health Plan through a Marketplace for new coverage that is effective beginning no later than the day immediately following the last day of the original coverage that is revoked.

**Article IV**  
**WHAT BENEFITS ARE PROVIDED UNDER THE PLAN**

**What benefits may be elected under the Cafeteria Plan?**

The Cafeteria Plan includes the following benefit plans:

*Premium Payment Benefits (currently including Premium Insurance Benefits)* - permits an Employee to pay for his or her share of contributions for the Medical Insurance Plan with pre-tax dollars. "Medical Insurance Plan" means the major medical plan that your Employer maintains for Employees, their Spouses, and Dependents, providing major medical type benefits through a group insurance policy.

Here, these benefits include HMO, Dental, and Vision options. Benefits provided under the Medical Insurance Plan are called "Premium Insurance Benefits." Benefits provided generally under the Premium Payment Component (including any benefits that may be added at a later date) are called "Premium Payment Benefits";

If you select one or more of the above benefits, you will pay all or some of the contributions; the Employer may contribute some or no portion of them. The applicable amounts will be described in documents furnished separately to you.

## Article V HOW BENEFITS ARE TAXED

### What tax savings are possible under the Cafeteria Plan?

You may save both federal income tax and FICA (Social Security) taxes by participating in the Cafeteria Plan. Here is an example of the possible tax savings of paying for your share of the contributions for Premium Insurance Benefits under the Cafeteria Plan. Suppose that you are married and have one child and that your share of the required contributions for Premium Insurance Benefits for family coverage is an annual total of \$4,400. Suppose also that your gross pay is \$75,000, your Spouse (a student) earns no income, and you file a joint tax return.

As illustrated in detail by the Table below, if you elect to salary-reduce \$4,400 to pay for the Premium Insurance contributions, then your annual take-home pay would be \$59,269. If instead you elect to pay the contributions on an after-tax basis, then your annual take-home pay would be only \$58,272. This is because by participating in the Cafeteria Plan for Premium Insurance contributions, you will be considered for tax purposes to have received \$70,600 in gross pay, so you save \$997 per year. How much an employee actually saves will depend on what family members are covered and the contributions for the coverage, the total family income, and the tax deductions and exemptions claimed. There may be state tax savings, too. And salary reductions also lower earned income, which can impact the earned income credit for eligible taxpayers.

**Caution:** The amount of the contributions used in this example is not meant to reflect your actual contributions—the actual contribution amounts will be determined by you.

	Cafeteria Plan*	No Cafeteria Plan
1. Adjusted Gross Income	\$75,000	\$75,000
2. Salary Reductions for Premiums	(\$4,400)	\$0
3. W-2 Gross Wages (line 1 minus line 2)	\$70,600	\$75,000
4. Standard Deduction	(\$24,400)	(\$24,400)
5. Taxable Income (line 3 minus line 4)	\$46,200	\$50,600
6. W-2 Gross Wages	\$70,600	\$75,000
7. Federal Income Tax	(\$5,156)	(\$5,684)
8. FICA Tax (7.65% of line 3)	(\$5,401)	(\$5,738)
9. After-Tax Premium Payments	\$0	(\$4,400)
10. Pay After Taxes and Premium Payments (line 6 minus lines 7, 8, & 9)	\$60,043	\$59,178

\* Based on the standard deduction and federal income tax rates for 2019, as found in Rev. Proc. 2018-57, 2018-827 I.R.B. 827.

### How will participating in the Cafeteria Plan affect my Social Security and other benefits?

Participating in the Cafeteria Plan will reduce the amount of your taxable compensation. Accordingly, there could be a decrease in your Social Security benefits and/or other benefits (e.g., pension, disability, and life insurance), which are based on taxable compensation. However, the tax savings that you realize through Cafeteria Plan participation will often more than offset any reduction in other benefits.

## **Article VI PREMIUM INSURANCE BENEFIT ACCOUNT**

### **What are "Premium Payment Benefits"?**

As described under 'How do employees pay for benefits on a pre-tax basis?', you will be able to pay for your share of contributions for Premium Insurance Benefits with pre-tax dollars. Because the share of the contributions that you pay will be with pre-tax funds, you may save both federal income taxes and FICA (Social Security) taxes. See 'How Benefits Are Taxed?'

The only Premium Payment Benefits offered under your Plan are for Premium Insurance Benefits, this is major medical insurance, including HMO, Dental, and Vision options.

### **How are my Premium Payment Benefits paid?**

As described under 'How do employees pay for benefits on a pre-tax basis?' and 'What are "Premium Payment Benefits?', if you select the Medical Insurance Plan described under 'What are Premium Payment Benefits?', then you may be required to pay a portion of the contributions. When you pay for benefits on a pre-tax basis you agree to a salary reduction to pay for your share of the cost of coverage (also known as contributions) with pre-tax funds instead of receiving a corresponding amount of your regular pay that would otherwise be subject to taxes. From then on, you must pay a contribution for such coverage by having that portion deducted from each paycheck on a pre-tax basis (generally an equal portion from each paycheck, or an amount otherwise agreed to or as deemed appropriate by the Plan Administrator).

## **Article VII FUNDING**

### **Funding This Plan**

All of the amounts payable under this Plan may be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable insurance policy. Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid. While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf.

### **How long will the Cafeteria Plan remain in effect?**

Although the Employer expects to maintain the Cafeteria Plan indefinitely, it has the right to amend or terminate all or any part of the Cafeteria Plan at any time for any reason. It is also possible that future changes in state or federal tax laws may require that the Cafeteria Plan be amended accordingly.

## **Article VIII GENERAL INFORMATION**

### **What other general information should I know?**

This question contains certain general information that you may need to know about the Plan. **Note:** This Summary Plan Description does not describe the Medical Insurance Plan. Consult the Medical Insurance Plan documents and the separate Summary Plan Description for the Medical Insurance Plan.

### **General Plan Information**

- \* Name: Village of La Grange Park Section 125 Plan
- \* Plan Number: 501
- \* Effective Date: July 1, 2020
- \* Original Effective Date: January 1, 2004
- \* Plan Year: July 1st to June 30th. Your Plan's records are maintained on this 12-month period of time.
- \* Type of Plan: Premium-Only (POP)
- \* Your plan shall be governed by the Laws of the State of ILLINOIS

### **Employer/Plan Sponsor Information**

- \* Name and Address: Village of La Grange Park  
447 N Catherine Ave  
LaGrange Park, IL 60526  
(708) 354-0225
- \* Federal Employer Tax Identification Number (EIN): 36-6005954

### **Plan Administrator Information**

Name, address, and business telephone number:

Village of La Grange Park  
447 N Catherine Ave  
LaGrange Park, IL 60526  
(708) 354-0225

The Plan Administrator appoints the Benefits Administrator to keep the records for the Plan and to be responsible for the administration of the Plan.

### **Funding and Type of Plan Administration**

All of the amounts payable under this Plan may be paid from the general assets of the Employer, but Premium Payment Benefits are paid as provided in the applicable insurance policy.

Nothing herein will be construed to require the Employer or the Plan Administrator to maintain any fund or to segregate any amount for the benefit of any Participant, and no Participant or other person shall have any claim against, right to, or security or other interest in any fund, account, or asset of the Employer from which any payment under this Plan may be made. There is no trust or other fund from which Benefits are paid.

While the Employer has complete responsibility for the payment of Benefits out of its general assets (except for Premium Payment Benefits paid as provided in the applicable insurance policy), it may hire an unrelated third-party paying agent to make Benefit payments on its behalf.

### **Agent for Service of Legal Process**

The name and address of the Plan's agent for service of legal process is:

Village of La Grange Park  
447 N Catherine Ave  
LaGrange Park, IL 60526  
(708) 354-0225

**USERRA**

The Uniformed Services Employment and Reemployment Rights Act of 1994, 38 U.S.C. §§ 4301-4335 (USERRA), was signed into law on October 13, 1994. USERRA prohibits discrimination in employment based on an individual's prior service in the uniformed services; current service in the uniformed services; or intent to join the uniformed services. An employer is also prohibited from discriminating against a person because of such person's attempt to enforce his or her rights under the Act. In addition, an employer may not retaliate against an individual for filing a USERRA claim, testifying, or otherwise providing assistance in any proceeding under the Act. USERRA also provides reemployment rights with the pre-service employer following qualifying service in the uniformed services. In general, the protected person is entitled to be reemployed with the status, seniority, and rate of pay as if he or she had been continuously employed during the period of service. USERRA applies to private employers, the Federal Government, and State and local governments. It also applies to United States employers operating overseas and foreign employers operating within the United States.

**Health Information Technology for Economic and Clinical Health Act (HITECH Act)**

Health Information Technology for Economic and Clinical Health Act was passed as part of the American Recovery and Reinvestment Act of 2009 to strengthen the privacy and security protection of health information, and to improve the workability and effectiveness of HIPAA Rules. HITECH defines an EHR as "electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff."

**Medical Insurance Plan Documents and Information**

This Summary Plan Description does not describe the Medical Insurance Plan. Consult the Medical Insurance Plan document and the separate Summary Plan Description for the Medical Insurance Plan.

## **Model COBRA Continuation Coverage General Notice** **Instructions**

The Department of Labor has developed a model Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) continuation coverage general notice that plans may use to provide the election notice. To use this model election notice properly, the Plan Administrator must fill in the blanks with the appropriate plan information. The Department considers use of the model general notice, to be good faith compliance with the general notice content requirements of COBRA. The use of the model notices isn't required. The model notices are provided to help facilitate compliance with the applicable notice requirements.

**NOTE:** Plans do not need to include this instruction page with the model general notice.

### **Paperwork Reduction Act Statement**

According to the Paperwork Reduction Act of 1995 (Pub. L. 104-13) (PRA), no persons are required to respond to a collection of information unless such collection displays a valid Office of Management and Budget (OMB) control number. The Department notes that a Federal agency cannot conduct or sponsor a collection of information unless it is approved by OMB under the PRA, and displays a currently valid OMB control number, and the public is not required to respond to a collection of information unless it displays a currently valid OMB control number. See 44 U.S.C. 3507. Also, notwithstanding any other provisions of law, no person shall be subject to penalty for failing to comply with a collection of information if the collection of information does not display a currently valid OMB control number. See 44 U.S.C. 3512.

The public reporting burden for this collection of information is estimated to average approximately four minutes per respondent. Interested parties are encouraged to send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the U.S. Department of Labor, Office of Policy and Research, Attention: PRA Clearance Officer, 200 Constitution Avenue, N.W., Room N-5718, Washington, DC 20210 or email [ebssa.opr@dol.gov](mailto:ebssa.opr@dol.gov) and reference the OMB Control Number 1210-0123.

OMB Control Number 1210-0123 (expires 10/31/2016)

**Model General Notice Of COBRA Continuation Coverage Rights**  
**(For use by single-employer group health plans)**

**\*\* Continuation Coverage Rights Under COBRA \*\***

**Introduction**

You're getting this notice because you recently gained coverage under a group health plan (the Plan). This notice has important information about your right to COBRA continuation coverage, which is a temporary extension of coverage under the Plan. **This notice explains COBRA continuation coverage, when it may become available to you and your family, and what you need to do to protect your right to get it.** When you become eligible for COBRA, you may also become eligible for other coverage options that may cost less than COBRA continuation coverage.

The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you and other members of your family when group health coverage would otherwise end. For more information about your rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact the Plan Administrator.

**You may have other options available to you when you lose group health coverage.** For example, you may be eligible to buy an individual plan through the Health Insurance Marketplace. By enrolling in coverage through the Marketplace, you may qualify for lower costs on your monthly premiums and lower out-of-pocket costs. Additionally, you may qualify for a 30-day special enrollment period for another group health plan for which you are eligible (such as a spouse's plan), even if that plan generally doesn't accept late enrollees.

**What is COBRA continuation coverage?**

COBRA continuation coverage is a continuation of Plan coverage when it would otherwise end because of a life event. This is also called a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." You, your spouse, and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage *[choose and enter appropriate information: must pay or aren't required to pay]* for COBRA continuation coverage.

If you're an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- \* Your hours of employment are reduced, or
- \* Your employment ends for any reason other than your gross misconduct.

If you're the spouse of an employee, you'll become a qualified beneficiary if you lose your coverage under the Plan because of the following qualifying events:

- \* Your spouse dies;
- \* Your spouse's hours of employment are reduced;
- \* Your spouse's employment ends for any reason other than his or her gross misconduct;
- \* Your spouse becomes entitled to Medicare benefits (under Part A, Part B, or both); or
- \* You become divorced or legally separated from your spouse.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because of the following qualifying events:

- \* The parent-employee dies;

- \* The parent-employee's hours of employment are reduced;
- \* The parent-employee's employment ends for any reason other than his or her gross misconduct;
- \* The parent-employee becomes entitled to Medicare benefits (Part A, Part B, or both);
- \* The parents become divorced or legally separated; or
- \* The child stops being eligible for coverage under the Plan as a "dependent child."

**When is COBRA continuation coverage available?**

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Plan Administrator has been notified that a qualifying event has occurred. The employer must notify the Plan Administrator of the following qualifying events:

- \* The end of employment or reduction of hours of employment;
- \* Death of the employee;
- \* *[add if Plan provides retiree health coverage: Commencement of a proceeding in bankruptcy with respect to the employer;]* or
- \* The employee's becoming entitled to Medicare benefits (under Part A, Part B, or both).

**For all other qualifying events (divorce or legal separation of the employee and spouse or a dependent child's losing eligibility for coverage as a dependent child), you must notify the Plan Administrator within 60 days *[or enter longer period permitted under the terms of the Plan]* after the qualifying event occurs. You must provide this notice to: *[Enter name of appropriate party]*. *[Add description of any additional Plan procedures for this notice, including a description of any required information or documentation.]***

**How is COBRA continuation coverage provided?**

Once the Plan Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered employees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage that generally lasts for 18 months due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

There are also ways in which this 18-month period of COBRA continuation coverage can be extended:

***Disability extension of 18-month period of COBRA continuation coverage***

If you or anyone in your family covered under the Plan is determined by Social Security to be disabled and you notify the Plan Administrator in a timely fashion, you and your entire family may be entitled to get up to an additional 11 months of COBRA continuation coverage, for a maximum of 29 months. The disability would have to have started at some time before the 60th day of COBRA continuation coverage and must last at least until the end of the 18-month period of COBRA continuation coverage. *[Add description of any additional Plan procedures for this notice, including a description of any required information or documentation, the name of the appropriate party to whom notice must be sent, and the time period for giving notice.]*

**Second qualifying event extension of 18-month period of continuation coverage**

If your family experiences another qualifying event during the 18 months of COBRA continuation coverage, the spouse and dependent children in your family can get up to 18 additional months of COBRA continuation coverage, for a maximum of 36 months, if the Plan is properly notified about the second qualifying event. This extension may be available to the spouse and any dependent children getting COBRA continuation coverage if the employee or former employee dies; becomes entitled to Medicare benefits (under Part A, Part B, or both); gets divorced or legally separated; or if the dependent child stops being eligible under the Plan as a dependent child. This extension is only available if the second qualifying event would have caused the spouse or dependent child to lose coverage under the Plan had the first qualifying event not occurred.

**Are there other coverage options besides COBRA Continuation Coverage?**

Yes. Instead of enrolling in COBRA continuation coverage, there may be other coverage options for you and your family through the Health Insurance Marketplace, Medicaid, or other group health plan coverage options (such as a spouse's plan) through what is called a "special enrollment period." Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at [www.healthcare.gov](http://www.healthcare.gov).

**If you have questions**

Questions concerning your Plan or your COBRA continuation coverage rights should be addressed to the contact or contacts identified below. For more information about your rights under the Employee Retirement Income Security Act (ERISA), including COBRA, the Patient Protection and Affordable Care Act, and other laws affecting group health plans, contact the nearest Regional or District Office of the U.S. Department of Labor's Employee Benefits Security Administration (EBSA) in your area or visit [www.dol.gov/ebsa](http://www.dol.gov/ebsa). (Addresses and phone numbers of Regional and District EBSA Offices are available through EBSA's website.) For more information about the Marketplace, visit [www.HealthCare.gov](http://www.HealthCare.gov).

**Keep your Plan informed of address changes**

To protect your family's rights, let the Plan Administrator know about any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan Administrator.

**Plan contact information**

*[Enter name of the Plan and name (or position), address and phone number of party or parties from whom information about the Plan and COBRA continuation coverage can be obtained on request.]*

# **Village President Divider**

# Village Board Agenda Memo

**Date:** May 26, 2020  
**To:** Board of Trustees  
**From:** James Discipio, Village President  
**RE:** **Commission Appointments - 2020**

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Listed below are my recommendations for appointments and re-appointments to various Village committee/commissions (see page 3 for the summary of appointments and action/motions).

## **Planning & Zoning Commission**

The PZC consists of seven members appointed by the President with the advice and consent of the Board of Trustees. Each member serves a five (5) year term.

<b>Planning &amp; Zoning Commission</b>	<b>Term Expires</b>	<b>Appoint New (or reappoint) to</b>
Eric Boyd, Chmn.	5/1/2022	
<b>Caroline Nash Domagalski</b>	<b>5/1/2020</b>	<b>5/1/2025</b>
William Lampert	5/1/2024	
Jim Lee	5/1/2021	
<b>Christopher Studwell</b>	<b>5/1/2020</b>	<b>5/1/2025</b>
Maureen Ventura	5/1/2021	
Robert Bartholomai	5/1/2021	

The terms of Caroline Nash Domagalski and Christopher Studwell are expiring. I recommend the re-appointment of both Commissioner Domagalski and Commissioner Studwell for a five (5) year term ending 5/1/2025.

## **Traffic Safety and Engineering Committee (TS&E)**

The TS&E Committee consists of seven (7) members appointed by the President with the advice and consent of the Board of Trustees. By ordinance the TS&E Committee operates on 2-year terms.

<b>TSE Committee</b>	<b>Term Expires</b>	<b>Appoint New (or reappoint) to</b>
Steve May, Chmn.	5/1/2020	5/1/2022
Paul Graham	5/1/2020	5/1/2022
Matt Huffman	5/1/2020	5/1/2022
Keith Krysa	5/1/2020	5/1/2022
Eric Johnson	5/1/2020	5/1/2022
Ryan Vokac	5/1/2020	5/1/2022
Brian Sok	5/1/2020	5/1/2022

The terms of all seven members are expiring. As such, I recommend the re-appointment of all seven incumbent members above for a 2-year term ending 5/1/2022.

### **Board of Police Commissioners**

Members of the Board of Police Commissioners serve for three (3) year terms and are appointed by the President with the advice and consent of the Board of Trustees.

<b>Board of Police Commissioners</b>	<b>Term Expires</b>	<b>Appoint New (or reappoint) to</b>
<b>LaVelle Topps</b>	<b>5/1/2020</b>	<b>5/1/2023</b>
Mary Hayes	5/1/2022	
<b>Tim Albores</b>	<b>5/1/2021</b>	<b>New 5/1/2021</b>

The term of LaVelle Topps is expiring. I recommend the re-appointment of LaVelle Topps for a 3-year term ending 5/1/2023. A recent resignation left a vacancy with a term expiring in 2021. I recommend the appointment of Tim Albores to fulfill the term expiring in 2021.

### **Police Pension Board**

The Police Pension Fund Board of Trustees is composed of the following individuals who serve two (2) year terms:

- 2 members who are participants in the fund (i.e., 2 police officers)
- 1 member who is an annuitant of the fund (i.e., 1 retired police officer)
- 2 at-large members appointed by the Village President with the advice and consent of the Village Board of Trustees

<b>Police Pension Board</b>	<b>Term Expires</b>	<b>Appoint New (or reappoint) to</b>	<b>Membership Category</b>
Christopher O'Hea	5/1/2021		At-Large
<b>Michael Sabella</b>	<b>5/1/2020</b>	<b>5/1/2022</b>	<b>At-Large</b>
Tim Contois	5/1/2021	Appointed by the members of the Police Pension Fund	Active Member
Fran Marrocco	5/1/2021		Active Member
William Beaudway	5/1/2021		Retired Member

The term of Michael Sabella is expiring. I recommend the re-appointment of Michael Sabella for a 2-year term ending 5/1/2022.

### **Sustainability Commission**

The Sustainability Commission consists of seven (7) members appointed by the President with the advice and consent of the Board of Trustees. Each member serves a 3 year term. Due to the recent resignation of one member, the Commission has one vacancy.

<b>Sustainability Commission</b>	<b>Term Expires</b>	<b>Appoint New</b>
Krista Grimm	5/1/2022	
David Mrazek	5/1/2022	
Donna Twickler	5/1/2022	
Jeffrey Nee	5/1/2022	
Joe Pawasarat	5/1/2022	
Bill Withrow	5/1/2022	
<b>Kathy Johnson</b>	<b>5/1/2022</b>	<b>Appoint New 5/1/2022</b>

A recent resignation left a vacancy with a term expiring in 2022. I recommend the appointment of Kathy Johnson to fulfill the term expiring in 2022.

## **ACTION/MOTION**

***Motion to approve committee and commission appointments and reappointments as follows:***

- **Planning & Zoning Commission** – Caroline Nash Domagalski and Christopher Studwell re-appointed to the Commission for a five year term expiring in 2025.
- **Traffic, Safety & Engineering Committee** – Steve May, Chmn., Paul Graham, Mike Huffman, Keith Krysa, Eric Johnson, Ryan Vokac, and Brian Sok re-appointed to the Committee for a 2-year term expiring in 2022.
- **Board of Police Commissioners** – LaVelle Topps *re-appointed* to a 3-year term expiring in 2023 and Tim Albores *appoint new* to fill a vacancy with a term expiring in 2021.
- **Police Pension Board** – Michael Sabella *re-appointed* to a 2-year term expiring in 2022.
- **Sustainability Commission** – Kathy Johnson *appoint new* to fill a vacancy with a term expiring in 2022.

# Village Board Agenda Memo

Date: May 20, 2020  
To: Board of Trustees  
From: Jim Discipio, Village President  
RE: Local State of Emergency - Review

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## PUPOSE

To review of the status of the Village's Local State of Emergency.

## GENERAL BACKGROUND

On April 22, 2020, the Village President issued a Declaration of Local State of Emergency in light of the impact of COVID-19 on the Village of La Grange Park, its residents, businesses and property owners. The Declaration allows the President to utilize executive orders to exercise the power and authority of the Corporate Authorities as may be reasonably necessary to respond to the emergency. Any state of emergency declared pursuant to Section 37.21.1 of the La Grange Park Municipal Code expires no later than the adjournment of the first regular meeting of the Corporate Authorities after the state of emergency has been declared, and in accordance with state law.

At the April 28<sup>th</sup> Village Board Meeting the Village Board approved Ordinance No. 1128, extending the Local State of Emergency. The Ordinance remains in effect without further action until it is withdrawn either by a written declaration issued by the Village President, or by the passage of an ordinance by an affirmative majority vote of the Corporate Authorities. Due to the uncertainties of the ongoing COVID-19 crisis, the Village Board agreed to place the Ordinance on the Board Meeting Agenda for status review and discussion.

## DISCUSSION

Earlier this month, the Governor released *Restore Illinois*, a public health plan to guide the reopening of the state's economy. Phase 1, *Rapid Spread*, is defined by the rate of infection among those tested and the number of patients admitted to the hospital is rapidly increasing. It was Phase 1 where the Stay at Home Order was issued. Currently, we are in Phase 2, *Flattening*, where the rate of infection and the number of patients admitted to the hospital slows, moving toward a flat or downward trend. Phase 2 allows non-essential retail stores to open for curbside pickup while residents are required to wear a face covering outside the home.

Recently, the Governor announced plans for Phase 3, *Recovery*, where certain public health metrics (i.e. rate of infection) are in decline, and many businesses can reopen to the public with precautions. It is anticipated that all areas of the state will enter Phase 3 by May 29<sup>th</sup>. Phase 4, *Revitalization*, requires a continued decline of infection and hospitalizations. Gatherings of up to 50 people are allowed, restaurants and bars reopen, travel resumes, child care and schools reopen under guidance from the IDPH.

Phase 5, *Restored*, requires the presence of a vaccine or highly effective treatment widely available or the elimination of any new cases over a period of time. With Phase 5, all businesses, schools, and places of recreation can open with new safety guidance and procedures in place.

**RECOMMENDATION**

In the interest of protecting the public health and safety of residents as we transition to Phase 3 of the Restore Illinois plan, I recommend that the Village retain the Local State of Emergency and review again at the June 23 Village Board Meeting.

Additionally, the National emergency declaration and the State and County disaster declarations concerning the COVID-19 outbreak are still in effect.

**MOTION/ACTION REQUESTED**

This item is for review and discussion.

**Documentation**

- Ordinance No. 1128, An Ordinance Extending the Local State of Emergency, Village of La Grange Park, Cook County, Illinois
- Declaration of Local State of Emergency, signed by President Discipio on April 22, 2020

**ORDINANCE NO. 1128**

**AN ORDINANCE EXTENDING THE  
LOCAL STATE OF EMERGENCY**

**WHEREAS**, Section 11-1-6 of the Illinois Municipal Code (65 ILCS 5/11-1-6) provides that the corporate authorities of each municipality may, by ordinance, grant to the Village President the extraordinary power and authority to exercise, by executive order, during a state of emergency, such of the powers of the corporate authorities as may be reasonably necessary to respond to the emergency; and

**WHEREAS**, on April 14, 2020, the President and Board of Trustees adopted Ordinance No. 1127, an Ordinance Amending Title III (Administration), Chapter 37 (Emergency Management Agency) of the Municipal Code of the Village of La Grange Park to add a new Section 37.21.1, Village President's Authority to Declare a State of Emergency; and

**WHEREAS**, On April 22, 2020, Village President James L. Discipio issued a Declaration of Local State of Emergency for the Village of La Grange Park in light of the impact of COVID-19 on the Village of La Grange Park, its residents, businesses and property owners ("Emergency Declaration"), a copy of which is attached hereto, as Exhibit A and made part hereof.

**NOW, THEREFORE, BE IT ORDAINED** by the President and Board of Trustees (together, the "Corporate Authorities") of the Village of La Grange Park, Cook County, Illinois, as follows:

**SECTION 1:** Any state of emergency declared pursuant to Section 37.21.1 of the La Grange Park Municipal Code shall expire no later than the adjournment of the first regular meeting of the Corporate Authorities after the state of emergency has been declared in accordance with Section 11-1-6 of the Illinois Municipal Code (65 ILCS 5/11-1-6).

**SECTION 2:** That the President and Board of Trustees of the Village of La Grange Park declare that it is in the best interests of the Village that the Local State of Emergency declared by President Discipio on April 22, 2020, be extended and remain in full force and effect without further action by the Village President or Corporate Authorities, until such state of emergency is withdrawn, either by a written declaration issued by the Village President, or by the passage of an ordinance by an affirmative majority vote of the Corporate Authorities taken at a public meeting.

**SECTION 3:** A declaration of a state of emergency, pursuant to this Section, may not suspend in any way the rights of residents of the Village under the Illinois Constitution or the United States Constitution.

**SECTION 4:** Pursuant to Section 1-2-4 of the Illinois Municipal Code (65 ILCS 5/1-2-4), the President and Board of Trustees of the Village of La Grange Park declare that it is in the best interests of the Village that the provisions of this Ordinance shall be effective immediately, for purposes of implementation and enforcement, upon its passage by an affirmative vote of two-thirds (2/3rds) of the Corporate Authorities of the Village then holding office (i.e., 5 of 7 members).

**ADOPTED BY THE PRESIDENT AND THE BOARD OF TRUSTEES of the Village of La Grange Park, Cook County, Illinois this 28<sup>th</sup> day of April, 2020.**

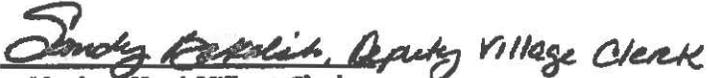
**YES: Trustees: Mesick, Sheehan, Kucera, Lautner, Zaura, and Seidel**

**NO: 0**

**ABSENT: 0**

**APPROVED this 28<sup>th</sup> day of April, 2020.**

  
Dr. James L. Discipio, Village President

**ATTEST:**   
Meghan Kool, Village Clerk

**Reviewed by CMK: 04/23/2020**

# Declaration of Local State of Emergency

State of Illinois  
County of Cook  
Village of La Grange Park

**WHEREAS**, the Village of La Grange Park ("Village") is a non-home rule unit of local government as provided by Article VII, Section 7 of the Illinois Constitution of 1970; and

**WHEREAS**, COVID-19, also known as the "coronavirus," is a dangerous disease which has spread around the world, including in the United States, the State of Illinois and Cook County; and

**WHEREAS**, on January 30, 2020, the World Health Organization declared the COVID-19 outbreak to be a public health emergency of international concern; and

**WHEREAS**, on March 9, 2020, the Governor of the State of Illinois issued a disaster proclamation due to the impact of the COVID-19 outbreak and activated the State Emergency Operations Center; and

**WHEREAS**, on March 11, 2020, the World Health Organization declared the COVID-19 outbreak a pandemic; and

**WHEREAS**, on March 13, 2020, the President of the United States issued a proclamation declaring a national emergency concerning the COVID-19 outbreak; and

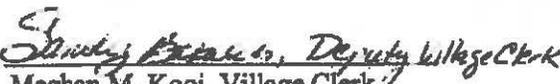
**WHEREAS**, the COVID-19 outbreak is a direct and serious threat to the health, safety and welfare of the residents of La Grange Park, Illinois; and

**WHEREAS**, under a local declaration of a State of Emergency, the Village President shall be authorized to exercise, by executive order, such powers of the Corporate Authorities as may be reasonably necessary to respond to the COVID-19 outbreak.

**NOW, THEREFORE BE IT RESOLVED**, pursuant to the authority vested in the office of Village President, by Chapter 20, Section 3305/11 of the Illinois Emergency Management Agency Act (20 ILCS 3305/11), I, James L. Discipio, of the Village of La Grange Park, do hereby declare that a Local State of Emergency exists as of this date.

Approved this 22 day of April, 2020.

  
Dr. James L. Discipio, Village President

ATTEST:   
Meghan M. Kooi, Village Clerk

This Declaration of Local Disaster and State of Emergency shall be filed with the Village Clerk as soon as practicable.

# EMS STRONG

READY TODAY. PREPARING FOR TOMORROW.

## PROCLAMATION

### **“NATIONAL EMERGENCY MEDICAL SERVICES WEEK”**

**May 17-23, 2020**

- WHEREAS, Emergency Medical Services (EMS) is a vital public service; and
- WHEREAS, the access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and
- WHEREAS, the Village of La Grange Park provides a community based EMS system comprised of well equipped, well prepared and dedicated Paramedics, Emergency Medical Technicians, Firefighters, and Police Officers; and
- WHEREAS, Village of La Grange Park EMS are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and
- WHEREAS, for many in EMS, the sense of responsibility to care for the community does not end when the shift does. EMS means more than dedication to duty and lifesaving patient care. EMS is also community care that takes time, energy and heart—far beyond the scope of one’s everyday calling.

**NOW, THEREFORE BE IT PROCLAIMED THAT:**

May 17-23, 2020 be recognized as “National Emergency Medical Services Week”.

**BE IT FURTHER RESOLVED THAT:**

The members of the La Grange Park Village Board honor our EMS professionals on the frontline of the COVID-19 crisis, admire their willingness to plan, adapt, and respond every day to take care of our citizens; and recognize the caring and lifesaving work that the honorable men and women of our Emergency Medical Services provide daily to our Village.

**IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the Village of La Grange Park to be affixed this May 26, 2020.**

\_\_\_\_\_  
Dr. James L. Discipio, Village President

**ATTEST:**

\_\_\_\_\_  
Meghan Kooi, Village Clerk

## **Items of Interest Divider**

# VILLAGE OF LA GRANGE PARK

La Grange Park Village Hall, 447 N. Catherine Ave., La Grange Park, Illinois

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## Annual Schedule of Regular Meeting Dates for 2020

May 26, 2020	Village Board Meeting	7:30 p.m.	Village Hall
June 9, 2020	Work Session Meeting	7:30 p.m.	Village Hall
June 23, 2020	Village Board Meeting	7:30 p.m.	Village Hall
July 14, 2020	Work Session Meeting	7:30 p.m.	Village Hall
July 28, 2020	Village Board Meeting	7:30 p.m.	Village Hall
August 11, 2020	Work Session Meeting	7:30 p.m.	Village Hall
August 25, 2020	Village Board Meeting	7:30 p.m.	Village Hall
September 8, 2020	Work Session Meeting	7:30 p.m.	Village Hall
September 22, 2020	Village Board Meeting	7:30 p.m.	Village Hall
October 13, 2020	Work Session Meeting	7:30 p.m.	Village Hall
October 27, 2020	Village Board Meeting	7:30 p.m.	Village Hall
November 10, 2020	Work Session Meeting	7:30 p.m.	Village Hall
November 24, 2020	Village Board Meeting	7:30 p.m.	Village Hall
December 8, 2020	Village Board Meeting	7:30 p.m.	Village Hall