

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON JULY 30, 2014, AT THE VILLAGE HALL, 7760 QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER

The meeting was called to order at the hour of 3:00 p.m. by President Umberto Davi.

2. ROLL CALL

Those present at roll call were President Davi, Trustee Tim Kobler, and Trustee Carrie Dittman. Also present: Terese Krafcheck and Ted Kirpach of MB Financial.

Absent: Trustee Scott Eisenbeis and Trustee Joseph Pec.

3. ELECTION OF OFFICERS OF THE WILLOWBROOK POLICE PENSION FUND BOARD OF TRUSTEES

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

MOTION: Made by Trustee Kobler, seconded by Trustee Dittman, to re-elect Umberto Davi as President; re-elect Tim Kobler as Vice President; re-elect Scott Eisenbeis as Secretary; and re-elect Joe Pec as Assistant Secretary.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL - MINUTES OF THE REGULAR MEETING - April 30, 2014.

The Board reviewed the minutes from the April 30, 2014 meeting.

MOTION: Made by Trustee Kobler, seconded by Trustee Dittman to approve the minutes of the regular meeting of the Police Pension Fund Board of Trustees held on April 30, 2014.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL OF EXPENSES INCURRED APRIL THRU JUNE 2014

Trustee Dittman reviewed the expenses incurred April thru June 2014. She noted that the report includes the payout of \$50,394.59 for Police Pension benefits, widow benefit of \$3,209.37, and a disability benefit of \$4,399.25. The Department of Insurance filing fee is 3,344.43 and the quarterly fee for MB Financial, \$7,780.51.

The following motion was made:

MOTION: Made by Trustee Kobler, seconded by President Davi, to approve the expenses incurred for April thru July 2014.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

6. APPROVAL OF INVESTMENTS MADE APRIL THRU JUNE 2014 -
QUARTERLY INVESTMENT REPORT - MB FINANCIAL BANK

Terese Krafcheck, a representative of MB Financial Bank, summarized the quarterly investment report for the Police Pension Board.

Ms. Krafcheck advised that there is a little bit of "cosmetic" changes to the report. The Economic Outlook and the Equity Overview are now at the beginning of the report. Ms. Krafcheck reported that the total fund value is at \$18,668,979.00. She advised the portfolio allocations are targeted at 55% in equities, 45% in fixed income.

The Total Fund vs. the Blended Index was up for the quarter at 3.78% vs the benchmark at 3.34%. The first 6-months were up 5.44% vs. 5.13%; the last 12-months were 13.99% vs. 13.24% and for the 5-year mark it was up 10.57% vs. 9.84%.

Equities were up 5.48% vs. 4.92% for the quarter. The Fixed Income Portfolio category was a bit down at 1.55% vs. the benchmark at 1.64%. This is due to the one quarter last year that had poor returns and we are still trying to catch up from that period along with interest rates beginning to increase. Alternative Strategies for the 2nd quarter in a row have been extremely strong over the last 6-months. They are up over 12% and the last 12-months are over 16%.

The total fund earnings for the quarter were \$679,644.00.

Mr. Kirpach highlighted the investment returns. Common stocks were up 7.36% vs. the S&P 500 at 5.24%. Fixed Income had more diversification in the Foreign Bond Fund which was up 3.12% vs. 1.54%, along with the High Yield Bond being up 2.66% vs. 2.49%. Moving forward, it will be beneficial to continue with these two asset classes for diversification in Fixed Income.

Due to some nice performances in the fund, the market value is growing vs. the invested capital. Since 2006, the invested gains to the fund are up \$7.69 million.

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

MOTION: Made by Trustee Kobler, seconded by President Davi to approve MB Financial's Quarterly report.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

7. APPROVAL OF APPLICATION FOR MEMBERSHIP INTO THE WILLOWBROOK POLICE PENSION FUND

The Board reviewed the application from new officer Christine Danan for membership into the Willowbrook Police Pension Fund.

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

MOTION: Made by President Davi, seconded by Trustee Kobler to approve the application for Membership into the Willowbrook Police Pension Fund.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

8. DISCUSSION - NEW ATTORNEY FOR THE WILLOWBROOK POLICE PENSION FUND BOARD

Trustee Dittman advised that the Village of Willowbrook's Police Pension Fund Rules & Regulations are in need of updating to include the new Tier II section. Trustee Dittman contacted Attorney Broihier to complete this update and Attorney Broihier advised her that the Village should consider hiring an attorney who is familiar with police pension funds, since he is semi-retired.

After a brief discussion, the Board agreed to have Trustee Dittman get five (5) recommended attorneys and complete a draft "Request for Proposal" (RFP) with the potential candidates for the Board to review. Trustee Dittman will distribute a draft of the RFP to all Board members.

9. VISITOR BUSINESS

None presented.

10. NEW BUSINESS

None presented.

11. OLD BUSINESS

A. RETIREE AFFIDAVIT FORMS

William Bozek is the only retiree that has not completed and returned his annual affidavit form. Trustee Dittman will compose a letter to Mr. Bozek along with an affidavit form advising Mr. Bozek that this will be his last deposited check. If the affidavit form is not received, he will have to pick up his retirement check in person at the Village Hall.

B. 2014 - IPPA Conference

The 2014 annual IPPA Conference will be held on September 30, 2014 - October 2, 2014. President Davi advised the Board this is a great way to acquire your 16 hour education credits for Trustee training.

12. COMMUNICATIONS

None presented.

13. ADJOURNMENT

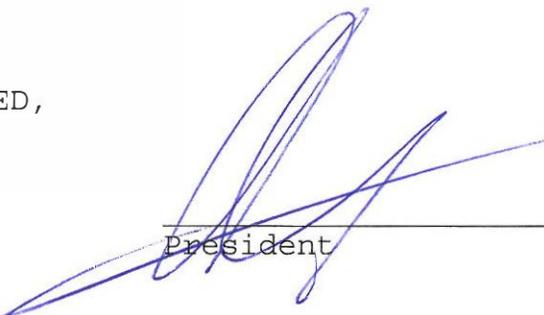
MOTION: Made by Trustee Kobler, seconded by Trustee Dittman to adjourn the meeting of the Board of Trustees of the Police Pension Fund at the hour of 4:03 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

10-30-14
Date


President

Minutes transcribed by Debbie Hahn.