

COAL CITY VILLAGE BOARD MEETING

**WEDNESDAY
NOVEMBER 8, 2023
7:00 P.M.**

Amended AGENDA

1. Call Meeting to Order
2. Pledge of Allegiance
3. Approval of Minutes October 25, 2023
4. Approval of Warrant List
5. Public Comment
6. Ordinance 23-31 Review Preliminary Ordinance for Proposed
2023 Tax Levy
7. Resolution 23-16 Acceptance of IL Housing Development
Grant for the Strong Communities Program
8. Purchase of New Traffic Signals at Garfield/113 Intersection
9. Authorize Annual Maintenance Contract with Meade Electric for St. Route 113

10. Authorize New Signer for Village Checking Account

11. Discussion of the "Paid Leave Act"

12. Report of Mayor

13. Report of Trustees

B. Mincey
S. Beach
T. Bradley
P. Noffsinger
D. Greggain
D. Togliatti

14. Report of Village Clerk

15. Report of Village Attorney

16. Report of Village Engineer

17. Report of Village Chief of Police

18. Report of Village Administrator

19. Adjourn

MEMO

TO: Mayor Spesia and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: November 8, 2023

RE: PROPOSED 2023 TAX LEVY

Attached is the proposed levy for the Village to be collected next summer of 2023. Currently, there will not be a need to conduct a truth in taxation hearing for the general obligation property taxes of the Village because the total levy does not exceed 105% of the amount levied at this time last year.

There are three major factors for the ability for the resulting tax rate to remain at the same level as last year. Most importantly, the total assessed valuation of the Village is increasing. The final assessed values are not quite prepared, but a conservative estimate places the increase in EAV for those properties within the Village at 4%. This allows the total levy to be split by additional value within the taxing district. The other two factors are the slowing in the rate of increase for two large levy line items that make up the total levy – Bond Principle & Interest along with the Police Pension contribution. The former has maintained the same level for the past 4 years and the annual amount to support this cost is to remain steady over the remaining life of the bond; the latter is due to the growth of the police pension fund now that its equity investment portfolio continues to grow in overall value. The fund is likely to grow in its total pension liability coverage again by the end of the FY24 fiscal year. Therefore, this levy line item has been maintained rather than decreased in an effort to continue increasing the total funding of the outstanding pension liability.

2022 Levy	2022 Rate	Levy Line Item	2023 Levy	Increase/Decrease	2023 Rate
\$358,454	0.25000	Corporate	\$382,000	6.6 %	.25000
48,004	.03348	IMRF	49,440	3.0	.03315
104,855	.07313	Police Protection	111,840	6.7	.07500
631,937	.44076	Police Pension	632,000	-	.42382
246,975	.17225	Liability Insurance	271,000	9.7	.18173
139,797	.09750	Parks	149,120	6.7	.10000
175,098	.12212	Social Security	180,350	3.0	.12094
150,250	.10479	Workman's Comp.	153,255	2.0	.10277
25,006	.01744	Audit	45,000	80.0	.03018
49,997	.03487	Street Lighting	50,000	-	.03353
83,880	.05850	Street & Bridge	89,472	6.7	.06000
805,751	.56160	Tornado Recov. Bonds	795,250	-1.3	.53330
57,091	.04010	Pr. Oaks Project	57,091	-	.03829
\$2,877,095	2.00654	2023 Levy	\$2,965,818	3.08%	1.98271

The levy line items related to the liability renewal reflects the increased coverage expenses related to property due to increased construction costs and property replacement estimates jumping greatly; this renewal is to be provided within the next week. Should renewals prove to be less, these line items can be adjusted downwards. In addition, the audit line item has been increased for the first time in over a decade because the overall cost related to auditing has increased significantly. The remaining line items have been slightly adjusted to either capture the anticipated EAV growth or recognize increased costs related to personnel-related expenses.

Recommendation:

Set the Annual Property Tax Levy for its Adoption at the upcoming Regular Meeting of December 13th.

2023 PROPOSED Tax Levy, Collected in 2024

DRAFT
November 8, 2023

Last year's EAV 143,381,636
Est. 2022 EAV 149,120,000 4.0% increase

Authority	Max.	2022 Rate	2023 Rate	2022 Extension	2023 Levy	Difference
Corporate	X	0.25000	0.25000	\$ 358,454	\$ 382,000	* \$ 23,546
IMRF		0.03348	0.03315	48,004	49,440	1,436
Police Protection	X	0.07313	0.07500	104,855	111,840	6,985
Police Pension		0.44076	0.42382	631,937	632,000	63
Liability Insurance		0.17225	0.18173	246,975	271,000	24,025
Parks	X	0.09750	0.10000	139,797	149,120	9,323
Social Security		0.12212	0.12094	175,098	180,350	5,252
Workman's Comp.		0.10479	0.10277	150,250	153,255	3,005
Audit		0.01744	0.03018	25,006	45,000	19,994
Street Lighting	X	0.03487	0.03353	49,997	50,000	3
Street & Bridge	X	0.05850	0.06000	83,880	89,472	5,592
		1.40484	1.41113	\$2,014,253	\$ 2,113,477	\$ 99,224
Refinanced Bonds		0.56160	0.53330	805,751	795,250	(10,501)
Prairie Oaks Project		0.04010	0.03829	57,091	57,091	-
		2.00654	1.98271	\$2,877,095	\$ 2,965,818	\$ 88,723
						3.08%

	Past Levies	Change	from Debt	from Pension
FYI - 2020 Tax District EAV, Collected in 2021	5.44%	8.27%	-0.03%	0.00%
2019 Tax District EAV, Collected in 2020	2.99%	7.42%	0.25%	0.83%
2018 Tax District EAV, Collected in 2019	3.36%	15.94%	4.38%	1.79%
2017 Tax District EAV, Collected in 2018	6.98%	8.06%	7.99%	-0.53%
2016 Tax District EAV, Collected in 2017	8.00%	20.71%	7.43%	12.78%
2015 Tax District EAV, Collected in 2016	-4.93%	-8.24%	0.04%	0.53%
2014 Tax District EAV, Collected in 2015	2.27%	6.18%	0.00%	4.87%
2013 Tax District EAV, Collected in 2014	-3.40%	0.00%	0.00%	0.89%
2012 Tax District EAV, Collected in 2013				

Total Change in Levy (0.02383)

Per \$150,000 Market Value House \$ (10.48)
OR \$ (6.92) per \$100,000 of Market Value
* This number boosted by \$12,500 to ensure total levy retains any additional EAV in addition to the 4% expected increase

DRAFT

THE VILLAGE OF COAL CITY
GRUNDY & WILL COUNTIES, ILLINOIS

ORDINANCE
NUMBER 23-____

**AN ORDINANCE FOR THE 2023 LEVY AND ASSESSMENT OF TAXES
FOR THE VILLAGE OF COAL CITY, GRUNDY & WILL COUNTIES, ILLINOIS
FOR THE FISCAL YEAR BEGINNING MAY 1, 2023 AND ENDING APRIL 30, 2024**

DAVID A. SPESIA, President
ALEXIS STONE, Village Clerk

SARAH BEACH
TIM BRADLEY
DAN GREGGAIN
PAMELA M. NOFFSINGER
BILL MINCEY
DAVID TOGLIATTI

Village Trustees

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Coal City
on _____, 2023

VILLAGE OF COAL CITY

ORDINANCE NO. _____

**AN ORDINANCE FOR THE 2023 LEVY AND ASSESSMENT OF TAXES
FOR THE VILLAGE OF COAL CITY, GRUNDY & WILL COUNTIES, ILLINOIS
FOR THE FISCAL YEAR BEGINNING MAY 1, 2023 AND ENDING APRIL 30, 2024**

**BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE
VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES, ILLINOIS.**

Section 1. The Board of Trustees of the Village of Coal City has ascertained the total amount of appropriation for all corporate purposes legally made and to be provided for by tax levy by a tax for General Corporate purposes for the current year as specifically set forth below:

There is hereby levied by a tax for the General Corporate purposes, upon real property, subject to the Counties of Grundy and Will and the State of Illinois, for the fiscal year beginning May 1, 2023 and ending April 30, 2024 as for the current year, the following sums of money, or as much thereof as may be authorized by law, for the following purposes to-wit:

<i>Corporate Fund</i>	
<u>Personal Services and Salaries</u>	<u>Levied</u>
Mayor and Trustees	\$35,000
Village Administrator	35,000
Administrator's Assistant	31,585
Clerical	45,685
<u>Insurance Benefits</u>	
Health/Life Insurance	234,730
TOTAL Corporate Levy	\$382,000

Section 2. The Board of Trustees of the Village of Coal City ascertained the total amount of appropriations for all other purposes legally made and to be provided for by tax levy of the current year as is specifically set forth below.

There is hereby levied by a tax for the General Corporate purposes, upon real property, subject to the Counties of Grundy and Will and the State of Illinois, for 2023, the following sums of money, or as much thereof as may be authorized by law, for the following purposes to-wit:

Levied

Liability Insurance

Contractual Service: \$271,000
Said amounts are levied as an additional tax authorized by 745 ILCS, 10/9-107 of the Illinois Compiled Statutes.

Workers' Compensation & Insurance Tax

Contractual Service: \$153,255
Said amounts are levied as an additional tax authorized by Chapter 85, Paragraph 9-107 of the Illinois Compiled Statutes.

Police Protection Tax

Personnel \$111,840
Said amounts are levied as an additional tax authorized by 65 ILCS, 5/11-1-3 of the Illinois Compiled Statutes.

Municipal Auditing Tax

Contractual Services: \$45,000
Said amounts are levied as an additional tax authorized by 65 ILCS, 5/8-8-8 of the Illinois Compiled Statutes.

Street Lighting Tax

Contractual Service: \$50,000
Said amounts are levied as an additional tax authorized by 65 ILCS, 5/11-80-5 of the Illinois Compiled Statutes and passed hereto by the requisite 2/3 vote of the corporate authorities.

Police Pension

Personnel: \$632,000
Said amounts are levied as an additional tax authorized by 40 ILCS, 5/22-403 of the Illinois Compiled Statutes.

IMRF & Social Security

Levied

Contributions to Social Security:	\$180,350
Contributions to IMRF:	49,440

Said amounts are levied as an additional tax authorized by 40 ILCS, 5/7-171 of the Illinois Compiled Statutes and 40 ILCS, 5/21-110 of the Illinois Compiled Statutes.

Park Fund

Personnel	\$35,868
Village Administrator	2,078
Repair & Maint. Park Grounds/Equip	7,674
Contractual Activities	5,000
Electricity	5,000
Park Improvements	<u>93,500</u>
Park Fund Total	\$149,120

Street & Bridge Tax

Contribution to Road Projects:	89,472
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Said amounts are levied as an additional tax authorized by 65 ILCS, 5/11-81-2 of the Illinois Compiled Statutes.

Section 5. This ordinance shall be approved by a vote of a three-fourths majority of the corporate authorities of the Village of Coal City during its final reading.

Section 6. That the Village Clerk of the Village of Coal City shall be directed to file a certified copy of the adopted ordinance in the Office of the County Clerk of said Grundy and Will Counties as required by law and said County Clerks shall be directed to extend the above taxes pursuant to law.

**AN ORDINANCE FOR THE 2023 LEVY AND ASSESSMENT OF TAXES
FOR THE VILLAGE OF COAL CITY, GRUNDY & WILL COUNTIES, ILLINOIS
FOR THE FISCAL YEAR BEGINNING MAY 1, 2023 AND ENDING APRIL 30, 2024**

SO ORDAINED this _____ day of _____, 2023, at
Coal City, Grundy & Will Counties, Illinois.

AYES:

ABSENT:

NAYS:

ABSTAIN:

VILLAGE OF COAL CITY

David A. Spesia, President

Attest:

Alexis Stone, Clerk

STATE OF ILLINOIS)
COUNTY OF GRUNDY)
COUNTY OF WILL)

CERTIFICATE OF COMPLIANCE WITH TRUTH IN TAXATION

I, the Presiding Officer of the Village of Coal City, Grundy and Will Counties, Illinois, do hereby certify that the Levy adopted on the ____ day of _____, 2023, complies with the provisions of P.A. 82-102 (The Truth in Taxation Act).

 X The Village has levied a final aggregated tax levy resolution or ordinance less than 105% of the proceeding year's aggregate extension, thereby the requirement for a truth in taxation hearing inapplicable.

OR

 The Village has levied a final aggregated tax levy resolution or ordinance greater than 105% of the proceeding year's aggregate extension, and has complied with the publication and hearing of Section 6 or 7 of the Act.

Signature, Presiding Officer: _____

Title, Presiding Officer: _____

Date: _____

STATE OF ILLINOIS)
COUNTY OF GRUNDY)
COUNTY OF WILL)

I, the undersigned, Village Clerk of the Village of Coal City, Grundy and Will Counties, Illinois, do hereby certify that the foregoing is a true and correct copy of the Ordinance No. 23-____ entitled, "An Ordinance for the 2023 Levy and Assessment of Taxes for the Village of Coal City, Grundy & Will Counties, Illinois for the Fiscal Year Beginning May 1, 2023 and Ending April 30, 2024," duly passed on a roll call vote of a vote of _____ ayes and _____ nays, _____ absent, of the President and Board of Trustees of said Village of Coal City on the _____ day of _____, 2023, and approved by the President and Board of Trustees of said Village of Coal City on said date. I do further certify that there are six Trustees of said Village authorized by law to be elected. I do further certify that I am the legal custodian of all papers, documents and records of said Village.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Village of Coal City, this _____ day of _____, 2023.

Village Clerk
(SEAL)

Alexis Stone, Village Clerk

MEMO

TO: Mayor Spesia and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: November 8, 2023

RE: AUTHORIZE IMPROVEMENT TO GARFIELD/113 INTERSECTION

The Village engages with IDOT for the intersections that utilize traffic signals at Broadway and Garfield within the Village. The upfront cost comes from a vendor retained by the Village who meets the standards of IDOT and is then reimbursed on the basis of the number of legs controlled at the intersection. For instance, the proposal this evening is to replace the traffic control box at Garfield & Division; since 2 legs of this intersection belong to the State of Illinois – State Route 113, they are responsible for 66% of the total cost of improvements with Coal City picking up the remainder for its local road.

The cost is managed and born upfront by Coal City and then reimbursed. This cost exceeds \$20,000 and is provided on the agenda due to its total cost. This will provide modern traffic controls that can utilize cameras on the poles as opposed to the existing traffic control loops within the pavement.

Recommendation:

Authorize the Purchase of New Traffic Control Technology to be Installed by Meade at the Intersection of Garfield & Division at a cost of \$29,228.38.



October 11, 2023

Attention: Kristi Wickiser – Finance Manager

Location of Work: IL 113 & Garfield

Scope of Work:

Furnish labor, equipment, and materials to perform the following work at the above referenced location.

- Remove the existing Type 3 TS-1 traffic signal control box assembly off of the existing concrete foundation.
- Furnish and install a new Type 3 TS-2 traffic control box assembly complete with 16 channel back panel, 16 channel detector rack, Econolite Cobalt controller, Reno Malfunction Monitor Unit, Cabinet Power Supply, (3) Rack Mounted 2-channel loop amplifiers, load switches, flasher, flash transfer relay.
- Furnish and install new Alpha Battery Backup System onto side of new traffic signal control box.

[illegible][illegible][illegible]

Twenty-Nine Thousand Two Hundred Twenty-Eight and 38/100 -----\$ 29,228.38

Signed: Thomas W. Talbot

Accepted by: _____

Title: Project Manager

Title: _____

Date: _____

MEMO

TO: Mayor Spesia and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: November 8, 2023

**RE: AUTHORIZE AN ANNUAL MAINTENANCE CONTRACT FOR STATE
ROUTE 113 FOR MEADE ELECTRIC**

Coal City has utilized Meade Electric successfully for the maintenance of Division/State Route 113 through Coal City. IDOT utilizes maintenance contracts for portions of roadway in which the signal-controlled intersections are shared with local roads controlled by a municipality. The company to provide maintenance must meet State guidelines to qualify to enter into contract for this work. Meade has done so successfully and they are looking for an extension of their maintenance services in the next calendar year.

The regular monthly maintenance contract is minimal at \$179.84 (representing a 4.1% increase) of which Coal City pays just under \$80 per month. However, this is a contract extension by which Mayor Spesia is to be authorized to continue this vendor's current contract.

Recommendation:

Authorize Mayor Spesia to Extend the monthly traffic signal maintenance contract with Meade Electric concerning those intersections involving State Route 113.

**AMENDMENT NO. 2 TO
TRAFFIC SIGNAL MAINTENANCE
AGREEMENT
BETWEEN
City of Coal City
AND
Meade, Inc.**

This Amendment, effective as of 1st day of January 2024, by and between City of Coal City hereinafter referred to as the Owner and Meade, Inc., hereinafter referred to as the Contractor, is issued for the purpose of renewing the Service Agreement dated January 1, 2022 between the parties and amending Exhibit B Monthly Maintenance Rates as identified below.

WITNESSETH

The agreement is modified to read as follows:

The term for this Agreement shall be for a period of one (1) year from January 1, 2024 to December 31, 2024

Additionally, the agreement is modified to reflect an increase of 4.1% to the existing rates as confirmed by the following Rates effective for the duration of this extension as identified above.

MONTHLY MAINTENANCE RATES

- **TRAFFIC SIGNAL INSTALLATION**
\$179.84 per location per month

All other terms and conditions of the original Agreement are hereby ratified and affirmed.

IN WITNESS WHEREOF, the parties, through their authorized representatives, have affixed their signatures.

City of Coal City

BY: _____
Signature Title Date

Meade, Inc.

BY: _____
Signature Title Date

Service Agreement Extension

MEMO

TO: Mayor Spesia and the Board of Trustees

FROM: Matthew T. Fritz
Village Administrator

MEETING

DATE: November 8, 2023

RE: PAID LEAVE ACT EFFECTIVE DATE FORTHCOMING

The State legislature adopted the Paid Leave Act for All Workers Act (P.A. 102-1143), which will provide additional guaranteed time off for any employees within the State of Illinois with few exceptions. Coal City is a non-homerule municipality which curtails some of its options related to this new law. To quickly summarize, this Act shall require any employee who works, regardless of being considered full or part-time to credit with one hour off of work for every forty hours worked to accumulate at least 40 hours of leave within one year's time. This time can be taken at the employee's discretion once it has been credited.

There are some actions that should be considered prior to the Act's effective date, which is 1/1/24. Attached is a summary of this act – it has slightly different ramifications for municipalities than private employers within the State. Please review the enclosed material so the Board can begin its discussion of any actions prior to the Act's effective date. Previously, this was considered to be something that could be “cleaned up” in veto session, but IML is indicating we should no longer hold our breath for any additional action.



Paid Leave For All Workers Act

- Effective January 1, 2024

Requires almost all Illinois employers to provide almost all employees up to 40 hours of paid leave per year **FOR ANY REASON.**

There are exceptions for:

- Employees involved in the "construction industry"
 - (could apply to public works employees)
- Park Districts
- School Districts

No exceptions for part-time and seasonal employees

- Employees must be allowed to begin using leave 90 days after their hire date or after January 1, 2024.
- No provision that allows the denial of leave for legitimate operational reasons
- Based on the plain language of the Act, an entire workforce could simultaneously take time off, leaving the municipality with nobody to provide essential government services

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Paid Leave For All Workers Act

- Employers cannot force employees to find replacements when taking leave
- Employees accrue leave at the rate of one hour for every 40 hours worked
- Employers cannot limit employees from using leave in increments of any more than 2 hours
- The Act contains various carry-over rules, depending on whether the employer allows the employee to begin using his entire annual allotment of leave at the beginning of the annual counting period
- Employers apparently can develop policies that require the use of paid leave under this new law to be credited to already-existing paid time off banks (e.g., vacation, sick, personal, etc.).
- The Act contains various record-keeping requirements and prohibits retaliation/discrimination for exercising rights under the Act

Paid leave for all workers act

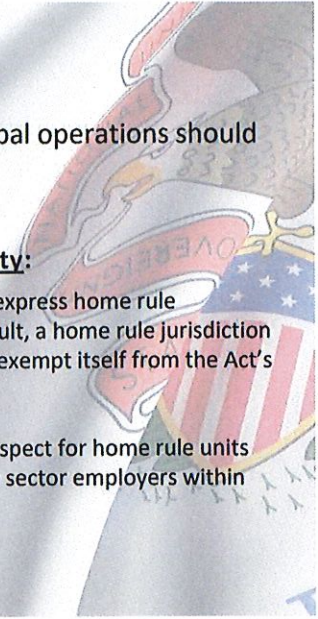
Employers concerned about the broader implications of the Act for municipal operations should consider the following defenses/options:

Collective Bargaining Agreements:

- Collective bargaining agreements in effect on 1/1/24 arguably will "trump" the Act's provisions.
- After 1/1/24, collective bargaining waivers can still be negotiated, but the Act states that such waivers must be described in "clear and unambiguous terms."
- Labor Board case law suggests that such bargaining waivers are non-mandatory subjects of bargaining.

Home Rule Authority:

- The Act contains no express home rule preemption. As a result, a home rule jurisdiction presumably can self-exempt itself from the Act's coverage.
- Plus, there is the prospect for home rule units to exempt all private sector employers within their borders.



PAID LEAVE FOR ALL WORKERS ACT

Effective January 1, 2024



The Paid Leave for All Workers Act, Public Act (P.A.) 102-1143, will require employers, including municipalities, to provide 40 hours of paid leave to employees on an annual basis.

ESTABLISHING A MINIMUM PAID LEAVE STANDARD

Beginning January 1, 2024, employers must provide employees one hour of paid leave per 40 hours worked and allow them to carry over up to 40 hours of paid leave annually. Employers may set a minimum increment of no more than two hours per day for the use of paid leave. Paid leave accrued may be taken for any reason without documentation, but employers may set leave policies that require employees to provide notice of seven days for foreseeable leave and as soon as possible for unforeseeable leave.

MUNICIPAL PAID LEAVE ORDINANCES

The Act does not require municipalities to pass paid leave ordinances. The Act does not apply to employers, including municipalities, covered by a current ordinance that requires them to provide any form of paid leave to their employees.

NON-HOME RULE MUNICIPALITIES

Non-home rule municipalities currently have authority to adopt leave ordinances for their own municipal employees, but such ordinances do not apply to other employers within the community. Those other employers will be required to provide 40 hours of paid leave annually, as outlined in the Act. If a non-home rule municipality adopts a leave ordinance for their own employees after the Act's effective date, the ordinance must comply with the minimum paid leave standard outlined in the Act.

HOME RULE MUNICIPALITIES

Home rule municipalities currently have authority to adopt paid leave ordinances that apply to all employers within their community and may continue to adopt alternative ordinances after this Act's effective date. However, employers will be required to comply with both local and state standards if those ordinances do not meet the state's minimum required benefits. Nothing in this Act preempts a home rule municipality from adopting ordinances providing broader or more expansive paid leave requirements for employers within that specific community.



EMPLOYER RESPONSIBILITIES UNDER PAID LEAVE FOR ALL WORKERS ACT

Employers will be required to maintain records documenting hours worked, paid leave accrued and taken and the paid leave balance for each employee for at least three years. Employers will also have notification responsibilities including posting a physical notice summarizing the Act, information on filing a complaint and supplying employees with notice of their amount of accrued time. Additionally, employers will be barred from retaliating against employees for using paid leave.

Employers will be subject to penalties for violations of the Act including fines of up to \$1,000 per violation of the Act's posting and notice requirements, up to \$2,500 for all other violations and possible civil penalties and damages to the employee.

EXCEPTIONS TO PAID LEAVE POLICY

The Act does not preempt or alter leave benefits subject to current collective bargaining agreements. The Act does not apply to federal employees, or school district and park district employees. Other excluded workers include: independent contractors, railroad employees subject to railroad unemployment insurance or the Railway Labor Act, part-time student employees who are employed by a college or university and short-term employees at institutions of higher education.

ADDITIONAL RESOURCES

The Illinois Department of Labor (IDOL) will monitor employer compliance and enforce the Act ([more information available via this link](#)). IDOL has compiled a list of Frequently Asked Questions about the Act ([available via this link](#)) and those particularly applicable to municipal employers are listed below. Specific questions or comments related to the Act can be submitted by email to IDOL at DOL.PaidLeave@Illinois.gov.

FREQUENTLY ASKED QUESTIONS COMPILED BY IDOL

DOES THE ACT APPLY TO PART-TIME EMPLOYEES OR JUST FULL-TIME EMPLOYEES?

The Act doesn't distinguish between part-time, full-time or seasonal employees. Both full-time and part-time employees are covered by this Act. However, employees who work fewer hours may accrue less leave time compared to full-time employees.

MY COMPANY (OR MUNICIPALITY) ALREADY OFFERS EMPLOYEES 40+ HOURS OF PAID LEAVE. DOES MY POLICY NEED TO COMPLY WITH THE OTHER REQUIREMENTS OF THE ACT?

If your company has an existing policy that meets or provides the minimum amount of leave required by the Act (40 hours) in a 12-month period and your employees can in fact take that amount of leave for any reason of their choosing, you do not need to modify the terms of your policy.

IDOL expects to further clarify how existing policies meet expectations of the law in rulemaking.

MUST PAID LEAVE PROVIDED UNDER THE ACT BE PAID OUT UPON AN EMPLOYEE'S TERMINATION, RESIGNATION OR RETIREMENT?

The Paid Leave for All Workers Act (PLAWA) does not require payout of unused leave unless the leave is credited to the employee's paid time off bank or employee vacation account; however, employers should additionally consider their vacation payout obligations under the Illinois Wage Payment and Collection Act.

COOK COUNTY HAS A PAID LEAVE ORDINANCE, BUT MUNICIPALITIES ARE ALLOWED TO OPT OUT OF THAT COUNTY ORDINANCE. ARE EMPLOYERS LOCATED IN MUNICIPALITIES WHICH OPTED OUT REQUIRED TO COMPLY WITH THE ACT?

Yes, if on the effective date of the Act (1/1/24) a municipality does not have an ordinance in place that requires payment of paid sick or paid leave, then employers in that municipality shall be covered by this Act.

MAY MUNICIPALITIES OPT OUT OF PLAWA USING THEIR HOME RULE POWERS?

No. Under the Act, the only circumstance in which a municipality may avoid PLAWA coverage is if they have a local ordinance in effect that provides paid sick or paid leave or, after the effective date, if their local ordinance provides benefits, rights and remedies that are greater than or equal to those provided under the Act.

THIS COULD NEGATIVELY IMPACT LOCAL GOVERNMENTS WITH POLICE AND FIRE PERSONNEL, WHAT ARE THEY SUPPOSED TO DO?

The Act does not prohibit an employer from adopting an evenly applied paid leave policy to allow it to address operational issues and meet safety objectives. Employers of unionized employees can also address these concerns through collective bargaining.

CAN I DENY AN EMPLOYEE USE OF PAID LEAVE UNDER THIS LAW? PUT DIFFERENTLY, IS AN EMPLOYEE ALLOWED TO TAKE LEAVE UNDER THIS ACT IN ANY CIRCUMSTANCE?

Nothing in the Act prohibits an employer from adopting a policy that establishes some parameters for taking leave and limited reasons the employer may deny leave for operational necessity. Any such policy must be communicated to employees, applied equally to all employees and conform with other applicable state and federal laws.

IDOL will seek to provide further clarity regarding this issue in rulemaking.

AT WHAT INCREMENT CAN EMPLOYEES TAKE THIS LEAVE UNDER THE LAW?

An employee may take PLAWA leave at a minimum of two-hour increments, although an employer could choose to allow an employee to take leave in smaller increments. An employer whose existing policy meets the minimum requirement of 40 hours of paid time off for any reason of the Act would not have to modify that existing policy in regards to leave increments.

CAN AN EMPLOYER FRONT LOAD PAID LEAVE TIME AT THE BEGINNING OF THE YEAR?

Yes, an employer may front load paid leave time by giving a full year's worth of leave that meets the minimum requirements of the Act to an employee at the beginning of the year.

An employer may make available the minimum number of hours of paid leave, subject to pro rata requirements, a proportional share of accrued hours, under the law, at the beginning of the year for its employees.

IF OUR BUSINESS WANTS TO FRONT LOAD PLAWA BENEFITS FOR PART-TIME STAFF, DOES THE BUSINESS HAVE TO FRONT LOAD 40 HOURS OR CAN I FRONT LOAD AN AMOUNT PROPORTIONATE TO THEIR WORK SCHEDULE?

Employers may front load PLAWA benefits for part-time employees at a pro rata amount consistent with the employee's work schedule. However, if the employee in fact works more



hours than the employer anticipates, the employee is entitled to accrue more hours at a rate of 1 hour of paid leave for every 40 hours worked, up to 40 hours for the 12-month period. If a part-time employee works fewer hours than anticipated by their employer, the employer may not diminish or recoup used or unused front-loaded paid leave benefits.

CAN AN EMPLOYER REQUIRE EMPLOYEES TO ACCRUE PAID LEAVE TIME OVER THE COURSE OF THE YEAR?

Yes, instead of front loading leave benefits, an employer may allow employees to accrue or earn paid leave time at a rate of one hour of paid leave for every 40 hours worked. Notably, a part-time employee might not accrue the full 40 hours of leave provided for in the law by the end of the year, based on the number hours the employee works.

Example: Employee A works 15 hours per week, 52 weeks per year. They will accrue 19.5 hours of paid leave annually. (15 times 52 = 780 hours worked per year. 780 divided by 40 = 19.5 hours of paid leave.)

WHEN DOES ACCRUAL BEGIN UNDER THE ACT? WHEN CAN EMPLOYEES START TAKING PAID TIME OFF?

The Act takes effect January 1, 2024. Accrual begins upon the start of employment or January 1, 2024, whichever is later. Employees are entitled to begin using the accrued paid leave after 90 days. If an employee begins accruing paid leave on January 1, 2024, the first day they could take that paid time off would be March 31, 2024.

Example: The Paid Leave for All Workers Act takes effect January 1, 2024. Six months later, Employee B starts a new job on July 1, 2024, and works 40 hours per week. They start accruing paid leave on their first day (July 1) but must wait 90 days (until September 29, 2024) before taking any of their accrued paid leave.

Example: Employee C has worked for their employer since 2019 but did not previously get paid time off. Employee C will begin accruing paid time off beginning January 1, 2024 (the effective date of the Act.)

HOW DOES ACCRUAL APPLY TO EMPLOYEES WHO WORK MORE THAN 40 HOURS IN A WEEK BUT ARE EXEMPT FROM THE OVERTIME REQUIREMENTS OF THE FEDERAL FAIR LABOR STANDARDS ACT?

Employees who are exempt from the overtime requirements of the federal Fair Labor Standards Act (29 U.S.C. 213(a)(1)) shall be deemed to work 40 hours in each workweek for purposes of paid leave time accrual if they regularly work 40 or more hours in a workweek. If such employee's regular workweek is less than 40 hours, their paid leave time accrues based on the number of hours in their regular workweek.

IF AN EMPLOYER ALLOWS EMPLOYEES TO BORROW AGAINST FUTURE ACCRUAL, THEREBY MAKING THE EMPLOYEE'S PAID LEAVE BALANCE GO NEGATIVE, CAN THE EMPLOYER MAKE THE EMPLOYEE REPAY THE PAID LEAVE IF THE EMPLOYEE TERMINATES BEFORE THEY HAVE EARNED THAT LEAVE?

An employer may only make an employee repay borrowed accrued leave if that policy is disclosed in the employer's written paid leave policy and the employee agrees to that policy in writing prior to taking any leave. All payroll deductions must comply with the requirements of the Illinois Wage Payment and Collection Act.

IF AN EMPLOYER FRONTLOADS AN EMPLOYEE'S PAID LEAVE AT THE BEGINNING OF THE 12-MONTH PERIOD, AND THE EMPLOYEE USES ALL OF THEIR LEAVE AND THEN QUILTS BEFORE THE END OF THE 12-MONTH PERIOD, CAN THE EMPLOYER MAKE THE EMPLOYEE REPAY THE PAID LEAVE?

No, the law does not allow an employer to make an employee repay paid leave time that was frontloaded at the beginning of the 12-month period. Benefits that have already been provided may not be retroactively diminished.

HOW CAN AN EMPLOYER TRACK THE TIME REQUIRED UNDER THIS ACT VERSUS OTHER BENEFIT TIME GIVEN TO THE EMPLOYEE?

The Act requires employer tracking of paid time off for any reason. If the employer chooses to offer paid sick time or other forms of paid time off in addition to paid leave, they should track that too as a best practice, but it is not covered by this Act.

IS THERE A DIFFERENCE BETWEEN "VACATION" AND "PTO" (PAID TIME OFF)?

Generally speaking, PTO is leave that can be taken for any reason or no reason at all and may not have to be paid out to an employee upon separation. Leave specified as "vacation" leave is subject to pay out pursuant to Section 4 of the Wage Payment and Collection Act.

HOW WILL PLAWA INTERACT WITH FMLA?

The Family and Medical Leave Act (FMLA) is unpaid job protected leave that can only be used by covered employees in covered circumstances. Employees going on FMLA may use PLAWA time concurrently during their FMLA leave. [All FMLA questions should be directed to the [United States Department of Labor](#)]

HOW DOES CARRY OVER, ALSO KNOWN AS "ROLL OVER," WORK UNDER THIS LAW?

Employees are allowed to carry over or roll over unused, accrued leave from one year to the next under this law. However, there is no obligation for the employer to offer more than 40 hours of paid leave off in a year. An employer may offer more than the 40 hours off if they choose.

HOW DOES THIS LAW INTERACT WITH OTHER UNPAID LEAVE PROTECTIONS?

An employee covered under the Act is entitled to use paid leave under the Act before using unpaid leave under any employer policy or other state law.

WHEN WILL IDOL HAVE RULES IN PLACE FOR THIS ACT?

The Department anticipates filing a draft of the rules before the effective date of this Act. Under the rulemaking process there will then be a public comment period on those rules and a time period for the Department to make any changes. Finalized rules should be in place before March 31, 2024.

WHEN WILL THE NOTICE THAT IS REQUIRED IN THE ACT BE AVAILABLE FROM THE DEPARTMENT?

The required notice will be on our website by the end of 2023.





Paid Leave for All Workers Act – Fact Sheet

- Public Act 102-1143; effective January 1, 2024.
- Applies to all Illinois private & public employers except school districts organized under the School Code & park districts organized under the Park District Code.
- Applies to all types of employees – full time, part time, seasonal and temporary.
- All employees are entitled to earn and use a minimum of 40 hours of paid leave during a 12-month period (or pro rata).
 - Example: Employee A works 15 hours per week, 52 weeks per year. They will accrue 19.5 hours of paid leave annually. ($15 \times 52 = 780$ hours worked per year. $780 / 40 = 19.5$ hours of paid leave)
- Paid leave accrues at a rate of 1 hour per 40 hours worked or can be frontloaded at the beginning of the year or any 12 month period
- Exempt employees are deemed to work 40 hours in each workweek unless their regular workweek is less than 40 hours, then leave accrues based on their regular workweek.
- Leave will begin to accrue on the first day of employment or on January 1, 2024
 - Employees are not eligible to use any accrued leave until 90 days after the first day of employment or after January 1, 2024.