



# Suggested resolution to include compensation paid under an Internal Revenue Code Section 125 Plan as IMRF earnings

IMRF Form 6.72 (Rev. 08/03)

PLEASE ENTER Employer IMRF I.D. Number  
06925

RESOLUTION  
Number 2013-02

WHEREAS, standard member earnings reportable to the Illinois Municipal Retirement Fund do not include compensation paid under an Internal Revenue Code section 125 plan or compensation directed into a premium conversion plan or flexible spending account; and

WHEREAS, an IMRF participating unit of government may elect to include in IMRF earnings compensation paid under an I.R.C. section 125 plan or compensation directed into a premium conversion plan or flexible spending account by action of the governing body; and

WHEREAS, the Board of Directors of the  
BOARD, COUNCIL, etc.

Illinois Heartland Library System

is authorized to include

EMPLOYER NAME

section 125 plan and premium conversion and flexible spending account compensation as earnings reportable to IMRF and it is desirable that it do so.

NOW THEREFORE BE IT RESOLVED that the Board of Directors of the  
BOARD, COUNCIL, etc.

Illinois Heartland Library System

does hereby elect to

EMPLOYER NAME

include as earnings reportable to IMRF compensation paid under an I.R.C. section 125 plan and/or compensation directed into a premium conversion plan or flexible spending account effective July 1, 2011

EFFECTIVE DATE

BE IT FURTHER RESOLVED that the Chief Fiscal Officer is authorized and directed  
CLERK OR SECRETARY OF THE BOARD  
to file a duly certified copy of this resolution with the Illinois Municipal Retirement Fund.

## CERTIFICATION

I, Rose Mary Barczewski, the Chief Fiscal Officer  
NAME CLERK OR SECRETARY

of the Illinois Heartland Library System of the County of Madison,  
EMPLOYER NAME COUNTY

State of Illinois, do hereby certify that I am keeper of its books and records and that the foregoing is a true and correct copy of

a resolution duly adopted by its Board of Directors at a meeting duly convened  
GOVERNING BODY

and held on the 26th day of November, 20 13.

SEAL

CLERK OR SECRETARY OF THE BOARD

### Illinois Municipal Retirement Fund

Suite 500, 2211 York Road, Oak Brook Illinois 60523-2337 www.imrf.org

IMRF Form 6.72 (Rev. 08/03) Service Representatives 800/ASK-IMRF (1-800-275-4673)



# Illinois Municipal Retirement Fund

Suite 500 2211 York Road Oak Brook IL 60523-2337

Service Representatives 1-800-ASK-IMRF

[www.imrf.org](http://www.imrf.org)

**Internal Audit Department  
Employer Audit Report  
Of  
Illinois Heartland Library System #6925  
October 25, 2013**

## FINDINGS AND RECOMMENDATIONS

#	Finding	Recommendation	Due Date
1	<p>We performed a reconciliation of gross 2012 wages (from your payroll reports) to the wages reported to IMRF for several randomly selected employees.</p> <p>As a result of this reconciliation we noted that you are not exempting IRS Code Section 125 plans from IMRF wages even though IRS Code Section 125 plans are exempt from all taxes.</p>	<p>In order to have IRS Code Section 125 deductions treated as IMRF wages, it will be necessary to pass Resolution 6.72 ("Suggested Resolution to Include Compensation Paid Under an IRS Code 125 Plan as IMRF Earnings") with an effective date of when the Employer started reporting this way.</p> <p>If the governing body chooses not to pass Resolution 6.72, wage adjustments will be required for all affected IMRF members back to July 1, 2011 (date employer joined IMRF).</p> <p>If you have Employer Access, you should make employee wage adjustments online for each employee that needs a wage adjustment to remove the reported section 125 plan deductions.</p> <p>If you encounter any problems with this process, please contact our Wage Reporting Unit Supervisor Fidel Quintero.</p>	November 14, 2013