TO: William T. Lichter

Village Manager

FROM: Joanne Jakubowski

Human Resources Manager

DATE: November 21, 2003

SUBJECT: Human Resources Manual Changes

The attached changes are recommended for December 4, 2003 inclusion in the Human Resources Manual. The changes impact Chapters 4, 5, 6, and 8.

The change to **Chapter 4, General Employment Conditions, Section A**, deals with wording addressing the Village's **Categories of Employees**. A new paragraph on temporary, contract employees has been added.

In **Chapter 5, Employee Benefits, Section A, Eligibility** new language indicates that regular, part-time employees are eligible to contribute to the Section 125 Flexible Spending Account. In **Section B, Health Insurance**, the language has been changed to allow continuation after eligibility for Medicare coverage. Under **Section C, Life Insurance**, three (3) categories of life insurance have been dropped as the Village no longer has any regular, full-time employees eligible for life insurance who make less than \$25,000 per year.

Also in **Chapter 5, Section M, Tuition Reimbursement** has been amended to allow from \$550 per term to \$1375 per semester for one course, with the cap of \$2750 per year remaining the same. The language in **Section R, Deferred Compensation** regarding maximum contributions to such plans has been amended to be limited by federal law. **Items 1 and 2** of the same section have also been amended to allow qualified loans from each of the Village's 457 Plan Administrators. Lastly, **Section V, the Flexible Spending Plan (Section 125)** is being amended to allow for reimbursement of over-the-counter drugs per IRS guidelines within the Village of Lombard's existing Section 125 Plan.

The changes in **Chapter 6**, **Section M**, **and Chapter 8**, **Section**, **D** address new legislation related to the Illinois Victims' Economic Safety and Security Act. **Chapter 8**, **Section C**, **Special Leaves** addresses the recent changes to federal law for those called to active duty and reservists.