

Resolution No. 26-16

**A RESOLUTION OF THE VILLAGE OF EAST DUNDEE,  
COOK AND KANE COUNTIES, ILLINOIS AUTHORIZING THE GRANTING OF  
SERVICE CREDITS UNDER THE ILLINOIS MUNICIPAL RETIREMENT FUND FOR  
OUT-OF-STATE SERVICE**

**WHEREAS**, the Village of East Dundee, Cook and Kane Counties, Illinois (the "Village") is a duly organized and validly existing home-rule municipality and pursuant to Section 6(a) of Article VII of the Constitution of the State of Illinois, has the authority to exercise any power and perform any function pertaining to its government and affairs, including but not limited to the power to regulate for the protection of the public health, safety, morals, and welfare; and,

**WHEREAS**, persons employed on a full-time basis by an Illinois municipality are members of the Illinois Municipal Retirement Fund (the "IMRF"); and,

**WHEREAS**, members of the IMRF may obtain service credits with the IMRF for a member's service with municipalities located outside of Illinois if authorized by the Illinois municipality employing the IMRF member; and,

**WHEREAS**, Robert J. Skurla, Village Administrator for the Village, was previously employed by the City of Beloit, Wisconsin from April 1, 1999 to April 1, 2001 and the City of Kent, Ohio from January 1, 1974 to October 31, 1979; and,

**WHEREAS**, during said employment, Robert J. Skurla received certain service credits with the Wisconsin Retirement System and the Ohio Public Employees Retirement System; and,

**WHEREAS**, Robert J. Skurla has completed the IMRF paperwork required to forfeit his service credits held in other States and convert them to service credits with the IMRF; and

WHEREAS, the President and Board of Trustees of the Village have determined that it is in the best interests of the Village to authorize the granting of service credits for Robert J. Skurla's out-of-state service with the City of Beloit, Wisconsin and the City of Kent, Ohio.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of East Dundee, Cook and Kane Counties, Illinois, as follows:

*Section 1.* That the granting of service credits under the IMRF for Robert J. Skurla's out-of-state service with the City of Beloit, Wisconsin and the City of Kent, Ohio is hereby authorized and the Village Clerk is directed to complete any paperwork necessary to establish said credits.

*Section 2.* That this Resolution shall be in full force and effect from and after its passage and approval as provided by law.


PASSED this 19<sup>th</sup> day of Dec, 2016, pursuant to a roll call vote as follows:

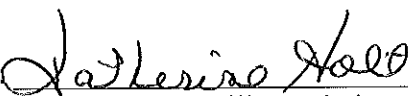
AYES: Trustees Gorman, Skillicorn, Lynam, Selep, Wood  
and Hall

NAYS:

ABSENT:

APPROVED this 19<sup>th</sup> day of Dec, 2016

  
Lael Miller, Village President

Attest   
Katherine Holt, Village Clerk

MEMORANDUM FOR THE VILLAGE BOARD

# Memorandum

**To:** Lael Miller, President and Village Board  
**Cc:** Robert J. Skurla, Village Administrator  
**From:** Zaida Torres, Director of Finance  
**Date:** 12/16/2016  
**Re:** Out-of-State Service for Robert J. Skurla

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Attached please find the estimated Employer and Employee cost for the purchase of out-of-state service for Robert J. Skurla. This estimate was provided by IMRF which includes all the financial data used in providing the liability for both parties.

The employer's maximum liability rate is 16%, and the estimated example would place the Village of East Dundee at 11.16%. The dollar amount that reflects the liability for the employer is amortized at 30 years as indicated in the letter from IMRF.

Respectfully,

Zaida Torres  
Director of Finance



December 16, 2016

VILLAGE OF EAST DUNDEE  
ZAIDA TORRES, FINANCE DIRECTOR  
120 BARRINGTON AVE  
EAST DUNDEE IL 60118-1399

CORR -- ER# 0462

Dear Ms. Torres:

This letter is in reference to your inquiry regarding the village's employer cost after the approval of out-of-state service for Robert J. Skurla (MID: 109-5527).

Please be aware that the following is only an estimate. The actual cost may be less than or greater than this estimate depending on the actual termination date, actual retirement date, future salary increases, changes in actuarial assumptions and/or benefit improvements. The estimate is based on the following information. The estimate assumes that the employee retires May 1, 2017 (age 65) with a spouse.

Robert J. Skurla	
Termination Date	04/30/2017
Retirement Date	05/1/2017
Final rate of earnings (monthly)	\$13,667
Estimated monthly pension without out-of state service	\$2,354
Estimated monthly pension with out-of state service	\$4,283
Regular Service at 11/30/16	9.917
Out-of-State Service (Reg)	7.833
Additional Service 12/1/16-04/30/17	.417
Total Service with out-of-state	18.167
Total Present Value Increase of out-of state service	\$306,769
Estimated Employee Cost for out-of state service	\$117,653
Estimated Employer Cost for out-of-state service	\$189,116

If the service had been approved and transferred in 2015, the effect of this transfer would have increased the village's 2017 employer rate from 10.25% to 11.16%. If approved in 2016, the cost would be reflected in the 2018 employer rate. There is a two-year lag between the valuation and affected contribution rate. The difference shown above would be spread over the district's remaining amortization period which is a 30 year amortization period for overfunded pension obligations and for unfunded pension obligations.

I hope the foregoing satisfactorily explains the estimated cost increase due to approval of service, but should you have any further questions, please call me at (630) 706-4234.

Sincerely,

*Dionne N. Green*

Dionne N. Green  
Employer Account Analyst