

A G E N D A

REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK TO BE HELD ON WEDNESDAY, APRIL 27, 2011, AT 3:30 P.M. AT THE VILLAGE HALL, 7760 QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL - MINUTES OF REGULAR MEETING - 01/19/11
4. APPROVAL - EXPENSES INCURRED JANUARY THRU MARCH 2011
5. APPROVAL - INCREASE IN PENSION BENEFITS - EDWARD J. KONSTANTY
6. APPROVAL - INVESTMENTS MADE JANUARY THRU MARCH 2011 - Quarterly Investment Report - MB Financial Bank
7. REVIEW - INVESTMENT POLICY
8. INFORMATION - RICHARD KLEVEN
9. VISITOR BUSINESS (Public comment is limited to three minutes per person on agenda items only)
10. NEW BUSINESS
11. OLD BUSINESS  
Annual Report - Department of Insurance
12. COMMUNICATIONS
13. ADJOURNMENT

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON JANUARY 19, 2011, AT THE VILLAGE HALL, 7760 QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

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1. CALL TO ORDER

The meeting was called to order at the hour of 3:13 p.m. by President Umberto Davi.

2. ROLL CALL

Those present at roll call were Trustees Tim Kobler and Joseph Pec, and President Davi. Also present were Terese Krafchek and Dave Harrington from MB Financial Bank. ABSENT: Trustee Scott Eisenbeis.

3. APPROVAL OF MINUTES OF REGULAR MEETING - 10/18/10

After a brief discussion by the Board, the following motion was made:

MOTION: Made by Trustee Pec, seconded by Trustee Kobler, to approve the minutes of the regular meeting of the Police Pension Fund Board of Trustees held on October 18, 2010.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL OF EXPENSES INCURRED OCTOBER THRU DECEMBER, 2010

President Davi summarized the expenses of the Pension Fund as follows: 1) Pension Benefits-Foley-\$19,288.44; 2) Pension Benefits-Kleven-\$9,347.67; 3) Pension Benefits-Konstanty-\$22,045.92; 4) Pension Benefits-Pec-\$19,099.23; 5) Disability Benefits-Dusek-\$7,773.78; 6) Disability Benefits-McCarthy-\$4,862.01; 7) Financial Management Fees-\$5,402.62; 8) Department of Insurance/Annual Report-\$1,500.00; and 9) IPPFA Conference/Kobler-\$900.66; 10) IPPFA/Annual Membership Dues-\$775.00. The total expenditures for the Pension Fund for October thru December 2010 were \$90,995.26.

After a brief discussion by the Board, the following motion was made:

MOTION: Made by President Davi, seconded by Trustee Kobler, to approve the expenditures in the amount of \$90,995.26 incurred by the Police Pension Fund for October thru December 2010.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL OF INVESTMENTS MADE OCTOBER THRU DECEMBER 2010 -  
QUARTERLY INVESTMENT REPORT - MB FINANCIAL BANK

Terese Krafchek, representing MB Financial Bank, summarized the quarterly investment report for the Pension Fund Board.

Ms. Krafchek stated that all aspects of the fund did well. The total fund was up 3.54% for the last quarter of the year. The fund began the quarter at \$12,930,094 and after additions and changes due to investments, ended at \$13,504,892.

Dave Harrington summarized the portfolio allocations with 40.93% in equities, 3.94% in cash/cash equivalents, 1.56% in Mutual Funds, 2.48% in Commodities, and 51.09% of the portfolio in fixed income securities. The 40.93% equity was invested 65.66% in large cap U.S. stocks, 5.43% in mid cap U.S. stocks, 10.92% in small cap U.S. stocks, 16.58% in international stocks, and 1.40% in emerging markets; and the 51.09% fixed income was invested in 11.19% U.S. Treasuries, 64.54% in U.S. Agencies, 21.45% in Municipal Bonds, 1.32% in U.S. Mortgage Backed Securities, and 1.50% in Certificates of Deposit.

Mr. Harrington stated that there will be a push in the Equities to increase International to 20%.

Mr. Harrington indicated that a new report was added that shows the credit quality of the bonds in the portfolio and tracks the ratings of municipal and corporate bonds.

Trustee Kobler questioned about the change in pension legislation and if there should be a policy shift. Ms. Krafchek stated that the fund can go up to 50% in equities by July of 2011 and by July of 2012 up to 55%. Ms. Krafchek stated that the legislation also allowed for investment into corporate bonds. Ms. Krafchek indicated that this offers greater diversification, which can lower risk, and enhances yield. Ms. Krafchek requested that a review of the investment policy be placed on the agenda for the next meeting.

After a discussion by the Board, the following motion was made:

MOTION: Made by Trustee Kobler, seconded by Trustee Pec, to approve the investments and recommendations made by MB Financial Bank on behalf of the Police Pension Fund from October thru December 2010.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

6. INFORMATION - ANNUAL REPORT - DEPARTMENT OF INSURANCE

The Pension Board acknowledged that the report was electronically filed. Recording Secretary Cindy Stuchl advised that the certification form was originally submitted with the Treasurer position marked as vacant. Ms. Stuchl was contacted by the Department of Insurance and they indicated that the position needed to be signed even though Sue Stanish had not been appointed by the President and Board of Trustees. Ms. Stanish then signed the form and it was resubmitted.

President Davi questioned on how the report will be filed for this year. Currently, Sikich Consulting is being used on a temporary basis for accounting purposes. Ms. Krafchek indicated that Sikich is one of the firms that knows how to file the report. President Davi requested that this issue be addressed at the next Pension meeting.

7. INFORMATION - RENEWAL APPLICATION - FIDUCIARY INSURANCE

Recording Secretary Stuchl indicated that the renewal was submitted. Payment will be shown on the expenditures for first quarter of 2011. The renewal policy is effective January 15, 2011 for the term of one year.

8. INFORMATION - INCREASE IN PENSION BENEFITS

President Davi reviewed information on the statutory increases in pension benefits effective January 1, 2011. Richard Kleven gets a 3% increase of his current pension. Joseph Pec gets a 3% increase of his current pension. Joseph Dusek gets a 3% increase of his original pension. James McCarthy is not entitled to an increase until he becomes 55 years of age.

Based on his retirement date, Edward Konstanty will receive his first 3% increase of his current pension in April of 2011. Francis Foley will not be eligible to an increase until January 1, 2015.

The Board changed this agenda item to an Approval Item. The Board agreed to add the increase for Mr. Konstanty onto the April agenda.

After a discussion by the Board, the following motion was made:

MOTION: Made by President Davi, seconded by Trustee Kobler, to approve the statutory increases in pension benefits for eligible participants effective January, 2011.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

9. VISITER BUSINESS

There was no visitor business.

10. NEW BUSINESS

There was no new business.

11. OLD BUSINESS

There was no old business.

12. COMMUNICATIONS

There were no communications.

13. ADJOURNMENT

MOTION: Made by Trustee Pec, seconded by President Davi to adjourn the meeting of the Board of Trustees of the Police Pension Fund at the hour of 3:54 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

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Police Pension Fund Board of Trustees Meeting  
January 19, 2011

PRESENTED, READ and APPROVED,

April 27, 2011

\_\_\_\_\_  
President

Minutes transcribed by Cindy Stuchl.

Police Pension Fund Expenditures – January – March, 2011

Pension Benefits – Foley	\$ 19,288.47
Pension Benefits – Kleven	2,174.09
Pension Benefits – Kleven (Widow)	7,454.02
Pension Benefits – Konstanty	22,045.92
Pension Benefits – Pec	19,672.20
Disability Benefits – Dusek	7,914.27
Disability Benefits – McCarthy	<u>4,862.01</u>
Benefits Total	\$ 83,410.98
MB Financial Bank/Financial Advisory Fees	5,766.82
Mesirow Financial/Fiduciary Insurance	2,998.00
Fund Total	\$ 92,175.80

VILLAGE OF WILLOWBROOK  
EXPENDITURE ACCOUNT INQUIRY

RUN: 04/06/11 9:27AM

(JANUARY THRU MARCH)

PAGE: 1

MO	JL	POST/CK. DATE	REFERENCE NUMBER	DATE	CHECK NUMBER	P.O. NUMBER	ENCUMB. LIQUID.	EXPEND.	EXPENDED BALANCE	PRCT.	UNEXPEND. BALANCE	UNENCUMB. BALANCE
07-62-401-581 PENSION BENEFITS 07-401-581								APPROP:			BUDGET:	273,833.00
1	PR	01/28/11	01/28/11	01/28/11				22,509.62	202,163.43	73.8	71,669.57	71,669.57
POLICE PENSION BENEFIT												
2	PR	02/25/11	02/25/11	02/25/11				20,335.53	222,498.96	81.3	51,334.04	51,334.04
POLICE PENSION BENEFIT												
3	PR	03/25/11	03/25/11	03/25/11				20,335.53	242,834.49	88.7	30,998.51	30,998.51
POLICE PENSION BENEFIT												
07-62-401-582 WIDOW'S PENSION 07-401-582								APPROP:			BUDGET:	0.00
1	PR	01/28/11	01/28/11	01/28/11				1,035.28	1,035.28	0.0	-1,035.28	-1,035.28
2	PR	02/25/11	02/25/11	02/25/11				3,209.37	4,244.65	0.0	-4,244.65	-4,244.65
3	PR	03/25/11	03/25/11	03/25/11				3,209.37	7,454.02	0.0	-7,454.02	-7,454.02
07-62-401-583 DISABILITY BENEFITS 07-401-583								APPROP:			BUDGET:	50,730.00
1	PR	01/28/11	01/28/11	01/28/11				4,258.76	37,954.20	74.8	12,775.80	12,775.80
POLICE PENSION DISABILITY BENEFIT												
2	PR	02/25/11	02/25/11	02/25/11				4,258.76	42,212.96	83.2	8,517.04	8,517.04
POLICE PENSION DISABILITY BENEFIT												
3	PR	03/25/11	03/25/11	03/25/11				4,258.76	46,471.72	91.6	4,258.28	4,258.28
POLICE PENSION DISABILITY BENEFIT												
07-62-401-253 FINANCIAL ADVISORY SERVICES 07-401-253								APPROP:			BUDGET:	25,000.00
1	PS	01/31/11	POLICE PENSION	01/31/11				5,766.82	16,471.13	65.9	8,528.87	8,528.87
FINANCIAL ADVISORY FEES												
07-62-401-599 OTHER EXPENSES 07-401-599								APPROP:			BUDGET:	1,000.00
								***** BALANCE FORWARD *****	0.00	0.0	1,000.00	1,000.00
2	CD	02/09/11	719793	01/26/11	77007			2,998.00	2,998.00	299.8	-1,998.00	-1,998.00
MESIROW FINANCIAL SERVICES INC (2314)												
OTHER EXPENSES 07-401-599												



# Village of Willowbrook

7760 Quincy Street  
Willowbrook, IL 60527-5594

Phone: (630) 323-8215 • Fax: (630) 323-0787 • www.willowbrookil.org

December 21, 2010

Village President

Robert A. Napoli

TO: Willowbrook Police Pension Fund Board of Trustees

FROM: Sue Stanish, Director of Finance *SS*

SUBJECT: Increase in Monthly Pension Benefits

Village Clerk

Leroy R. Hansen

Mr. Richard Kleven is entitled to an increase of 3 percent of his **current pension** or \$93.48 per month effective January 2011. His new monthly pension for 2011 will be \$3,209.37.

Village Trustees

Dennis Baker

Mr. Pec is entitled to a 3 percent increase of his **current pension** or \$190.99 per month effective January 2011. His new monthly pension for 2011 will be \$6,557.40.

Umberto Davi

Mr. Joseph Dusek is entitled to an increase of 3 percent of his **original pension** or \$46.83 per month effective January 2011. His new monthly pension for 2011 will be \$2,638.09.

Terrence Kelly

Michael Mistele

Mr. James McCarthy is currently receiving a monthly disability payment of \$1,620.67 and is not entitled to an annual increase in his monthly amount.

Sandra O'Connor

Paul Schoenbeck

**APRIL 2011 INCREASE**

Mr. Konstanty is entitled to a 3 percent increase of his **current pension** or \$238.83 per month effective April 1, 2011. His new monthly pension effective April 1, 2011 will be \$7,587.47.

Mr. Pat Foley will not be entitled to an increase until January 1, 2015

Please contact me, if you have any question.

Cc: Janet Kufirin, Finance Secretary

**WILLOWBROOK POLICE PENSION FUND  
INVESTMENT POLICY  
AS AMENDED APRIL 20, 2006**

**POLICY**

It is the policy of the Willowbrook Police Pension Fund to invest police pension funds in a manner which will provide maximum security with a market rate of return while meeting the cash flow demands of the fund and conforming to all state and local statutes governing the investment of police pension funds.

**SCOPE**

This investment policy applies to the investment activities of the Willowbrook Police Pension Fund. All financial assets of the Willowbrook Police Pension Fund shall be administered in accordance with the provisions of this policy.

**PRUDENCE**

The standard of prudence to be used by investment officials shall be the “prudent investor” standard and shall be applied in the context of managing an overall portfolio. The “prudent investor” standard is an investment standard - under circumstances then prevailing - that requires investment professionals to act responsibly with explicit concern for the safety of public capital.

Investment officers acting in accordance with the Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

**OBJECTIVES**

The primary objectives, in priority order, of the Willowbrook Police Pension Fund investment activities shall be:

1) **Safety**

Safety of principal is the foremost objective of the Investment Policy of the Willowbrook Police Pension Fund. Each investment transaction shall seek to first ensure that capital losses are avoided, whether they be from securities default or erosion of market value. The Willowbrook Police Pension Fund shall diversify its investments to avoid incurring unreasonable risks regarding specific security types and/or individual financial institutions.

2) Liquidity

The Willowbrook Police Pension Fund's investment portfolio shall remain sufficiently liquid to enable the Pension Fund to meet all operating requirements which may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity).

3) Return on Investment

The Willowbrook Police Pension Fund's investment portfolio shall be designed with the purpose of regularly exceeding the average return of the ten-year United States Treasury Note, throughout budgetary and economic cycles. The investment program shall seek to augment returns above this threshold taking into account the Willowbrook Police Pension Fund's investment risk constraints and the cash flow characteristics of the portfolio.

4) Public Trust

In managing an investment portfolio, officials should avoid any transaction that might impair public and plan participant's confidence in the Pension Board's ability to manage the fund. Investments should be made with precision and care, considering the probable safety of the capital as well as the probable income to be derived.

## **DELEGATION OF AUTHORITY**

Management responsibility of the investment program is the responsibility of the Willowbrook Police Pension Fund Board, who shall establish written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to other positions responsible for investment transactions and investment records. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Board. The Willowbrook Police Pension Fund Board shall be responsible for implementation of all transactions undertaken, and shall establish a system of internal controls to regulate the activities of subordinate officials. Investments of the Willowbrook Police Pension Fund are to be approved by the Pension Board.

## **ETHICS AND CONFLICTS OF INTEREST**

Officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials must disclose to the Willowbrook Police Pension Fund Board any material financial interests in financial institutions that conduct business within the jurisdiction, and they shall further disclose any large personal financial/investment positions that could be related to the performance of the Willowbrook

Police Pension Fund's portfolio. Employees and officers shall subordinate their personal investment transactions to those of the Willowbrook Police Pension Fund, particularly with regard to time of purchases and sales.

### **AUTHORIZED FINANCIAL DEALERS AND INSTITUTIONS**

The Willowbrook Police Pension Fund Board and the Treasurer of the Village of Willowbrook will maintain a list of financial institutions and brokers authorized to provide investment services. In addition, a list will be maintained of approved security broker/dealers selected by credit worthiness, who maintain an office in the State of Illinois.

Financial institutions will be required to meet the following criteria in order to receive Willowbrook Police Pension fund monies for investment:

1) **Insurance**

Public funds shall be deposited only in financial institutions insured by the Federal Deposit Insurance Corporation (FDIC).

2) **Collateral**

Collateral is required for demand deposits and certificates of deposit at 110 percent of all deposits not covered by federal deposit insurance. Obligations that may be pledged as collateral are:

Government Securities  
Obligations of Federal Agencies  
Obligations of Federal Instrumentalities  
Obligations of the State of Illinois

Pledged collateral will be held in safekeeping by an independent third party depository or the Federal Reserve Bank of Chicago, designated by the Fund and evidenced by a safekeeping agreement. Substitution or exchange of securities held in safekeeping may be done without prior written notice provided the market value of the replacement securities are equal or greater than the market value of the securities being replaced and maturities of the replaced securities are similar.

3) **Disclosure**

Each financial institution shall furnish corporate authorities a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Trust Companies or the Comptroller of the Currency, along with quarterly call reports.

## AUTHORIZED AND SUITABLE INVESTMENTS

The Willowbrook Police Pension fund may invest in any of the following securities allowed by Illinois Pension Code Section 3-135 and by the Public Funds Investment Act (30 ILCS 235/0.01):

- 1) Bonds, notes, certificates of indebtedness, treasury bills, treasury strips or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- 2) Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
- 3) Interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act (205 ILCS 5/1), provided that such investments may only be made in banks which are insured by the Federal Deposit Insurance Corporation.
- 4) Investments in the Illinois Public Treasurer's Investment Pool or any other authorized Local Government Investment Pool (LGIP) which is qualified for Downstate police pension funds, and in funds managed, operated and administered by a bank or a subsidiary of a bank holding company.
- 5) Money market mutual funds registered under the Investment Company Act of 1940, as from time to time amended, provided that the portfolio of any such money market mutual fund is limited to bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest.
- 6) Contracts and agreements supplemental thereto providing for investments in the general account of a life insurance company authorized to do business in Illinois.
- 7) Separate accounts of a life insurance company authorized and licensed to do business in the State of Illinois, comprised of common or preferred stocks, bonds, or money market instruments and separate accounts managed by a life insurance company authorized and licensed to do business in the State of Illinois, comprised of real estate secured by first or second mortgages.
- 8) For pension funds with net assets of \$2,500,000 or more, mutual funds that meet the following requirements:
  - a. The mutual fund is managed by an investment company as defined and registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
  - b. The mutual fund has been in operation for at least five years.
  - c. The mutual fund has total net assets of \$250 million or more.

- d. The mutual fund is comprised of diversified portfolios of common or preferred stocks, bonds, or money market instruments.
- 9) For the pension funds with net assets of \$5,000,000 or more, common and preferred stocks that meet the following requirements:
- a. Investments made through an investment advisor with a written contract.
  - b. Stocks of U.S. Corporations that have been in existence for five years.
  - c. Corporations not in arrears in payment of dividends in the last five years.
  - d. Market value of stock in any one corporation does not exceed 5% of cash invested assets of pension fund.
  - e. Stock in any one corporation does not exceed 5% of the total outstanding stock in the corporation.
  - f. Stocks listed on national securities exchange or quoted in NASDAQNMS.

The Fund's investment in equity investments shall not exceed 10% (for funds of less than \$2,500,000) or 45% (for funds of \$2,500,000 or more) of the market value of the pension funds net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

- 10) Bonds issued by any county, city, township, village, incorporated town, municipal corporation or school district in Illinois.
- 11) Government National Mortgage Association (GNMA): Mortgage pass-through securities based on a pool of home mortgages.
- 12) Any other investments allowed under the Statutes of the State of Illinois.

### **PERFORMANCE MEASUREMENTS**

Performance will be calculated using professional standards as established by the Association for Investment Management Research. The Pension Board shall utilize the following benchmarks for evaluating the Fund's performance:

Application	Benchmark
Cash Equivalents	90 - day U.S. Treasury Bills
Fixed Income	Merrill Lynch Treasury/Agency Index
Large Capitalization Equities	Standard & Poors 500 Stock Index
Small Capitalization Equities	Russell 2000 Stock Index
International Equities	Morgan Stanley Capital International Europe/Australia/Far East Index

## SAFEKEEPING AND CUSTODY

All security transactions entered into by the Willowbrook Police Pension Fund shall be conducted on a delivery-versus-payment (DVP) basis. Securities shall be held by a custodian designated by the Treasurer and evidenced by safekeeping receipts.

## DIVERSIFICATION AND MATURITIES

It is the policy of the Willowbrook Police Pension Fund to diversify its investment portfolio. The average maturity/duration of the portfolio will be managed based upon the current existing interest rate environment. Under most circumstances the maturity/modified duration of the portfolio will be maintained at approximately 5.0 years and will range from 2.0 years to 7.0 years. This type of strategy will result in increasing the maturity/duration of the portfolio when interest rates are rising and decreasing the maturity/duration of the portfolio if interest rates are declining. The investment manager may change the duration of the portfolio as the market conditions permit.

The allocation guidelines, by asset class, for the fixed income investments are as follows:

	<u>Normal Allocation</u> <sup>3</sup>	<u>Range of Allocation</u>
Cash, Money Market, IPTIP accounts: 1	0%	0 - 40%
Bank Certificates of Deposit: 2	0%	0 - 40%
U.S. Treasury Securities:	25%	0 - 55%
U.S. Government Agency Securities:	55%	0 - 25%
U.S. Government Agency MBS's:	10%	0 - 20%
Taxable Municipal Securities:	10%	0 - 20%

### Notes:

1. Cash will be maintained to manage cash flow of the Fund or as a transition asset.
2. Bank certificates of deposit will only be used if market returns are favorable. They will be used as a substitute for the Treasury and Agency portion of the portfolio.
3. Under normal market conditions the structure of the portfolio will be within these limits, however the portfolio manager may diverge from the above suggestions due to abnormal market conditions.

### Equities:

Once the fund reaches the equity allocation approved by the Board and permitted by law, normal asset allocation range for equity portfolio allocation weightings should be:

	<u>Normal Allocation</u>		<u>Range of Allocation</u>
U.S. Large Company Stocks	70%	+/-	30%
U.S. Small Company Stocks	20%	+/-	20%
Foreign Stocks	10%	+/-	10%

The Board has set a goal to invest the maximum percent in equities allowed by law. Portfolio allocations should be rebalanced annually or at the end of any quarter when the portfolio allocation to equities rises above 45% of total fund assets.

### **INTERNAL CONTROLS**

The Willowbrook Police Pension Fund Board and the Treasurer of the Village of Willowbrook shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by the Village independent auditor in conjunction with the annual examination of the financial statements of the Village. The controls shall be designed to prevent or minimize losses of public funds arising from fraud, employee error, misrepresentation by third parties, unanticipated changes in financial markets, or imprudent actions by employees and officers of the Willowbrook Police Pension Fund and/or the Village of Willowbrook.

### **REPORTING**

The Treasurer of the Village of Willowbrook shall submit a monthly report to the Village of Willowbrook Board of Trustees and to the Willowbrook Pension Board including the type of investment, financial institution, interest rate, maturity date, amount invested and any other information deemed appropriate.

The treasurer shall submit a comprehensive annual report on the Pension Fund's investment program and activity to the Pension Board.

A statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility. Review should be consistent with the Government Finance Officers Association (GFOA) Recommended Practice on Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools.

### **ADOPTION**

The Willowbrook Police Pension Fund Investment Policy shall be approved by the Willowbrook Police Pension Fund Board. The Policy shall be reviewed on an annual basis by the Willowbrook Police Pension Fund Board and any modifications made thereto must be approved by the Pension Board.

### **CONFLICT**

In the event of any conflict between this Policy and the Illinois Compiled Statutes or case decisions of the State of Illinois, the Statues and case law decisions shall govern.

## DEFINITIONS

Beneficiary - person eligible for or receiving benefits from a pension fund.

Book Entry Security - securities that can be transferred from institution to institution using the federal electronic wire system, thus eliminating the physical transfer of certificates. Records are maintained on a computer system at the Federal Reserve.

Collateral - the pledging of a security to guarantee performance of an obligation.

Commercial Paper - unsecured promissory notes of corporations issued for 270 days or less.

Fiduciary - person entrusted with the control of assets for the benefit of others.

Investment Manager - an individual or organization that provides investment management services for a fee, either on a discretionary or nondiscretionary basis. Under Illinois law, an investment manager is considered a fiduciary with respect to the Fund.

Illinois Funds - (Illinois Public Treasurers' Investment Pool) - a short-term money market fund for public funds in Illinois.

Market Value - the present price of a given security.

Merrill Lynch Treasury Index - benchmark index that quantifies the price and yield performance of all U.S. Treasury obligations with a maturity of at least one year and an outstanding par value of at least \$100 million. The securities comprising the index are rebalanced on a daily basis.

Merrill Lynch US Treasury/Agency Index - The U.S. Government/Agency Index tracks the performance of the combined U.S. Treasury and U.S. Agency Markets. It includes U.S. dollar-denominated U.S. Treasury and U.S. Agency Bonds, issued in the U.S. domestic bond market, having at least one year remaining term to maturity, a fixed coupon schedule and a minimum amount outstanding of \$1 Billion for U.S. Treasuries and \$150 Million for U.S. Agencies. The index is rebalanced on the last calendar day of the month.

Morgan Stanley Capital International (EAFE) - indices are based on the share prices of approximately 1,600 companies listed on stock exchanges in the twenty-two countries that make up the MSCI National Indices.

Return - the profit or interest as payment for investment.

Russell 2000 Stock Index - is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 11% of the Russell 3000 total market capitalization. The index was developed with a base value of 135.00 as of December 31, 1986.

Security - any note, bond, certificate or interest or certificate of deposit.

Separate Account - term used for variable annuities. Because the risk is borne by the investor in a variable annuity, the issuer may not commingle funds invested in the variable annuity with the general funds of the issuer.

Standard & Poors 500 Stock Index - is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries. The index was developed with a base level of 10 for the 1941-43 base period.

Treasury Bill - short term debt obligation of U.S. government which will mature within ten years at the time of original issuance.

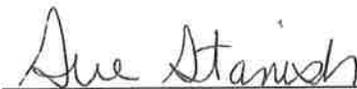
Treasury Bond - longer debt obligations of U.S. government which will mature in ten years or longer at the time of original issuance.

Yield - percentage measured by taking annual interest from an investment and dividing by current market value.

**ADOPTION**

Adopted by the Village of Willowbrook Pension Fund Board of Trustees, as amended, on this Day of April 20,2006.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Treasurer

  
\_\_\_\_\_  
Secretary

  
\_\_\_\_\_  
Trustee



# Village of Willowbrook

7760 Quincy Street  
Willowbrook, IL 60527-5594

Phone: (630) 323-8215 • Fax: (630) 323-0787 • [www.willowbrookil.org](http://www.willowbrookil.org)

**Village President**

Robert A. Napoli

**Village Clerk**

Leroy R. Hansen

Memo To: Willowbrook Police Pension Board

From: Tim Kobler, Vice President

Subject: Richard Kleven

Date: April 12, 2011

As most of you know, former police chief, Richard Kleven, passed away in January of this year. As noted in the expenditures, his widow is now receiving his monthly pension of \$3,209.37. Per statute, this payment will no longer increase.

Attached are copies of two letters that were sent to Ruth Kleven pertaining to requested information that is required for tax purposes. As of this date, the Pension Board has still not received them.

TK/cs  
Attachments



# Village of Willowbrook

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January 25, 2011

**Village President**

Robert A. Napoli

**Village Clerk**

Leroy R. Hansen

**Village Trustees**

Dennis Baker

Umberto Davi

Terrence Kelly

Michael Mistele

Sandra O'Connor

Paul Schoenbeck

Mrs. Ruth Kleven  
P. O. Box 155  
Peel, AR 72668

Dear Mrs. Kleven:

It is with deepest sympathy to hear of the passing of your husband, Richard. The Willowbrook Police Pension Board was notified of your request to change from a regular pension to a surviving spouse pension. Enclosed is a copy of the revised pension calculation.

Please note that the monthly benefit payment will remain at \$3,209.37. The total payment for the month of January 2011 will remain at \$3,209.37 but we are required to split the payment between the regular pension amount of \$2,174.09 for 21 days in Richard's name and the surviving spouse pension amount of \$1,035.28 for 10 days in your name. We will be sending separate payments to the bank account we have on file. This will ensure that accurate 1099-R's are issued at the end of 2011.

Also, when you have it available, could you please provide a copy of Richard's death certificate for our pension file.

If you have any questions or concerns, please feel free to contact me at 630-325-2808.

Sincerely,

Officer Tim Kobler  
Willowbrook Police Pension Fund  
Vice President

Enclosure

CC: Willowbrook Police Pension Board  
Richard Kleven-Pension File

**Withholding Certificate for Pension or Annuity Payments**

**2011**

Department of the Treasury  
Internal Revenue Service

**Purpose.** Form W-4P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W-4P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W-4P to choose (a) not to have any federal income tax withheld from the payment (except for eligible rollover distributions, or payments to U.S. citizens delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

pages 3 and 4. Your previously filed Form W-4P will remain in effect if you do not file a Form W-4P for 2011.

**What do I need to do?** Complete lines **A** through **G** of the **Personal Allowances Worksheet**. Use the additional worksheets on page 2 to further adjust your withholding allowances for itemized deductions, adjustments to income, any additional standard deduction, certain credits, or multiple pensions/more-than-one-income situations. If you do not want any federal income tax withheld (see *Purpose* above), you can skip the worksheets and go directly to the Form W-4P below.

Your options depend on whether the payment is periodic, nonperiodic, or an eligible rollover distribution, as explained on

**Sign this form.** Form W-4P is not valid unless you sign it.

**Personal Allowances Worksheet (Keep for your records.)**

**A** Enter "1" for **yourself** if no one else can claim you as a dependent . . . . . **A** \_\_\_\_\_

**B** Enter "1" if:   
 { • You are single and have only one pension; or   
 • You are married, have only one pension, and your spouse has no income subject to withholding; or   
 • Your income from a second pension or a job or your spouse's pension or wages (or the total of all) is \$1,500 or less. } . . . . . **B** \_\_\_\_\_

**C** Enter "1" for your **spouse**. But, you may choose to enter "-0-" if you are married and have either a spouse who has income subject to withholding or more than one source of income subject to withholding. (Entering "-0-" may help you avoid having too little tax withheld.) . . . . . **C** \_\_\_\_\_

**D** Enter number of **dependents** (other than your spouse or yourself) you will claim on your tax return . . . . . **D** \_\_\_\_\_

**E** Enter "1" if you will file as **head of household** on your tax return . . . . . **E** \_\_\_\_\_

**F Child Tax Credit** (including additional child tax credit). See Pub. 972, Child Tax Credit, for more information.   
 • If your total income will be less than \$61,000 (\$90,000 if married), enter "2" for each eligible child; then **less "1"** if you have three or more eligible children.   
 • If your total income will be between \$61,000 and \$84,000 (\$90,000 and \$119,000 if married), enter "1" for each eligible child plus "1" **additional** if you have six or more eligible children . . . . . **F** \_\_\_\_\_

**G** Add lines A through F and enter total here. (**Note.** This may be different from the number of exemptions you claim on your tax return.) . . . . . **G** \_\_\_\_\_

For accuracy, complete all worksheets that apply.   
 { • If you plan to **itemize** or **claim adjustments to income** and want to reduce your withholding, see the **Deductions and Adjustments Worksheet** on page 2.   
 • If you have **more than one source of income subject to withholding** or a **spouse with income subject to withholding** and your combined income from all sources exceeds \$40,000 (\$10,000 if married), see the **Multiple Pensions/More-Than-One-Income Worksheet** on page 2 to avoid having too little tax withheld.   
 • If **neither** of the above situations applies, **stop here** and enter the number from line G on line 2 of Form W-4P below.

Cut here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records.

**Withholding Certificate for Pension or Annuity Payments**

**2011**

Department of the Treasury  
Internal Revenue Service

► For Privacy Act and Paperwork Reduction Act Notice, see page 4.

Type or print your first name and middle initial.	Last name	Your social security number
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

**Complete the following applicable lines.**

**1** Check here if you **do not want any** federal income tax withheld from your pension or annuity. (Do not complete lines 2 or 3.) ►

**2** Total number of allowances and marital status you are claiming for withholding from each **periodic** pension or annuity payment. (You may also designate an additional dollar amount on line 3.) . . . . . ► \_\_\_\_\_

**Marital status:**  Single  Married  Married, but withhold at higher "Single" rate (Enter number of allowances.)

**3** Additional amount, if any, you want withheld from each pension or annuity payment. (**Note.** For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.) . . . . . ► \$ \_\_\_\_\_

Your signature ►

Date ►

**Deductions and Adjustments Worksheet**

**Note.** Use this worksheet **only** if you plan to itemize deductions or claim certain credits or adjustments to income.

- 1 Enter an estimate of your 2011 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes, medical expenses in excess of 7.5% of your income, and miscellaneous deductions . . . . . 1 \$ \_\_\_\_\_
- 2 Enter:  $\left\{ \begin{array}{l} \$11,600 \text{ if married filing jointly or qualifying widow(er)} \\ \$8,500 \text{ if head of household} \\ \$5,800 \text{ if single or married filing separately} \end{array} \right\}$  . . . . . 2 \$ \_\_\_\_\_
- 3 **Subtract** line 2 from line 1. If zero or less, enter "-0-" . . . . . 3 \$ \_\_\_\_\_
- 4 Enter an estimate of your 2011 adjustments to income and any additional standard deduction (see Pub. 919) . . . . . 4 \$ \_\_\_\_\_
- 5 **Add** lines 3 and 4 and enter the total. (Include any credit amounts from the *Converting Credits to Withholding Allowances for 2011 Form W-4 Worksheet* in Pub. 919.) . . . . . 5 \$ \_\_\_\_\_
- 6 Enter an estimate of your 2011 income not subject to withholding (such as dividends or interest) . . . . . 6 \$ \_\_\_\_\_
- 7 **Subtract** line 6 from line 5. If zero or less, enter "-0-" . . . . . 7 \$ \_\_\_\_\_
- 8 **Divide** the amount on line 7 by \$3,700 and enter the result here. Drop any fraction . . . . . 8 \_\_\_\_\_
- 9 Enter the number from the **Personal Allowances Worksheet**, line G, page 1 . . . . . 9 \_\_\_\_\_
- 10 **Add** lines 8 and 9 and enter the total here. If you use the **Multiple Pensions/More-Than-One-Income Worksheet**, also enter this total on line 1 below. Otherwise, **stop here** and enter this total on Form W-4P, line 2, page 1 . . . . . 10 \_\_\_\_\_

**Multiple Pensions/More-Than-One-Income Worksheet**

**Note.** Complete only if the instructions under line G, page 1, direct you here. This applies if you (and your spouse if married filing a joint return) have more than one source of income subject to withholding (such as more than one pension, or a pension and a job, or you have a pension and your spouse works).

- 1 Enter the number from line G, page 1 (or from line 10 above if you used the **Deductions and Adjustments Worksheet**) . . . . . 1 \_\_\_\_\_
- 2 Find the number in **Table 1** below that applies to the **LOWEST** paying pension or job and enter it here. **However**, if you are married filing jointly and the amount from the highest paying pension or job is \$65,000 or less, do not enter more than "3." . . . . . 2 \_\_\_\_\_
- 3 If line 1 is **more than or equal to** line 2, subtract line 2 from line 1. Enter the result here (if zero, enter "-0-") and on Form W-4P, line 2, page 1. **Do not** use the rest of this worksheet . . . . . 3 \_\_\_\_\_

**Note.** If line 1 is **less than** line 2, enter "-0-" on Form W-4P, line 2, page 1. Complete lines 4 through 9 below to figure the additional withholding amount necessary to avoid a year-end tax bill.

- 4 Enter the number from line 2 of this worksheet . . . . . 4 \_\_\_\_\_
- 5 Enter the number from line 1 of this worksheet . . . . . 5 \_\_\_\_\_
- 6 **Subtract** line 5 from line 4 . . . . . 6 \_\_\_\_\_
- 7 Find the amount in **Table 2** below that applies to the **HIGHEST** paying pension or job and enter it here . . . . . 7 \$ \_\_\_\_\_
- 8 **Multiply** line 7 by line 6 and enter the result here. This is the additional annual withholding needed . . . . . 8 \$ \_\_\_\_\_
- 9 **Divide** line 8 by the number of pay periods remaining in 2011. For example, divide by 12 if you are paid every month and you complete this form in December 2010. Enter the result here and on Form W-4P, line 3, page 1. This is the additional amount to be withheld from each payment . . . . . 9 \$ \_\_\_\_\_

**Table 1**

**Table 2**

Married Filing Jointly		All Others		Married Filing Jointly		All Others	
If wages from <b>LOWEST</b> paying job are—	Enter on line 2 above	If wages from <b>LOWEST</b> paying job are—	Enter on line 2 above	If wages from <b>HIGHEST</b> paying job are—	Enter on line 7 above	If wages from <b>HIGHEST</b> paying job are—	Enter on line 7 above
\$0 - \$5,000	0	\$0 - \$8,000	0	\$0 - \$65,000	\$560	\$0 - \$35,000	\$560
5,001 - 12,000	1	8,001 - 15,000	1	65,001 - 125,000	930	35,001 - 90,000	930
12,001 - 22,000	2	15,001 - 25,000	2	125,001 - 185,000	1,040	90,001 - 165,000	1,040
22,001 - 25,000	3	25,001 - 30,000	3	185,001 - 335,000	1,220	165,001 - 370,000	1,220
25,001 - 30,000	4	30,001 - 40,000	4	335,001 and over	1,300	370,001 and over	1,300
30,001 - 40,000	5	40,001 - 50,000	5				
40,001 - 48,000	6	50,001 - 65,000	6				
48,001 - 55,000	7	65,001 - 80,000	7				
55,001 - 65,000	8	80,001 - 95,000	8				
65,001 - 72,000	9	95,001 - 120,000	9				
72,001 - 85,000	10	120,001 and over	10				
85,001 - 97,000	11						
97,001 - 110,000	12						
110,001 - 120,000	13						
120,001 - 135,000	14						
135,001 and over	15						

## Additional Instructions

Section references are to the Internal Revenue Code.

**When should I complete the form?** Complete Form W-4P and give it to the payer as soon as possible. Get Pub. 919, How Do I Adjust My Tax Withholding, to see how the dollar amount you are having withheld compares to your projected total federal income tax for 2011. You also may use the IRS Withholding Calculator on the IRS website at [www.irs.gov/individuals](http://www.irs.gov/individuals) for help in determining how many withholding allowances to claim on your Form W-4P.

**Multiple pensions/more than one income.** To figure the number of allowances that you may claim, combine allowances and income subject to withholding from all sources on one worksheet. You may file a Form W-4P with each pension payer, but do not claim the same allowances more than once. Your withholding usually will be most accurate when all allowances are claimed on the Form W-4P for the highest source of income subject to withholding and zero allowances are claimed on the others.

**Other income.** If you have a large amount of income from other sources not subject to withholding (such as interest, dividends, or capital gains), consider making estimated tax payments using Form 1040-ES, Estimated Tax for Individuals. Call 1-800-TAX-FORM (1-800-829-3676) to get Form 1040-ES and Pub. 505, Tax Withholding and Estimated Tax. You also can get forms and publications at IRS.gov.

If you have income from wages, see Pub. 919 to find out if you should adjust your withholding on Form W-4 or Form W-4P.

**Note.** Social security and railroad retirement payments may be includible in income. See Form W-4V, Voluntary Withholding Request, for information on voluntary withholding from these payments.

### Withholding From Pensions and Annuities

Generally, federal income tax withholding applies to the taxable part of payments made from pension, profit-sharing, stock bonus, annuity, and certain deferred compensation plans; from individual retirement arrangements (IRAs); and from commercial annuities. The method and rate of withholding depend on (a) the kind of payment you receive, (b) whether the payments are delivered outside the United States or its commonwealths and possessions, and (c) whether the recipient is a nonresident alien individual, a nonresident alien beneficiary, or a foreign estate. Qualified distributions from a Roth IRA are nontaxable and, therefore, not subject to withholding. See page 4 for special withholding rules that apply to payments outside the United States and payments to foreign persons.

Because your tax situation may change from year to year, you may want to refigure your withholding each year. You can change the amount to be withheld by using lines 2 and 3 of Form W-4P.

**Choosing not to have income tax withheld.** You (or in the event of death, your beneficiary or estate) can choose not to have federal income tax withheld from your payments by using line 1 of Form W-4P. For an estate, the election to have no income tax withheld may be made by the executor or personal representative of the decedent. Enter the estate's employer identification number (EIN) in the area reserved for "Your social security number" on Form W-4P.

You may not make this choice for eligible rollover distributions. See *Eligible rollover distribution—20% withholding* on page 4.

**Caution.** There are penalties for not paying enough federal income tax during the year, either through withholding or estimated tax payments. New retirees, especially, should see Pub. 505. It explains your estimated tax requirements and describes penalties in detail. You may be able to avoid quarterly estimated tax payments by having enough tax withheld from your pension or annuity using Form W-4P.

**Periodic payments.** Withholding from periodic payments of a pension or annuity is figured in the same manner as withholding from wages. Periodic payments are made in installments at regular intervals over a period of more than 1 year. They may be paid annually, quarterly, monthly, etc.

If you want federal income tax to be withheld, you must designate the number of withholding allowances on line 2 of Form W-4P and indicate your marital status by checking the appropriate box. Under current law, you cannot designate a specific dollar amount to be withheld. However, you can designate an additional amount to be withheld on line 3.

If you do not want any federal income tax withheld from your periodic payments, check the box on line 1 of Form W-4P and submit the form to your payer. However, see *Payments to Foreign Persons and Payments Outside the United States* on page 4.

**Caution.** If you do not submit Form W-4P to your payer, the payer must withhold on periodic payments as if you are married claiming three withholding allowances. Generally, this means that tax will be withheld if your pension or annuity is at least \$1,600 a month.

If you submit a Form W-4P that does not contain your correct taxpayer identification number (TIN), the payer must withhold as if you are single claiming zero withholding allowances even if you checked the box on line 1 to have no federal income tax withheld.

There are some kinds of periodic payments for which you cannot use Form W-4P because they are already defined as wages subject to federal income tax withholding. These payments include retirement pay for service in the U.S. Armed Forces and payments from certain nonqualified deferred compensation plans and deferred compensation plans described in section 457 of tax-exempt organizations. Your payer should be able to tell you whether Form W-4P applies.

For periodic payments, your Form W-4P stays in effect until you change or revoke it. Your payer must notify you each year of your right to choose not to have federal income tax withheld (if permitted) or to change your choice.

**Nonperiodic payments—10% withholding.** Your payer must withhold at a flat 10% rate from nonperiodic payments (but see *Eligible rollover distribution—20% withholding* on page 4) **unless** you choose not to have federal income tax withheld. Distributions from an IRA that are payable on demand are treated as nonperiodic payments. You can choose not to have federal income tax withheld from a nonperiodic payment (if permitted) by submitting Form W-4P (containing your correct TIN) to your payer and checking the box on line 1. Generally, your choice not to have federal income tax withheld will apply to any later payment from the same plan. You cannot use line 2 for nonperiodic payments. But you may use line 3 to specify an additional amount that you want withheld.

**Caution.** If you submit a Form W-4P that does not contain your correct TIN, the payer cannot honor your request not to have income tax withheld and must withhold 10% of the payment for federal income tax.

**Eligible rollover distribution—20% withholding.** Distributions you receive from qualified pension or annuity plans (for example, 401(k) pension plans and section 457(b) plans maintained by a governmental employer) or tax-sheltered annuities that are eligible to be rolled over tax free to an IRA or qualified plan are subject to a flat 20% federal withholding rate. The 20% withholding rate is required, and you cannot choose not to have income tax withheld from eligible rollover distributions. Do not give Form W-4P to your payer unless you want an additional amount withheld. Then, complete line 3 of Form W-4P and submit the form to your payer.

**Note.** The payer will not withhold federal income tax if the entire distribution is transferred by the plan administrator in a direct rollover to a traditional IRA, or another eligible retirement plan (if allowed by the plan) such as a qualified pension plan, governmental section 457(b) plan, section 403(b) contract, or tax-sheltered annuity.

Distributions that are (a) required by law, (b) one of a specified series of equal payments, or (c) qualifying "hardship" distributions are not "eligible rollover distributions" and are not subject to the mandatory 20% federal income tax withholding. See Pub. 505 for details. See also *Nonperiodic payments—10% withholding* on page 3.

### Changing Your "No Withholding" Choice

**Periodic payments.** If you previously chose not to have federal income tax withheld and you now want withholding, complete another Form W-4P and submit it to your payer. If you want federal income tax withheld at the rate set by law (married with three allowances), write "Revoked" next to the checkbox on line 1 of the form. If you want tax withheld at any different rate, complete line 2 on the form.

**Nonperiodic payments.** If you previously chose not to have federal income tax withheld and you now want withholding, write "Revoked" next to the checkbox on line 1 and submit Form W-4P to your payer.

### Payments to Foreign Persons and Payments Outside the United States

Unless you are a nonresident alien, withholding (in the manner described above) is required on any periodic or nonperiodic payments that are delivered to you outside the United States or its possessions. You cannot choose not to have federal income tax withheld on line 1 of Form W-4P. See Pub. 505 for details.

In the absence of a tax treaty exemption, nonresident aliens, nonresident alien beneficiaries, and foreign estates generally are subject to a 30% federal withholding tax under section 1441 on the taxable portion of a periodic or nonperiodic pension or annuity payment that is from U.S. sources. However, most tax treaties provide that private pensions and annuities are exempt from withholding and tax. Also, payments from certain pension plans are exempt from withholding even if no tax treaty applies. See Pub. 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities*, and Pub. 519, *U.S. Tax Guide for Aliens*, for details. A foreign person should submit Form W-8BEN, *Certificate of Foreign Status of Beneficial Owner for United States Tax Withholding*, to the payer before receiving any payments. The Form W-8BEN must contain the foreign person's TIN.

### Statement of Federal Income Tax Withheld From Your Pension or Annuity

By January 31 of next year, your payer will furnish a statement to you on Form 1099-R, *Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc.*, showing the total amount of your pension or annuity payments and the total federal income tax withheld during the year. If you are a foreign person who has provided your payer with Form W-8BEN, your payer instead will furnish a statement to you on Form 1042-S, *Foreign Person's U.S. Source Income Subject to Withholding*, by March 15 of next year.

### Privacy Act and Paperwork Reduction Act Notice

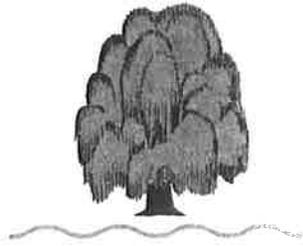
We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to provide this information only if you want to (a) request federal income tax withholding from periodic pension or annuity payments based on your withholding allowances and marital status, (b) request additional federal income tax withholding from your pension or annuity, (c) choose not to have federal income tax withheld, when permitted, or (d) change or revoke a previous Form W-4P. To do any of the aforementioned, you are required by sections 3405(e) and 6109 and their regulations to provide the information requested on this form. Failure to provide this information may result in inaccurate withholding on your payment(s). Providing false or fraudulent information may subject you to penalties.

Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and possessions for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For estimated averages, see the instructions for your income tax return.

If you have suggestions for making this form simpler, we would be happy to hear from you. See the instructions for your income tax return.



# Village of Willowbrook

7760 Quincy Street  
Willowbrook, IL 60527-5594

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March 23, 2011

**Village President**

Robert A. Napoli

**Village Clerk**

Leroy R. Hansen

Mrs. Ruth Kleven  
P. O. Box 155  
Peel, AR 72668

Dear Mrs. Kleven:

On behalf of the Willowbrook Police Pension Board, I hope that this letter finds you well. As a reminder, I am sending another copy of the W-4P, Withholding Certificate, which needs to be filled out for tax purposes. Please fill this form out and return in the enclosed, self-addressed, stamped envelope as soon as possible.

Also, will you please provide a copy of Richard's death certificate for our pension file.

If you have any questions or concerns, please feel free to contact me at 630-325-2808.

Sincerely,

Officer Tim Kobler  
Willowbrook Police Pension Fund  
Vice President

Enclosure

CC: Willowbrook Police Pension Board  
Richard Kleven-Pension File

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IMPROVING  
LIFE  
FOR  
OFFICERS  
&  
PEOPLE



March 17, 2011

WILLOWBROOK POLICE PENSION FUND  
ATTN: UMBERTO DAVI/JOSEPH PEC  
7760 QUINCY STREET  
WILLOWBROOK, IL 60527-5594

Dear Pension Board Members:

The Illinois Fraternal Order of Police is working in the 97<sup>th</sup> General Assembly to create a Disabled Peace Officer Recognition Day. We have introduced a Senate Resolution, which is being sponsored by FOP member Senator Antonio Munoz , which creates a day of honor and remembrance for the disabled peace officers of Illinois on the first Wednesday in May.

We understand that there are privacy laws which make obtaining the names of these individuals difficult and were hoping that your board would be able to aid us in disseminating this information to the individuals we are looking to honor. We would like to set up a working group, and meet during the first week of April. Individuals who are interested in being part of this group should contact the State Lodge.

Your support of this very important issue is greatly appreciated.

Sincerely,

A handwritten signature in cursive script that reads "Daniel T. Nelson".

Daniel T. Nelson, Esq.  
Director of Governmental Affairs  
Illinois Fraternal Order of Police



SR0052

LRB097 09896 KXB 50056 r

1

SENATE RESOLUTION

2

WHEREAS, There are a total of 992 Illinois police officers that have been disabled in the line of duty; and

3

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WHEREAS, Police officers, deputies, and correctional officers are at risk of injuries and assaults nearly every day on the job; and

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WHEREAS, Approximately 50 police officers are disabled in the line of duty each year; and

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WHEREAS, In addition to the loss of health, disabled peace officers experience financial loss as well as loss of peer support and their status in the community; and

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WHEREAS, Becoming disabled from a profession where health, strength, and ability to perform "is prized has great psychological consequences; and

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WHEREAS, Police officers who have been separated due to disability have a suicide rate ten times higher than that for active officers; and

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WHEREAS, The first Thursday in May of each year is designated in the State of Illinois as Peace Officers Memorial

1 Day, recognizing the bravery and sacrifice of peace officers  
2 who have lost their lives in the line of duty; and

3 WHEREAS, There is presently not an appropriate recognition  
4 for the ongoing bravery and sacrifice of peace officers who  
5 have been disabled in the line of duty; and

6 WHEREAS, Those peace officers who have been disabled while  
7 performing their duty to protect the citizens of Illinois have  
8 the respect of a grateful State; therefore, be it

9 RESOLVED, BY THE SENATE OF THE NINETY-SEVENTH GENERAL  
10 ASSEMBLY OF THE STATE OF ILLINOIS, that we designate the first  
11 Wednesday in May as Disabled Peace Officers Recognition Day in  
12 Illinois, recognizing the ongoing bravery and sacrifice of  
13 peace officers who live with disabilities received in the line  
14 of duty; and be it further

15 RESOLVED, That Disabled Peace Officers Recognition Day  
16 shall be observed throughout the State by the citizens of  
17 Illinois with civic remembrances to acknowledge their  
18 sacrifices and our gratitude; and be it further

19 RESOLVED, That a suitable copy of this resolution be  
20 presented to each of the statewide police associations as an  
21 expression of our respect and appreciation.