



## Agenda Item Summary

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**File #:** RES 19-249, **Version:** 1

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### **Submitted By**

Steve Drazner, CFO

### **Reviewed By**

LKS

### **Agenda Item Title**

**A Resolution Relating to Termination of Participation by Certain Elected Officials (Village President) 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 minimize tax restrictions. Since this elected position (Village President) is not participating in IMRF, it is recommended that a Resolution to rescind participation in IMRF for the Village President 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 for elected officials is 1000 hours as previously adopted by the Board in August 2017. Since the Village President is considered eligible to participate in IMRF, whether or not the position actually participates, 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. There is a similar agenda item for Village Trustee. However, staff is not recommending any action for Village Clerk since that position does participate in the retirement program.

If in the future a Village President 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 17-617 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