Agenda
Village of Glen Ellyn
Police Pension Board Meeting
Tuesday, March 2, 2021
4:00 PM
Glen Ellyn Civic Center, Galligan Board Room
Meeting Held Virtually - Via Zoom Only

This meeting will be conducted by audio and video conference without a physically present quorum of the Commission because of a disaster declaration related to COVID-19 and public health concerns affecting the Village of Glen Ellyn. The Illinois General Assembly passed Senate Bill 2135 on May 23, 2020, which was signed by the Governor on June 12, 2020. Senate Bill 2135 (now Public Act 1010640) amends the Open Meetings Act and allows the Village Board and Commissions to participate electronically in Board and Commission meetings when it is not feasible due to a disaster such as COVID-19. The Village has determined that an in person meeting at the Civic Center is not practical or prudent because of the disaster. Physical attendance at the Civic Center by the public is also not feasible because of the disaster.

To participate in the meeting at the appointed date and time, please click the link below to join the webinar:

https://us02web.zoom.us/j/82918256704?pwd=bks3bTdVSjdxT0h1YzgyVCtNbGFXUT09
Passcode: 055511
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 312 626 6799 or +1 301 715 8592 or +1 646 558 8656 or +1 669 900 9128 or +1 253 215 8782 or +1 346 248 7799
Webinar ID: 829 1825 6704

A. Call to Order

B. Public Comment (Non Agenda Items)

C. Approval of Transfer

1) Motion to approve a transfer to the Wheaton Police Pension Fund in the amount of $466,720.68

D. Other Business

E. Adjournment

1) Motion to adjourn to Executive Session for the discussion concerning pending litigation matters pursuant to 5 ILCS 120/2 (c)(11) without returning to open session thereafter

Glen Ellyn Police Pension Board
535 Duane Street
Glen Ellyn, IL 60137

Meeting 3/2/2021 4:00 PM
Department: Finance
Department Head: Christina Coyle
Category: Personnel
Prepared By: Christina Coyle

AGENDA ITEM (ID # 2021-937)

DOC ID: 2021-937

Motion to approve a transfer to the Wheaton Police Pension Fund in the amount of $466,720.68

Statement of the Issue:
Please see the attached request for transfer of service.

Analysis:
N/A

Budget Impact:
N/A

Action Requested:
Motion to approve a transfer to the Wheaton Police Pension Fund in the amount of $466,720.68

Attachments:

1. Cusack, R - Prior PF Transfer Request FINAL

Lauterbach & Amen, LLP
CERTIFIED PUBLIC ACCOUNTANTS
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January 25, 2021

Members of the Pension Fund Board
Glen Ellyn Police Pension Fund
Glen Ellyn, Illinois

RE: Transfer of Creditable Service for Ryan Cusack from Glen Ellyn Police Pension Fund to Wheaton Police Pension Fund

Members of the Pension Board of Trustees:

Thank you for providing the information requested for the potential transfer of creditable service from the Glen Ellyn Police Pension Fund to the Wheaton Police Pension Fund for Ryan Cusack.

Enclosed please find a signed Irrevocable Authorization and Agreement for this transfer. We respectfully request that the Glen Ellyn Police Pension Fund remit $466,720.68 to the Wheaton Police Pension Fund as referenced in the enclosed letter dated January 15, 2021. Remittance should be made payable to the WHEATON POLICE PENSION FUND and mailed to Lauterbach & Amen, LLP / Attn: Service Purchases / 668 N River Road / Naperville, IL 60563.

Please do not hesitate to contact me should you have any questions.

Cordially,

Anie Wascher

Anie Wascher
Lauterbach & Amen, LLP

Encl.

CC: Wheaton Police Pension Fund

Election to Transfer Creditable Service (Portability) under PA 090-0460 * 40 ILCS 5/3-110.7 - Continued

X Option 2 – I elect not to remit the True Cost balance my Current Pension Fund. I understand I will receive a reduced service credit with my Current Pension Fund in lieu of payment of the True Cost balance. I understand the remaining service I had with my Prior Pension Fund will be permanently lost and I will not be able to repurchase this lost time under current statutes. This creditable service may not be transferred to another pension fund until all costs are paid in full to my Current Pension Fund and I have completed 2 complete, non-transferred years of service with my Current Police Department.

I understand that a copy of this Authorization will be forwarded to my Prior Pension Fund by my Current Pension Fund within 7 days of receipt. I further understand that my Prior Pension Fund must, within 30 days of receipt of this signed Authorization, transfer the designated creditable service time to my Current Pension Fund along with the payment of all monies required to be transferred per 50 IAC 4404.73.

\- Or -

_____ I have decided not to pursue this transfer of my creditable service from my Prior Pension Fund to my Current Pension Fund and I withdraw my request. I acknowledge that if I choose to request this transfer at a later date, all costs presented are subject to recalculation.

I understand that I must provide this completed authorization form to my Current Pension Fund within 14 days of receiving their notification of the cost and payment options for this transfer. I understand that if I fail to notify them by the 15th day, January 30, 2021, my initial portability application to transfer the designated service is automatically withdrawn.

Signature: Ryan Cusack / Date: 1/21/21

January 15, 2021

Ryan Cusack
511 Litchfield Way
Oswego, Illinois 60543
ryan.cusack@att.net

RE: Transfer of Creditable Service for Ryan Cusack from Glen Ellyn Police Pension Fund to Wheaton Police Pension Fund

Ryan Cusack:

We have been asked to calculate the transfer of your creditable service of 19 years, 0 months, 28 days (September 26, 2001 through October 23, 2020) from the Glen Ellyn Police Pension Fund to the Wheaton Police Pension Fund.

COST SUMMARY

GLEN ELLYN

Records indicate you did not receive a refund of your contributions of $138,147.83 from the Glen Ellyn Police Pension Fund.

The Glen Ellyn Police Pension Fund is required to transfer to the Wheaton Police Pension Fund your contributions into the fund plus 6% interest, compounded annually from the date of each contribution to the date of the transfer request. In addition, the Glen Ellyn Police Pension Fund is required to match this amount.

This required transfer from the Glen Ellyn Police Pension Fund to the Wheaton Police Pension Fund is $466,720.68.

WHEATON

Your date of hire for pension purposes with the Wheaton Police Pension Fund is October 26, 2020. Please be advised that all amounts due to the Wheaton Police Pension Fund are based on the accuracy of this date. Any adjustment to this date may result in a recalculation of the amounts due.

Per 40 ILCS 5/3-110(d)(2)&(3), if the "receiving" pension fund (Wheaton) determines that the amount being transferred from the "prior" pension fund (Glen Ellyn) is less than the "true cost" to establish this length of service with the receiving fund, then the police officer must pay to the receiving fund the difference between the true cost and the amount transferred from the prior fund. Per Public Act 096-0297 (passed in August 2009) the police officer now has the option of :

WHEATON - Continued

(1) paying this True Cost difference and receiving credit for the full period of service being transferred
or
(2) not paying the True Cost difference and receiving a "prorated" transfer of service.

The True Cost to transfer your time from Glen Ellyn Police Pension Fund, as calculated by the Wheaton Police Pension Fund's actuary, is $729,371.00. Subtracting the money due from the Glen Ellyn Police Pension Fund, there will be a remaining balance due from you to the Wheaton Police Pension Fund of $262,650.32.

OPTIONS

OPTION 1 – Paying the True Cost Difference / Receiving Full Service Transfer:
The True Cost difference of $262,650.32 can be paid lump sum, in equal installments for a period of up to 5 years, or in some combination of these methods. The installments can be made as a payroll deduction, but the balance accrues interest until it is paid in full (specifically, interest is assessed at 6% compounded annually on the unpaid balance). We have calculated repayment schedules for your reference, which reflect the per-paycheck deductions and interest accrued, if the balance is paid over one year through five years (the maximum period allowable per statutes). To summarize these schedules:

Repayment Period		Per Paycheck Deduction	Total Interest Paid	True Cost Payroll Start Date
1 year	26 bi-weekly payments	$10,415.38	$8,149.56	03/12/21
2 years	52 bi-weekly payments	$5,363.27	$16,239.72	03/12/21
3 years	78 bi-weekly payments	$3,681.23	$24,485.62	03/12/21
4 years	104 bi-weekly payments	$2,841.71	$32,887.52	03/12/21
5 years	130 bi-weekly payments	$2,339.20	$41,445.68	03/12/21

OPTION 2 - Not Paying the True Cost Difference / Receiving Partial Service Transfer:
If you elect to not pay the True Cost Difference, you will receive a transfer of creditable service credit of 12 years, 2 months, 14 days as reflected below. Please be advised that the remaining service you had with Glen Ellyn Police Pension Fund will be lost and you will not be able to repurchase this lost time under current statutes.

Creditable service from Glen Ellyn converted to Wheaton:

Wheaton months = Glen Ellyn months x (Glen Ellyn transfer/True Cost)
Wheaton months = 228.93 months x ($466,720.68/$729,371.00)
Wheaton months = 228.93 months x (0.6399)
Wheaton months = 146.49 months (12 years, 2 months, 14 days)

In electing either option, your date of hire, for pension purposes with the Wheaton Police Pension Fund, will adjust accordingly to reflect the date below.

Original Wheaton Police Pension Fund Date of Hire: **October 26, 2020**
Option 1 - Adjusted Wheaton Police Pension Fund Date of Hire: **September 28, 2001**
Option 2 - Adjusted Wheaton Police Pension Fund Date of Hire: **August 12, 2008**

ACTION

Please note that you have 14 days from receipt of this letter to

a. Provide an irrevocable written authorization to transfer creditable service to the Wheaton Police Pension Fund (a copy will be sent by the Fund to the Glen Ellyn Police Pension Fund).
b. Submit a written request to the Wheaton Police Pension Fund to withdraw your application for transferring creditable service (a copy will be sent by the Fund to the Glen Ellyn Police Pension Fund).

Please note that all monies must be paid in full while you are still an active member of Wheaton Pension Fund for the service to be considered pensionable.

A copy of the authorization and withdrawal forms are enclosed with this letter for your convenience – please complete and return only the form reflecting your election. Per Section 4404.90 of the Administrative Code, if you fail to do either by the 15th day, January 30, 2021, your request is automatically withdrawn. Please contact me at (630) 393-1483 if you have any questions.

Cordially,

Anie Wascher

Anie Wascher
Lauterbach & Amen, LLP

Encl.

CC: Glen Ellyn Police Pension Fund
Wheaton Police Pension Fund