

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is made this 14th day of October, 2016, by and between the Village of Rantoul, Illinois (the "Village" or "Employer") and the Illinois Fraternal Order of Police Labor Council (the "Council" or "Union").

WHEREAS, the Village and the Union have entered into a collective agreement for the period of May 1, 2015 through April 30, 2019 (the "Agreement"); and

WHEREAS, the Agreement was amended by Resolution No. 9-16-1217, on September 13, 2016 to amend Section 13.8, Buyback, thereof (the "Sick Leave Provisions"); and

WHEREAS, pursuant to Resolution No. 9-16-1215, adopted September 13, 2016, the Village adopted a Retirement Healthcare Funding Plan (the "Plan"); and

WHEREAS, the Village and the Union now desire to supplement the Agreement by clarifying the Sick Leave Provisions and make provision for the Plan.

NOW, THEREFORE, the Agreement is hereby supplemented to provide as follows:

Section 13.8 Accumulated Sick Leave at Retirement

An employee who retires in good standing shall be compensated for a maximum of three hundred ninety (390) hours of accumulated but unused sick leave at a rate of thirteen (13) hours of pay for each full year worked for the Village. (For example; if any such employee retires in good standing after thirty (30) full years of service, any such employee would receive three hundred ninety (390) hours of pay if any such employee had 390 hours of unused accumulated sick leave, i.e., 30 years x 13 hours = 390 hours of compensation). Such compensation shall be calculated at any such employee's regular straight-time hourly rate of pay, as of the date of his or her retirement. For the purposes of this Section and Section 13.9, an employee retires in good standing if such employee has worked a minimum of twenty (20) full years for the Village, is qualified to receive pension benefits once he is of eligible age, and resigns/leaves his position with the Village in good standing for any reason other than a permanent disability.

Section 13.9 Retirement Health Care Funding Plan

As a condition of employment, every employee shall be enrolled in a Retirement Health Care Funding Plan (also known as a 115 Trust Account) (the "Plan"). The Plan is a tax sheltered investment account designed to aid employees in saving for health related expenses in retirement. Under the terms of the Plan:

- a. Payroll Deduction – Every employee shall contribute 1% of his base pay (pre-taxation) per pay period into the Plan by means of automatic payroll deduction.
- b. Employee Retirement – An employee who retires in good standing with the Village shall be entitled to compensation for any accrued but unused benefit time

remaining on the last day of his employment. As set forth in the Plan agreement, compensation due for any accrued but unused benefit time shall be made directly to the Plan by the Village (pre-taxation). Benefit time compensation required for Plan contribution at retirement shall include: annual leave, personal leave, compensatory time, and sick leave, which shall be calculated in the method defined in Section 13.8 of this Agreement (up to a maximum of 390 hours).

The Plan shall strictly adhere to any laws, rules, and regulations set forth by the Internal Revenue Service in the governance of 115 Trust Accounts (or similar investment products).

Every participant in the Plan shall name a beneficiary of his account in the Plan by completing a beneficiary form issued by the Village.

Any employee employed by the Village prior to the deadline date of October 7, 2016, may elect to opt out of the Plan by completing the required form. Any such employee who elects to opt out of the Plan on or before October 7, 2016, will be prohibited from joining the Plan for any reason, under any circumstance thereafter.

VILLAGE OF RANTOUL, ILLINOIS

By: _____

Jeffrey A. Fiegenschuh
Administrative Officer

**ILLINOIS FRATERNAL ORDER OF
POLICE LABOR COUNCIL**

By: _____

William E. Jarvis

By: _____

Greg Willard

MEMORANDUM OF UNDERSTANDING
(Sergeant Agreement)

This Memorandum of Understanding is made this 31 day of October, 2016, by and between the Village of Rantoul, Illinois (the “Village” or “Employer”) and the Illinois Fraternal Order of Police Labor Council (the “Council” or “Union”).

WHEREAS, the Village and the Union have entered into a collective bargaining agreement for the period of May 1, 2016 through April 30, 2020 for all regular full-time sworn peace officers in the rank of Sergeant (the “Agreement”); and

WHEREAS, pursuant to Resolution No. 9-16-1215, adopted September 13, 2016, the Village adopted a Retirement Healthcare Funding Plan (the “Plan”); and

WHEREAS, the Village and the Union now desire to supplement the Agreement by clarifying Section 13.8, Buyback, of the Agreement and make provision for the Plan.

NOW, THEREFORE, the Agreement is hereby supplemented to provide as follows:

Section 13.8 Accumulated Sick Leave at Retirement

An employee who retires in good standing shall be compensated for a maximum of three hundred ninety (390) hours of accumulated but unused sick leave at a rate of thirteen (13) hours of pay for each full year worked for the Village. (For example; if any such employee retires in good standing after thirty (30) full years of service, any such employee would receive three hundred ninety (390) hours of pay if any such employee had 390 hours of unused accumulated sick leave, i.e., 30 years x 13 hours = 390 hours of compensation). Such compensation shall be calculated at any such employee’s regular straight-time hourly rate of pay, as of the date of his or her retirement. For the purposes of this Section and Section 13.9, an employee retires in good standing if such employee has worked a minimum of twenty (20) full years for the Village, is qualified to receive pension benefits once he is of eligible age, and resigns/leaves his position with the Village in good standing for any reason other than a permanent disability.

Section 13.9 Retirement Health Care Funding Plan

As a condition of employment, every employee shall be enrolled in a Retirement Health Care Funding Plan (also known as a 115 Trust Account) (the “Plan”). The Plan is a tax sheltered investment account designed to aid employees in saving for health related expenses in retirement. Under the terms of the Plan:

- a. Payroll Deduction – Every employee shall contribute 2% of his base pay (pre-taxation) per pay period into the Plan by means of automatic payroll deduction.
- b. Employee Retirement – An employee who retires in good standing with the Village shall be entitled to compensation for any accrued but unused benefit time remaining on the last day of his employment. As set forth in the Plan agreement,

compensation due for any accrued but unused benefit time shall be made directly to the Plan by the Village (pre-taxation). Benefit time compensation required for Plan contribution at retirement shall include: annual leave, personal leave, compensatory time, and sick leave, which shall be calculated in the method defined in Section 13.8 of this Agreement (up to a maximum of 390 hours).

The Plan shall strictly adhere to any laws, rules, and regulations set forth by the Internal Revenue Service in the governance of 115 Trust Accounts (or similar investment products).

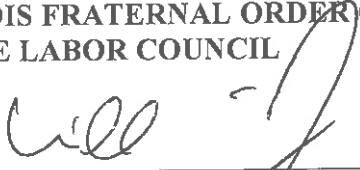
Every participant in the Plan shall name a beneficiary of his account in the Plan by completing a beneficiary form issued by the Village.

Any employee employed by the Village prior to the deadline date of November 1, 2016, may elect to opt out of the Plan by completing the required form. Any such employee who elects to opt out of the Plan on or before November 1, 2016, will be prohibited from joining the Plan for any reason, under any circumstance thereafter.

VILLAGE OF RANTOUL, ILLINOIS

By: 
Jeffrey A. Fiegenschuh
Administrative Officer

**ILLINOIS FRATERNAL ORDER OF
POLICE LABOR COUNCIL**

By: 
William E. Jarvis

By: 
Sean Arie