

VILLAGE OF CHATHAM, ILLINOIS  
RESOLUTION NO. 19 -91

**RESOLUTION TO DETERMINE THE INCOME TAX TREATMENT OF  
POLICE OFFICERS' CONTRIBUTIONS TO THE POLICE PENSION FUND**

WHEREAS, the Village has previously created a Police Pension Fund pursuant to Article 3 of the Illinois Pension Code (Ch. 108½, ¶3-101, et seq, Ill. Rev. Stat., 1989, as amended) (the "Police Pension Statute"); and

WHEREAS, the Police Pension Statute mandates that contributions to the Police Pension Fund be made by the police officers who are benefitted by the fund; and

WHEREAS, the Police Pension Statute authorizes Illinois municipalities to "pick up" employee contributions for federal income tax purposes; and

WHEREAS, the "pick up" of such contributions reduces the federal income tax liability of the police officers at no cost to the Village;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF CHATHAM, SANGAMON COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. The Village of Chatham hereby determines that it is in the best interests of the police officers of the Village and the Village to "pick up" police officer contributions to the Police Pension Fund as provided in ¶3-125.2 of the Police Pension Statute (Ch. 108½, ¶3-125.2 Ill. Rev. Stat., 1989, as amended).

Section 2. The Village Treasurer is hereby authorized and directed to compute the amount of federal income tax that is

to be withheld from the salary of police officers after subtracting the amount of Police Pension Fund contributions from the gross salary of the police officers.

Section 3. The Village Treasurer is hereby authorized and directed to take all necessary steps to effectuate this "pick up" election by the Village.

Section 4. This Resolution shall become effective upon its passage and signing.

PASSED this 23 day of July, 1991.

AYES: 5

NAYS: 0

ABSTAINED: 0

ABSENT: 1

NOT VOTING: \_\_\_\_\_

APPROVED this 23 day of July, 1991.

Carl P. Oblong  
President

ATTEST:

Pat Schindler  
Village Clerk