

VILLAGE OF HOMEWOOD



BOARD AGENDA MEMORANDUM

DATE OF MEETING: October 28, 2025

To: Village President and Board of Trustees

Through: Napoleon Haney, Village Manager

From: Amy Zukowski, Director of Finance

Topic: Resolution - Cash Payments in Lieu of Health Insurance as IMRF Earnings

PURPOSE

The Village recently completed an Employer Wage Reporting Compliance Report with the Illinois Municipal Retirement Fund (IMRF). One of the findings indicated that in order to have cash payments made separately from salary and made in lieu of employer-provided health insurance, it is necessary to pass a resolution effective since the plan's inception.

PROCESS

Full-time Village employees have the opportunity to opt-out of Village health insurance if they are able to demonstrate that they have other insurance coverage, typically through a spouse or parent up (until age 26). When opting-out, the employee receives cash in lieu of enrollment in a Village health insurance plan, which in turn saves the Village money.

The Village recently completed an Employer Wage Reporting Compliance Report with IMRF. According to the finding in the report, in order to continue with the Village's practice of offering this opt-out program, a resolution filed with IMRF is required. The resolution is retroactive to the program's inception date more than 20 years ago.

OUTCOME

Approval of this resolution will provide IMRF with the necessary documentation, and the Village can continue to report cash payments in lieu of health insurance for those employees that choose to opt-out of the Village's health insurance plans and are IMRF participants.

FINANCIAL IMPACT

N/A

LEGAL REVIEW

Completed

VILLAGE OF HOMEWOOD



RECOMMENDED BOARD ACTION

Pass a resolution electing to include cash payments in lieu of or related to health insurance as Illinois Municipal Retirement Fund earnings.

ATTACHMENT(S)

Resolution