

## **ORDINANCE NO. 18450**

### **ORDINANCE AMENDING THE FOREIGN FIRE INSURANCE BOARD**

**WHEREAS**, the Mayor and City Council of the City of Joliet, Illinois (City) has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs; and

**WHEREAS**, the Mayor and City Council recognize that the Code of Ordinances should be updated from time to time

**WHEREAS**, the Mayor and City Council recognize that the Code of Ordinances should be consistent within itself and with state statute; and

**WHEREAS**, the City of Joliet is a home rule unit of local government.

**BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF JOLIET, ILLINOIS, PURSUANT TO ITS STATUTORY AND HOME RULE AUTHORITY, AS FOLLOWS:**

**SECTION 1:** That the Mayor and City Council hereby find that the recitals contained in the remainder of this Ordinance are true, correct, and complete and are hereby incorporated into this Ordinance by reference.

**SECTION 2:** That the State of Illinois has amended the Illinois Municipal Code by changing Section 11-10-1 and 11-10-2 and by adding Section 11-10-0.01 and 11-10-2.5.

**SECTION 3:** That Chapter 28, Article VI is moved to Chapter 2, Article IX, Division 8, renamed The Foreign Fire Insurance Companies Board, and shall be amended as follows:

#### **DIVISION 1 – FOREIGN FIRE INSURANCE FEE**

Imposed: Rate; Basis; Due Date.

All corporations, companies and associations not incorporated under the laws of this state and which are engaged in the city in effecting or soliciting fire insurance, shall pay to the treasurer of the Foreign Fire Insurance Board or the secretary of the fire protection district on July 15, 1899 and annually thereafter, upon the fifteenth day of July of each and every year following, a sum equal to two per cent (2%) of the gross receipts of premiums received by the corporation, company or association or their agency or agents, for business effected or transacted for fire insurance within the city, for the year ending July first, preceding such dates. The rate established shall be as a tax license fee upon all such corporations, companies or associations transacting such business within the city. The purpose of the Foreign Fire Insurance Fee is for the maintenance, use, and benefit for the Joliet Fire Department.

Annual report: Contents; filing.

Every person acting as agent or otherwise, for or on behalf of any person subject to this article shall, on or before July 15, 1899, and the fifteenth day of July of each and every year thereafter, render to the Foreign Fire Insurance Board, a full, true and just account, verified by oath, of all the premiums which, during the year ending on the first day of July, 1899 and the first day of July of each and every succeeding year, shall have been received by him or any other person for him, on behalf of any person

subject to this article and he shall fully and specifically set out in the report the amount or amounts received as premiums for fire insurance.

#### Remittance of the license fee.

The person making the annual report required by this article shall, at the time of making the report, pay to the treasurer of the Foreign Fire Insurance Board the sum of two per cent (2%) upon gross receipts of the person taxed by this article.

#### Persons in violation of article not to write fire insurance, validity of policy not impaired.

If the annual report required by this article is not rendered on or before the due date designated, or if the tax required by this article shall remain unpaid after that day, it shall be unlawful for the person required by this article to pay the license fee, to transact any business of fire insurance in the city until the requirements of this article have been fully complied with. This section shall not affect the validity of any risk that may be taken in violation of this article, between the person taxed and the person insured.

#### Penalties; recovery of licensing fee.

The Foreign Fire Insurance Board may file suit for any violation of this ordinance in the Circuit Court in the county where the alleged violation occurred.

### DIVISION 2. – Foreign Fire Insurance License Fee Board

#### Created; membership.

- a) There is hereby established a foreign fire insurance license fee administration board, pursuant to the Illinois Municipal Code, 65 ILCS 5/11-10-2.
- b) The board shall consist of seven (7) trustees and shall be comprised of the fire chief and 6 members, and the officers shall be a chairman, a treasurer, and any other officers deemed necessary by the board.
- c) The trustees of the Foreign Fire Insurance Board shall be elected at large by the sworn members of the department.
- d) All sworn members of the department shall be eligible to be elected as officers of the Foreign Fire Insurance Board.
- e) The members of the board shall annually elect officers.
- f) If there is an insufficient number of candidates to fill all these positions, the number of board members may be reduced, but not to fewer than three (3) trustees.

#### Foreign Fire Insurance License Fee Fund

- a) The Foreign Fire Insurance Board may establish, manage, and maintain an account for holding and expenditure of all funds paid to the Foreign Fire Insurance Board.
- b) The members of the Foreign Fire Insurance Board shall make all needful rules and regulations with respect to the Foreign Fire Insurance Board and the management of the funds to be paid to the Foreign Fire Insurance Board.
- c) The Foreign Fire Insurance Board shall have a written arbitration agreement that is recognized under the Uniform Arbitration Act.
- d) The Foreign Fire Insurance Board may contract for the purpose of goods and services using funds paid to the Foreign Fire Insurance Board, and contracting for services includes, but it not limited to, the procurement and payment of all accounting, legal, collection, or other professional services deemed by the Foreign Fire Insurance Board to be necessary to the execution of its duties.

- e) The officers of the Foreign Fire Insurance Board shall develop and maintain a listing of those items that the Foreign Fire Insurance Board feels are appropriate expenditures.
- f) The treasurer of the Foreign Fire Insurance Board shall receive the funds paid and pay out the funds upon the order of the Foreign Fire Insurance Board for the maintenance, use, benefit of the department.
- g) Disputes between the fire chief and the remaining members of the Foreign Fire Insurance Board whether any expenditure of funds by the Foreign Fire Insurance Board is for the maintenance, use, or benefit of the Joliet Fire Department shall be resolved through binding arbitration.

#### Board meetings.

The Foreign Fire Insurance Board shall, in accordance with the Open Meetings Act, establish a regular time and place for its meetings. The president shall preside at the meetings. The secretary shall keep a record of all resolutions, proceedings, and actions of the Foreign Fire Insurance Board, and these records shall be open to the public. Four (4) members of the Foreign Fire Insurance Board shall constitute a quorum for the transaction of its business. The affirmative vote of four (4) members of the Foreign Fire Insurance Board shall constitute approval of business before it. Special meetings may be called by the president or by no less than three (3) members of the Foreign Fire Insurance Board. Any person shall be entitled to appear and be heard on any matter before the Foreign Fire Insurance Board.

#### Use of fund.

No expenditure from the fund may be approved by the Foreign Fire Insurance Board and the city council unless the expenditure is for the maintenance, use and benefit of the Joliet Fire Department. If a disagreement should arise between the parties as to whether said expenditure is for the maintenance, use and benefit of the department, the disagreement shall be settled in the same manner as prescribed in section 28-75(e). The expenditures in dispute shall not be made until the arbitrator renders a decision.

No expenditures from the fund will be made for political and/or union related activities (i.e., campaign contributions, contract negotiation expenses) unless the state statute outlining the disbursement of these funds is amended to allow the above as eligible expenses.

Rules and regulations.

The Foreign Fire Insurance Board may promulgate written rules and regulations governing Foreign Fire Insurance Board matters so long as such rules and regulations are not inconsistent with any applicable law in effect at the time of the signing of Ordinance No. 9704. All rules and regulations shall be posted in a conspicuous place in each fire station and in the Joliet Municipal Building. Before any rule or regulation shall become effective, such rule or regulation shall be filed with the city clerk of the City of Joliet and shall be made available for public inspection in the office of the city clerk. The Foreign Fire Insurance Board secretary shall maintain a record of all Foreign Fire Insurance Board rules and regulations, which shall be available for public inspection.

**PASSED** this 3<sup>rd</sup> day of January, 2023

  
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**MAYOR**

  
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**CITY CLERK**

**VOTING YES:** Councilman Clement, Councilwoman Gavin, Councilmen Guerrero, Hug, Morris, Mudron, Councilwomen Quillman, and Reardon.

**VOTING NO:** None.

**NOT VOTING:** Mayor O'Dekirk.



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Memo

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**File #:** 645-22

**Agenda Date:** 1/3/2023

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**TO:** Mayor and City Council

**FROM:** James V. Capparelli, City Manager

**SUBJECT:**  
Ordinance Amending the Foreign Fire Insurance Board

**BACKGROUND:**

The City of Joliet's authority to impose a tax on foreign fire insurance companies is currently based on a state act: 65 ILCS 5/11-10-1 *et seq.* The Illinois General Assembly passed public act 102-0740, which amends the state act and indicates that the provision of the Foreign Fire Insurance License Fee Act shall be the exclusive power of the State. This ordinance brings the Joliet Code into compliance with state law.

**RECOMMENDATION:**

The Administration recommends the Mayor and the City Council approve the attached ordinance repealing Chapter 28, Divisions 1-2 and adding Chapter 2, Article IX, Division Section 22 of the City Code.



# City of Joliet

150 West Jefferson Street  
Joliet, IL 60432

## Approver Report

File Number: 645-22

File ID: 645-22

Type: Ordinance

Status: Agenda Ready

In Control: City Council Meeting

File Created: 12/22/2022

Department: Legal

Final Action:

Title: Ordinance Amending the Foreign Fire Insurance Board

Agenda Date: 01/03/2023

Attachments: Ordinance

### Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	12/27/2022	Sabrina Spano	Approve	12/26/2022
1	2	12/27/2022	Jeff Carey	Approve	12/29/2022
1	3	12/27/2022	James V. Capparelli	Approve	12/29/2022