Agenda Item Summary

File #: RES 19-250, **Version:** 1

Submitted By
Steve Drazner, CFO

Reviewed By
LKS

Agenda Item Title
A Resolution Relating to Termination of Participation by Elected Officials (Village Trustee) in the Illinois Municipal Retirement Fund (IMRF) which Formally Confirms No Current Participation in the IMRF

Overview
As a result of a recent audit by IMRF, they recommended passing this Resolution for all elected officials who do not participate in IMRF to offer flexibility on tax returns. Since there is currently no participation by this elected position (Trustee) in IMRF, it is recommended that a Resolution to rescind participation in IMRF for the Village Trustee positions be adopted.

Staff Recommendation
Staff recommends adoption of the Resolution to rescind participation in IMRF.

Fiscal Impact
Staff does not anticipate any fiscal impact.

Background
The annual threshold for IMRF participation is 1000 hours as previously adopted by the Board in August 2017. Since Village Trustees are considered eligible to participate in IMRF, whether or not any holding the position actually do participate, the Village must check off the W-2 retirement plan box which increases restrictions on the deductibility of traditional IRA contributions. By rescinding the resolution, the W-2 retirement plan box will not need to be checked, thus lifting the stricter IRS thresholds for making a deductible IRA contribution. A similar agenda item is submitted for Village Trustee. However, staff does not recommend any action for Village Clerk since that position does participate in the retirement fund.

If in the future a Trustee decides they are eligible to participate in IMRF, the Village would need to rescind this Resolution.

Alternatives
Delay action and seek additional information

Previous Board Action
Resolution 17-616 adopted on August 7, 2017

Citizen Advisory Commission Action
N/A

Anticipated Future Actions/Commitments
N/A

Intergovernmental Cooperation Opportunities
N/A

Performance Management (MAP) Alignment
N/A