

RESOLUTION NO. 17-2018

A RESOLUTION PROVIDING FOR THE PROCEDURES TO FUND THE VILLAGE OF STICKNEY POLICE PENSION FUND FROM PARTICIPANTS' CONTRIBUTIONS.

WHEREAS, the Village of Stickney (the "Village" or "Stickney") has adopted Article 3 of the Illinois Pension Code pertaining to the creation of a police pension fund in conformance with 40 ILCS §5/3-103 (2006) as amended; and

WHEREAS, the Board of Trustees of the Village of Stickney (the "Village Board") has previously established and created the Stickney Police Pension Fund (the "Police Pension Fund") in accordance with 40 ILCS §5/3-101 *et seq.* (2006) as amended; and

WHEREAS, Stickney police officers are required to contribute a percentage of their respective salaries to the Police Pension Fund pursuant to 40 ILCS §5/3-125.1 (2006) as amended; and

WHEREAS, the Village President (the "President") and the Board of Trustees of the Village (the "Village Board" and, with the President, the "Corporate Authorities") desire to "pick up" the police officers' contributions to the Police Pension Fund in accordance with 40 ILCS §5/3-125.2 (2006) as amended, by reducing the current cash salaries of such police officers; and

WHEREAS, pursuant to I.R.S. Rev. Ruling 2006-43, the Village desires to cease withholding Federal and State income taxes on "picked up" contributions, as provided by 40 ILCS §5/3-125.2 (2006) as amended, pursuant to United States Internal Revenue Code Section 414(h) that such contributions shall not be included as gross income of the police officers until such time as they are distributed or made available to the individual police officers, or their heirs, by the Police Pension Fund.

NOW, THEREFORE, BE IT RESOLVED by the President and the duly authorized Board of Trustees of the Village of Stickney, County of Cook, State of Illinois, as follows:

**ARTICLE I.
IN GENERAL**

SECTION 1. INCORPORATION CLAUSE.

The Corporate Authorities hereby find that all of the recitals hereinbefore stated as contained in the preambles to this Resolution are full, true and correct and do hereby, by reference, incorporate and make them part of this Resolution as legislative findings.

SECTION 2. PURPOSE.

The purpose of this Resolution is to "pick-up" the police pension contributions as provided by and in accordance with 40 ILCS §5/3-125.2 and to authorize the President or his designee to take all steps necessary to carry out the terms of this Resolution and to ratify any steps taken to effectuate those goals.

ARTICLE II.
**AUTHORIZATION TO “PICK UP” POLICE PENSION CONTRIBUTIONS AS PROVIDED FOR
BY 40 ILCS §5/3-125.2**

SECTION 3. AUTHORIZATION.

The Village Board hereby elects and declares its intention to “pick-up” police officer pension contributions. Pursuant to I.R.S. Rev. Ruling 2006-43, United States Internal Revenue Code Section 414(h), and 40 ILCS §5/3-125.2 such contributions shall not be included as gross income of the police officers until such time as they are distributed or made available:

1. The Village shall "pick up" police officers' contributions to the Police Pension Fund in accordance with 40 ILCS §5/3-125.2 (2006) as amended;
2. The contributions, although designated as employee contributions, are being paid directly by the Village in lieu of contributions by the employee;
3. Police officers' current cash salaries shall be reduced by an amount equal to the amount "picked up" by the Village;
4. The Village shall not withhold Federal and State income taxes on the "picked up" contributions; and
5. Police officers will not be given the option to receive cash directly in lieu of contributions.
6. Such contributions shall not be included as gross income of police officers until such time as they are distributed or made available.

The Village Board further authorizes and directs the President or his designee to execute any and all additional documentation, with such insertions, omissions and changes as shall be approved by the President and the Attorney, that may be necessary to carry out the intent of this Resolution. The Village Clerk is hereby authorized and directed to attest to and countersign any documentation as may be necessary to carry out and effectuate the purpose of this Resolution. The Village Clerk is also authorized and directed to affix the Seal of the Village to such documentation as is deemed necessary. The Village Clerk or a designee of the same is further directed and authorized to publish this Resolution, at the first opportunity after its passage, in a newspaper published and of general circulation in the Village.

ARTICLE III.
**HEADINGS, SAVINGS CLAUSES, PUBLICATION,
EFFECTIVE DATE**

SECTION 4. HEADINGS.

The headings of the articles, sections, paragraphs and subparagraphs of this Resolution are inserted solely for the convenience of reference and form no substantive part of this Resolution nor should they be used in any interpretation or construction of any substantive provision of this Resolution.

SECTION 5. SEVERABILITY.

The provisions of this Resolution are hereby declared to be severable and should any provision of this Resolution be determined to be in conflict with any law, statute or regulation by a court of competent jurisdiction, said provision shall be excluded and deemed inoperative, unenforceable and as though not provided for herein, and all other provisions shall remain unaffected, unimpaired, valid and in full force and effect.

SECTION 6. SUPERSEDER.

All code provisions, resolutions, ordinances, rules and orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby superseded.

SECTION 7. PUBLICATION.

A full, true and complete copy of this Resolution shall be published in pamphlet form or in a newspaper published and of general circulation within the Village as provided by the Illinois Municipal Code, as amended.

SECTION 8. EFFECTIVE DATE.

This Resolution shall be effective and in full force immediately upon passage and approval.

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PASSED this 7th day of August, 2018.

AYES: Trustees Hrejsa, Kapolnek, Milenkovic, Torres and White

NAYS: none

ABSENT: Trustee Savopoulos

ABSTENTION: none

APPROVED by me this 7th day of August, 2018.

Jeff Walik, President

ATTESTED AND FILED in my
office this 7th day of August, 2018.

Audrey McAdams, Village Clerk