



AGENDA ITEM # 6

**AGENDA ITEM EXECUTIVE SUMMARY
Committee of the Whole Meeting
March 12, 2018**

Item Title: IMRF Resolution

Staff Contact: Tom Dahl, Finance Director

COMMITTEE OF THE WHOLE ACTION

Does the Village Board want to continue the practice of allowing cash payments in lieu of or related to healthcare benefits to be reported as IMRF earnings?

Executive Summary:

On December 15, 2017, the IMRF Board of Trustees adopted Resolution 2017-12-17 giving employers the option to include insurance opt-out program payments as reportable earnings to IMRF. Pursuant to previous IMRF direction, the Village has included the insurance opt-out program as reportable earnings for those employees who have participated in the opt-out program and retire from the Village. To continue the same practice and comply with the IMRF directive, the Village Board must adopt a resolution allowing cash payments in lieu of or related to healthcare benefits to be reported as IMRF earnings.

Implications:

Is this item budgeted? Yes, since this practice was in place in prior years the IMRF Village contribution rate includes the opt-out payments as earnings.

Any other implications to be considered? Currently there are 9 IMRF employees receiving the opt-out payment. IMRF has stated the impact on the Village's contribution rate is negligible because of numerous factors that go into calculation of the rate.

Attachments:

A sample resolution to Include Cash Payments Related to Health Insurance as IMRF Earnings

RESOLUTION NO. 2018-

**A RESOLUTION TO INCLUDE CASH PAYMENTS RELATED TO HEALTH INSURANCE
AS IMRF EARNINGS**

WHEREAS, standard member earnings reportable to the Illinois Municipal Retirement Fund do not include the value of health insurance or cash payments in lieu of or related to healthcare benefits; and

WHEREAS, the governing body of an IMRF participating unit of government may elect to include in IMRF earnings cash payments in lieu of or related to healthcare benefits; and

WHEREAS, the Board Trustees of the Village of Roselle is authorized to include such payments made separately from salary and made in lieu of or related to healthcare benefits as earnings reportable to IMRF and it is desirable that it do so.

NOW, THEREFORE, be it resolved that the Board of Trustees of the Village of Roselle does hereby elect to include as earnings reportable to IMRF cash payments made separately from salary and made in lieu of or related to healthcare benefits effective on the inception of the policy.

BE IT FURTHER RESOLVED that the Village Clerk is authorized and directed to file a duly certified copy of this resolution with the Illinois Municipal Retirement Fund.

ADOPTED this 26th day of February, 2018

AYES:

NAYS:

ABSENT:

Andrew J. Maglio, Mayor

ATTEST:

Patricia Burns, Village Clerk