



# VILLAGE OF WINNEBAGO

## MEMORANDUM

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**Prepared By:** Joseph Dienberg, Village Administrator  
**To:** Village Board of Trustees  
**Date:** 10/1/2025  
**Subject:** Personnel Policy 9-2 Ammendment

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### **Background:**

At the September 17<sup>th</sup>, 2025 Village Board Meeting, the Village Boaqrd adopted an ordinance to join the Intergovernmental Personnel Benefit Cooperative (IPBC), An organization that reduces our employees exposure to claims, keeping insurance premiums at a reliable level, versus having drastic and inconsistent increases year to year based on the Village's employee population.

As a part of the implementation of IPBC, the staff is reevaluating our current policies while building a new program. Two items that were not in our Personnel Policy Section 9-2 Group Medical Insurance, is changing the effective date of the plan to the date of hire, rather than the current policy, which is, "Coverage becomes effective on the first of the month following thirty (30) days of employment." The current policy can leave new hires uninsured for an amount of time, and as a part of the Village's Strategic Planning focus groups, this was a common refrain from staff, that benefits take more time to become effective. IPBC offers day of hire eligibility, reducing the gap in coverage, and allowing for immediate coverage for employees.

The second item is offering retirees to stay with the village's group insurance until they reach Medicare eligibility. Currently, once an employee retires, they are responsible for finding and securing their own insurance coverage during the gap between employment and Medicare eligibility, which can often lead to significant cost increases and disruption in care. By allowing retirees to stay with the Village's plan — with the understanding that they would pay the full premium cost — we provide a smoother and more predictable transition into retirement, helping long-term employees maintain continuity of care with their providers and reducing the administrative and financial burdens associated with seeking new coverage. Additionally, removing the barrier of post-employment coverage may allow some employees who are otherwise ready to retire to do so without the concern of losing affordable health insurance, creating new opportunities for succession planning and organizational growth.

## **Recommended Revision to Section 9-2 Group Medical Insurance**

The Village provides regular full-time employees and all eligible dependents with group medical insurance under the terms specified in the Village of Winnebago Group Medical Insurance policy documents as adopted by the Board from time to time.

The Village will cover 90% of the health insurance premium cost for regular full-time employees and their eligible dependents. The employee portion of the health insurance premium cost will be 10%.

The Village Administrator is responsible for negotiating group medical insurance plans on behalf of the Village. It is his/her responsibility to secure plans that provide comprehensive coverage for employees while ensuring that the plans are fiscally responsible and sustainable for the Village. The Village Administrator with consultation with the Administration Team and Department Heads will make recommendations to the Village Board as soon as possible for final approval.

Coverage becomes effective **upon their date of hire.** ~~on the first of the month following thirty (30) days of employment.~~ Specific benefits of the plan are described in insurance brochures provided to each employee by the Village. Annually, there is an open enrollment period during which an employee may elect to change coverage; typically thirty (30) days prior to plan year end date. Medical coverage may be continued during an approved leave of absence at the employee's expense in accordance with applicable law and/or at the discretion of the Village Board. Employee's payment of insurance premium shall be paid by the first of each month.

**Employees who retire directly from Village employment and are receiving an Illinois Municipal Retirement Fund (IMRF) pension shall be eligible to continue participation in the Village's group medical insurance plan until they become eligible for Medicare. Retirees shall be responsible for payment of one hundred percent (100%) of the premium cost. Retiree coverage shall mirror the medical insurance benefits offered to active employees, subject to the terms and conditions of the Village's group medical insurance policy documents.**