

6.1 RETIREMENT AND RESIGNATION

Policy

The Village makes every effort to provide a smooth transition for employees retiring or resigning from Village employment.

Guidelines

A. Retirement

- Employees are included in one of three separate pension funds: Illinois Municipal Retirement Fund for general employees; Police Pension Fund for sworn police officers; and Fire Pension Fund for sworn fire fighters. Detailed information concerning these pension funds can be obtained from the Human Resources Department or the chair or secretary of the respective police or fire pension boards.
- For employees covered under IMRF, a service retirement is a voluntary termination after an employee has satisfied both the age and length of employment requirements.
- A disability retirement is a voluntary termination necessitated by an injury or illness which renders the employee incapable of performing the essential functions of the job. The termination must be preceded by a letter from the employee to his supervisor advising the supervisor of the date of termination and supporting documentation for employees covered under the police and fire pension funds, including a ruling by the appropriate entity verifying the disability and approving the retirement.
- All employees who are eligible for retirement from their applicable pension plan as they retire from the Village will receive a fully paid life insurance policy on themselves for the face value of \$2,500.

B. Resignation

- Any employee wishing to resign shall provide adequate notice to the Village in order to allow time for any replacement or restructuring of work assignments. An employee's resignation date will be the last day the employee actually worked.

C. Whether retiring or resigning, the employee must forward the original letter to the employee's department director, who shall forward a copy of the letter to the Human Resources Department as soon as practicable.

D. All departing employees will be asked to participate in an exit interview.

E. The employee's supervisor shall collect all Village property from the employee prior to the employee's receipt of the employee's final paycheck.

Effective Date: January 1, 2000
Revised: November, 2007
February, 2011
September, 2020

6.2 REDUCTIONS IN FORCE

Policy

The Village will make reductions to the work force when deemed necessary due to a lack of work, lack of funds, abolishment of a position or when reorganization necessitates.

Guidelines

- A. When determining the order of the reduction in force of employees with regular status, the Village will consider, on a consistent and equitable basis, qualifications, performance evaluations, work record, conduct, job responsibilities, and seniority. In applying this provision, where qualifications, experience, and performance are equal, seniority will govern. Every effort will be made for transfers to other departments if a position is open for which the employee qualifies.
- B. When a reduction in force occurs, the separation date is the last date worked. If the reduction in force occurs during a disability leave, the date will reflect when the reduction in force occurred. Group insurance benefits will stop the last day of the month in which the reduction in force occurred.
- C. The Village will make every effort to provide employees at least two weeks notice of a reduction in force.
- D. The following schedule of severance pay shall apply for employees whose employment is terminated because of a reduction in force:

<u>Years of Service</u>	<u>Paid Days</u>
1 through 5	5 days
6 through 10	10 days
11 through 15	15 days
16 through 19	20 days
More than 19	25 days

Effective Date: January 1, 2000

Revised: August, 2020

6.3 CONTINUANCE OF MEDICAL COVERAGE (COBRA)

Policy

The Village complies with the requirements of the Consolidated Omnibus Budget Reconciliation Act (COBRA) concerning the continuation of medical insurance for employees ending their employment with the Village and their covered dependents.

Guidelines

- A. Employees presently covered by the Village's medical insurance plan may continue coverage for up to 18 months from the date employment terminates or status changes to a non-insured status, provided that the employee pays the full cost of the premium and any administrative fee that may be imposed.
- B. The spouse of an employee covered by the medical plan may elect to continue coverage if the employee is terminated or changed to non-insured status, or if a divorce or legal court-decreed separation from the employee takes place. Coverage under these circumstances may continue for a period up to 36 months provided that the spouse pays the full premium plus any administrative fee that may be imposed.
- C. Dependent children of an employee covered by the medical plan have the right to continue coverage if group health coverage under the plan is lost because of termination of a parent's employment or change to non-insured status, parents' divorce or legal court-decreed separation or the dependent ceases to be a "dependent child" under the medical plan. Coverage under these circumstances may continue for a period up to 36 months provided that the children pay the premium in full and any administrative fee that may be imposed.
- D. An 11-month disability extension is available to a qualified beneficiary who timely notifies the plan administrator of a Social Security Administration disability determination.
- E. The cost for the insurance is subject to periodic rate changes. Employees are not required to show that they are insurable (by taking a medical exam) to continue the coverage.
- F. Continued coverage may be terminated earlier than the 18 or 36-month period if group medical plans for all other employees are terminated or if the employee or eligible spouse or dependent fails to remit the required monthly payments within 31 days of the due date or if the qualified beneficiary becomes entitled to Medicare.
- G. For additional information, employees may contact Employee Benefits.

Effective Date: January 1, 2000

Revised: