

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 THURSDAY, MAY 21, 2015, AT 2:30 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 - 01/26/15
4. APPROVAL - MINUTES OF SPECIAL MEETING - 03/5/15
5. APPROVAL - NEW PENSION BOARD ATTORNEY
6. APPROVAL - EXPENSES INCURRED JANUARY THRU MARCH 2015
7. APPROVAL - INVESTMENT POLICY
  - A. CURRENT INVESTMENT POLICY
  - B. PROPOSED INVESTMENT POLICY
8. APPROVAL - INVESTMENTS MADE JANUARY THRU MARCH 2015 - Quarterly Investment Report - MB Financial Bank
9. DISCUSSION - PROPOSED BUDGET FY 2015-16
10. APPROVAL - MEETING SCHEDULE FOR FISCAL YEAR 2015-16
11. DISCUSSION - ECONOMIC INTEREST STATEMENTS
12. DISCUSSION - CONTINUING PENSION TRUSTEE EDUCATION REQUIREMENT
13. INFORMATION - RETIREE'S INFORMATION LETTER
14. VISITOR BUSINESS (Public comment is limited to three minutes per person on agenda items only)
15. NEW BUSINESS
16. OLD BUSINESS
  - A. RETIREE QUESTIONS
17. COMMUNICATIONS
18. ADJOURNMENT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON JANUARY 26, 2015, 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 3:10 p.m. by President Umberto Davi.

2. ROLL CALL

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

Absent: Trustee Joseph Pec.

MOTION: Made by President Davi to allow Trustee Tim Kobler to attend the meeting via telephone conference.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

3. APPROVAL - MINUTES OF THE REGULAR MEETING - October 30, 2014.

The Board reviewed the minutes from the October 30, 2014 meeting. A correction to page 3, paragraph 7, Ms. Krafcheck requested this item be placed on the Police Pension Board agenda not the Village Board agenda. Correction on page 4, Item 8, paragraph 3, adds the words "change in" in front of assumption. Third correction on page 6, Item 13, Section B, composed a cover letter (add words and are) seeking proposals.

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

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL OF EXPENSES INCURRED OCTOBER 2014 THRU DECEMBER 2014

Trustee Dittman reviewed the expenses incurred October 2014 thru December 2014. The pension benefits totaled \$50,394.61 per month, widow's benefit totaled \$3,209.37 per month, and disability totaled \$4,399.25 per month. She noted that the payment to Wolf & Company LLP for their quarterly audit was \$2,300.00, IPPA conference expenses were \$1,078.49, and 2015 IPPA dues were \$775.00.

After Trustee Dittman reviewed the expenses, the following motion was made:

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

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL OF INVESTMENTS MADE OCTOBER THRU DECEMBER 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 reported that the total fund value is at \$18,784,745.00. She summarized the portfolio allocations are targeted at 55% in equities, 45% in fixed income. The performance summary for calendar year 2014 was up 6.18% vs. the benchmark of 6.60%.

Equities for the year are up over 10% vs. the benchmark at 8.51%. The 5-year equities fund came in at 8.59% vs. the benchmark of 8.15%. The fixed income was down a bit for the year at 2.90% vs the benchmark at 4.96%.

The Account Activity summary for the quarter is up \$280,170.00; and for the year it is up \$1,095,104.00.

Mr. Ted Kirpach advised that the fund had a good year. The Gross Domestic Product has increased 5%. Interest rates globally are low which affects the fund because we have been focusing on the interest rate increasing. Fixed Income Portfolio is down a bit in the Effective Duration category at 3.89% vs. the benchmark of 5.25%. Common Stock has been performing very well during 2014 at 18.46% vs. the benchmark at 13.70%. It is anticipated that it will continue to perform in this manner during 2015.

A strategic update will be performed in February where you will see some stocks eliminated and other stocks added to your portfolio. This is to assist in optimizing the portfolio.

Mr. Kirpach advised that the fund value is at \$18.785 million and has been greatly increasing since 2006. A market correction was seen in 2008/09 with a dip in funds due to a correction in allocation. However, you have recovered very nicely.

The Long Term Portfolio Performance is completed once a year. Looking at the totals since 1998 inception, the fund is at a 6.44% gain.

Mr. Kirpach advised that due to the low gas prices and the change in regime in Saudi Arabia this should be a good windfall for the US economy.

Trustee Eisenbeis advised he noticed a 48% return on health care and wondered if this is going to be the trend based on the Affordable Health Care Act.

Mr. Kirpach advised that based on the Hepatitis C therapy by Gilliam and the acquisition of Allegan by a Canadian agency, there has been activity in the health care sector. Plus, with consumers acquiring health care, this is better for the health care providers allowing people to seek medical assistance and be given prescriptions.

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

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

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

6. APPROVAL - OFFICER ANDREW PELLICCIONI'S PENSION APPLICATION

Trustee Dittman advised that she received an application for regular retirement benefits for Officer Andrew Pelliccioni. His last day of work is Sunday, February 8, 2015. He will have earned 30 years, 0 months and 16 days of service, granting him 75% of his current salary plus longevity for \$88,702.26. This calculates to an annual pension amount of \$66,526.70.

His first month of February will be pro-rated to be \$3,952.92 (20 days), with the following months in the year being \$5,543.89.

MOTION: Made by Trustee Eisenbeis, seconded by Trustee Kobler to approve Officer Pelliccioni's pension application.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

7. APPROVAL - INCREASE IN PENSION BENEFITS

Trustee Dittman reviewed information on the statutory increases in pension benefits effective January 1, 2015. There are three categories for the pension benefits: retirement, disability, and survivor. The retirement benefits include Joseph Pec, Edward Konstanty, Michal Kurinec, and Stephen Finlon who will get a 3% increase of their current pension. Francis (Pat) Foley is entitled to a 13.75% increase (\$884.05 per month) effective January 2015 as he has attained the age 55. John Barnacle, William Bozek,

and Paul Oggerino will not be entitled to an increase until they reach the age of 55.

Disability pension includes Joseph Dusek who will get a 3% increase of his original pension. James McCarthy is not entitled to an increase in his monthly disability pension until he becomes 60 years of age.

Survivor pension is a fixed benefit for Mrs. Martha Klevin who will continue to receive her monthly widow's benefit.

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

MOTION: Made by Trustee Kobler, seconded by Trustee Eisenbeis, to approve the statutory increases in pension benefits for eligible participants effective January, 2015.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

8. DISCUSSION - REVIEW REQUEST FOR PROPOSALS (RFP) OF LEGAL SERVICES FOR THE WILLOWBROOK POLICE PENSION FUND

Trustee Dittman summarized the following: Seven (7) Requests for Proposals were sent out the beginning of November. Six (6) were received back within the timeframe given. Collin & Raja were the only firm that did not reply. The six (6) firms that did reply, Trustee Dittman summarized in a spread sheet with the questions that were asked on the RFP.

The previous Board attorney was Mr. John Broihier, who is actually the current Willowbrook Police Commissioners attorney. Mr. Broihier was asked last summer to update the Rules and Regulations to the Pension Board to include the new Tier II level. At that time, Mr. Broihier advised that the Board should look for a new attorney since he is in semi-retired.

The Board has utilized Mr. Broihier on an "as needed" basis and they will be looking for a similar type of firm.

The Board reviewed the information provided on the six (6) firms and it was decided that Atwell & Atwell would best fit the needs of the Pension Board. The Board decided to contact Mr. Atwell and request an informal meeting with him to meet the Board, and discuss his background and the needs of the Willowbrook Police Pension Board. Trustee Dittman will set up the interview and forward the date and time to the Board members.

9. VISITOR BUSINESS

None presented.

10. NEW BUSINESS

Trustee Dittman advised that Petitioner/Retiree James McCarthy had been in contact with her and was requesting permission from the Pension Board to obtain a part-time employment position in Wisconsin.

President Davi advised that the Board is unable to give an opinion on his employment search and that the Board is also in the process of hiring a new attorney for the Board.

Trustee Dittman will draft a response letter to Mr. McCarthy advising that the Board is not in a position to give a response to this type of request without having Counsel guidance.

11. OLD BUSINESS

None presented.

12. COMMUNICATIONS

None presented.

13. ADJOURNMENT

MOTION: Made by Trustee Kobler, seconded by Trustee Kobler to adjourn the meeting of the Board of Trustees of the Police Pension Fund at the hour of 4:46 p.m.

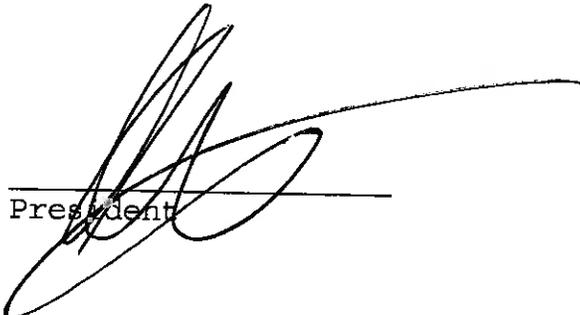
UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

5-21-15

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
President

Minutes transcribed by Debbie Hahn.

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON MARCH 5, 2015, 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 3:10 p.m. by President Umberto Davi.

2. ROLL CALL

Those present at roll call were President Davi, Trustee Scott Eisenbeis, Trustee Timothy Kobler, Trustee Joseph Pec, and Trustee Carrie Dittman. Also present: Attorney Charles H. Atwell.

3. INFORMATION - INTERVIEW OF ATTORNEY FOR WILLOWBROOK POLICE PENSION BOARD

The Board was introduced to Mr. Charles Atwell and reviewed his written proposal for consideration to become the Attorney for the Willowbrook Police Pension Board.

After a lengthy question and answer period with Mr. Atwell, the Board thanked him for his time and Mr. Atwell exited the meeting. The Board discussed Mr. Atwell's proposal and will make a recommendation at the April meeting.

4. VISITOR BUSINESS

None presented.

5. ADJOURNMENT

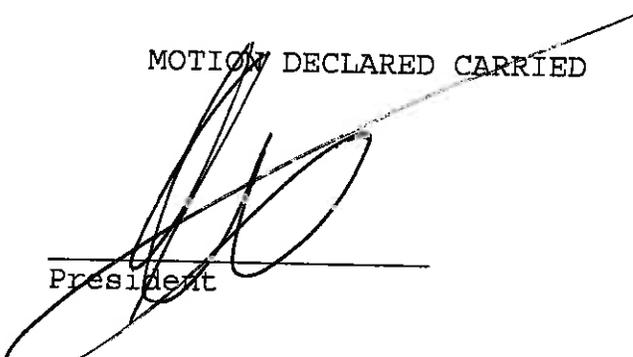
MOTION: Made by Trustee Pec, seconded by Trustee Kobler to adjourn the meeting of the Board of Trustees of the Police Pension Fund at the hour of 3:47 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

\_\_\_\_\_  
Date

  
\_\_\_\_\_  
President

Minutes transcribed by Debbie Hahn.



July 8, 2015

MEMO TO: Village of Willowbrook Police Pension Board

FROM: Carrie Dittman, ~~Director~~ Director of Finance <sup>CD</sup>

SUBJECT: Patrolman John Skiba's Pension Application

Enclosed for your review is an application for regular retirement benefits submitted by Patrolman John Skiba. As noted on the paperwork Patrolman Skiba's retirement date (last day of work) is August 13, 2015 and his retirement pension will begin on February 2016, when he attains age 50. He will have earned 24 years, 1 month and 4 days of service (net of 190 unpaid break days) credit at that time granting him 60.00% of his current salary plus longevity of \$91,142.10. This calculates to an annual pension amount of \$54,685.26 (\$4,557.11 monthly).

He will be eligible for his first increase on 3/1/2021, the month following his attainment of age 55.

As required under state statute, as the Pension Fund Treasurer I have attached Patrolman Skiba's pension calculation.

Please feel free to contact me with any questions.



## Disclaimer

The Benefit Calculator is intended as an educational tool only. Participants can use this to help develop personal retirement strategies or provide estimated financial information. This calculator allows you to enter data to calculate an unofficial projection of your pension estimate. Remember, this is a projection based on information you provide. If any of the variables differ from what pension fund records contain, your projection will not be accurate. The actual pension you receive from your pension fund must be calculated under the provisions of the applicable law in effect at the time of benefit.

The Benefit Calculator does not include dependent benefits. Please contact the Illinois Department of Insurance Public Pension Division if you have questions regarding dependent benefits.

## Benefit Calculator

<b>Fund Type:</b>	Fire <input type="radio"/> Police <input checked="" type="radio"/>	<a href="#">Definitions?</a>
<b>Benefit Type:</b>	Retirement <input type="button" value="v"/>	
<b>Birth Date:</b>	<input type="text" value=""/>	<input type="button" value="..."/>
<b>Hire Date:</b>	1/3/1991 <input type="button" value="..."/>	<b>Unpaid Break Days:</b> 190
<b>Retired Date:</b>	8/13/2015 <input type="button" value="..."/>	<b>Effective Date of Benefit:</b> 2/1/2016 <input type="button" value="..."/>
<b>Annual Salary:</b>	91142.10	
<b>Apply Calculated Creditable Service:</b> <input checked="" type="checkbox"/> Yes		
<b>Report Information: Optional</b>		
<b>Fund Name:</b>	Willowbrook	<b>Participant Name:</b> John Skiba
<b>Report Comments:</b>	retirement pension is deferred until John reaches age 50 or <input type="text" value=""/>	

## Calculated Benefit Summary

<b>Benefit Summary</b>		
<b>Fund Type:</b>	Police	
<b>Benefit Type:</b>	Retirement	
<b>Reciprocity:</b>	No	
<b>Birth Date:</b>	<input type="text" value=""/>	
<b>Hire Date:</b>	1/3/1991	<b>Unpaid Break Days:</b> 190
<b>Retired Date:</b>	8/13/2015	<b>Effective Date of Benefit:</b> 2/1/2016
<b>Annual Salary:</b>	\$91,142.10	
<b>Creditable Service:</b>	24 Year(s) 1 Month(s) 4 Day(s)	

\*Total break time is based on 365 days in a year and approximately 30.4167 days in a month for calculated creditable service

<b>Initial Benefit Summary</b>	
<b>Initial Benefit Date:</b>	2/1/2016

**Initial Annual Benefit:** \$54,685.26 = 60.00 % of \$91,142.10 (Annual Salary)

**Prorated Benefit Summary**

**Prorated Date Range:** 2/1/2016 - 2/29/2016

**Prorated Benefit:** \$4,557.11 = 29 Prorated Day(s) x \$4,557.11 (Monthly Benefit)/29Days in the Month

**Total Prorated Benefit:** \$4,557.11

**Benefit Schedule**

Benefit Type	Benefit Date	Monthly Increase	Monthly Benefit	Annual Benefit	Increase Rate
<b>Initial Annual Benefit</b>	<b>2/1/2016</b>	<b>\$0.00</b>	<b>\$4,557.11</b>	<b>\$54,685.26</b>	<b>0.00 %</b>
First Increase	3/1/2021	\$694.96	\$5,252.07	\$63,024.84	15.25 %
Annual Increase	1/1/2022	\$157.56	\$5,409.63	\$64,915.56	3.00 %
Annual Increase	1/1/2023	\$162.29	\$5,571.92	\$66,863.04	3.00 %
Annual Increase	1/1/2024	\$167.16	\$5,739.08	\$68,868.96	3.00 %
Annual Increase	1/1/2025	\$172.17	\$5,911.25	\$70,935.00	3.00 %
Annual Increase	1/1/2026	\$177.34	\$6,088.59	\$73,063.08	3.00 %
Annual Increase	1/1/2027	\$182.66	\$6,271.25	\$75,255.00	3.00 %
Annual Increase	1/1/2028	\$188.14	\$6,459.39	\$77,512.68	3.00 %
Annual Increase	1/1/2029	\$193.78	\$6,653.17	\$79,838.04	3.00 %
Annual Increase	1/1/2030	\$199.60	\$6,852.77	\$82,233.24	3.00 %
Annual Increase	1/1/2031	\$205.58	\$7,058.35	\$84,700.20	3.00 %
Annual Increase	1/1/2032	\$211.75	\$7,270.10	\$87,241.20	3.00 %
Annual Increase	1/1/2033	\$218.10	\$7,488.20	\$89,858.40	3.00 %
Annual Increase	1/1/2034	\$224.65	\$7,712.85	\$92,554.20	3.00 %
Annual Increase	1/1/2035	\$231.39	\$7,944.24	\$95,330.88	3.00 %
Annual Increase	1/1/2036	\$238.33	\$8,182.57	\$98,190.84	3.00 %
Annual Increase	1/1/2037	\$245.48	\$8,428.05	\$101,136.60	3.00 %
Annual Increase	1/1/2038	\$252.84	\$8,680.89	\$104,170.68	3.00 %
Annual Increase	1/1/2039	\$260.43	\$8,941.32	\$107,295.84	3.00 %
Annual Increase	1/1/2040	\$268.24	\$9,209.56	\$110,514.72	3.00 %
Annual Increase	1/1/2041	\$276.29	\$9,485.85	\$113,830.20	3.00 %
Annual Increase	1/1/2042	\$284.58	\$9,770.43	\$117,245.16	3.00 %
Annual Increase	1/1/2043	\$293.11	\$10,063.54	\$120,762.48	3.00 %
Annual Increase	1/1/2044	\$301.91	\$10,365.45	\$124,385.40	3.00 %
Annual Increase	1/1/2045	\$310.96	\$10,676.41	\$128,116.92	3.00 %
Annual Increase	1/1/2046	\$320.29	\$10,996.70	\$131,960.40	3.00 %
Annual Increase	1/1/2047	\$329.90	\$11,326.60	\$135,919.20	3.00 %
Annual Increase	1/1/2048	\$339.80	\$11,666.40	\$139,996.80	3.00 %
Annual Increase	1/1/2049	\$349.99	\$12,016.39	\$144,196.68	3.00 %
Annual Increase	1/1/2050	\$360.49	\$12,376.88	\$148,522.56	3.00 %
Annual Increase	1/1/2051	\$371.31	\$12,748.19	\$152,978.28	3.00 %
Annual Increase	1/1/2052	\$382.45	\$13,130.64	\$157,567.68	3.00 %
Annual Increase	1/1/2053	\$393.92	\$13,524.56	\$162,294.72	3.00 %
Annual Increase	1/1/2054	\$405.74	\$13,930.30	\$167,163.60	3.00 %
Annual Increase	1/1/2055	\$417.91	\$14,348.21	\$172,178.52	3.00 %
Annual Increase	1/1/2056	\$430.45	\$14,778.66	\$177,343.92	3.00 %
Annual Increase	1/1/2057	\$443.36	\$15,222.02	\$182,664.24	3.00 %

VILLAGE OF WILLOWBROOK  
EXPENDITURE ACCOUNT INQUIRY

RUN: 04/13/15 4:38PM

(JANUARY THRU MARCH)

PAGE: 1

MO	JL	POST/CK. DATE	REFERENCE NUMBER	CHECK DATE	P.O. NUMBER	ENCUMB. LIQUID.	EXPEND. EXPEND.	EXPENDED BALANCE	PRCT.	UNEXPEND. BALANCE	UNENCUMB. BALANCE
07-62-401-581 PENSION BENEFITS 07-401-581							APPROP:	1,223,060.00		BUDGET:	611,530.00
1	PR	01/23/15	01/23/15	01/23/15			52,093.24	455,249.93	74.4	156,280.07	156,280.07
			POLICE PENSION BENEFIT								
2	PR	02/20/15	02/20/15	02/20/15			56,053.16	511,303.09	83.6	100,226.91	100,226.91
			POLICE PENSION BENEFIT								
3	PR	03/20/15	03/20/15	03/20/15			57,637.13	568,940.22	93.0	42,589.78	42,589.78
			POLICE PENSION BENEFIT								
07-62-401-582 WIDOW'S PENSION 07-401-582							APPROP:	77,024.00		BUDGET:	38,512.00
1	PR	01/23/15	01/23/15	01/23/15			3,209.37	28,884.29	75.0	9,627.71	9,627.71
			WIDOW PENSION								
2	PR	02/20/15	02/20/15	02/20/15			3,209.37	32,093.66	83.3	6,418.34	6,418.34
			WIDOW PENSION								
3	PR	03/20/15	03/20/15	03/20/15			3,209.37	35,303.03	91.7	3,208.97	3,208.97
			WIDOW PENSION								
07-62-401-583 DISABILITY BENEFITS 07-401-583							APPROP:	105,956.00		BUDGET:	52,978.00
1	PR	01/23/15	01/23/15	01/23/15			4,446.08	39,640.08	74.8	13,337.92	13,337.92
			POLICE PENSION DISABILITY BENEFIT								
2	PR	02/20/15	02/20/15	02/20/15			4,446.08	44,086.16	83.2	8,891.84	8,891.84
			POLICE PENSION DISABILITY BENEFIT								
3	PR	03/20/15	03/20/15	03/20/15			4,446.08	48,532.24	91.6	4,445.76	4,445.76
			POLICE PENSION DISABILITY BENEFIT								
07-62-401-253 FINANCIAL ADVISORY SERVICES 07-401-253							APPROP:	61,083.00		BUDGET:	30,542.00
1	PS	01/30/15	PP / JAN	01/29/15			8,203.18	24,334.58	79.7	6,207.42	6,207.42
			QUARTERLY FINANCIAL ADVISORY FEES - 11/31/14								
07-62-401-254 FIDUCIARY INSURANCE							APPROP:	6,081.00		BUDGET:	3,040.00
1	CD	01/27/15	875933	01/14/15	85852		2,960.00	2,960.00	97.4	80.00	80.00
			MESIROW FINANCIAL SERVICES INC (2314)								
07-62-401-304 MEETINGS, TRAVEL, CONFERENCES 07-401-304							APPROP:	6,000.00		BUDGET:	3,000.00
			***** BALANCE FORWARD *****					2,768.49	92.3	231.51	231.51
3	PS	03/30/15	AJES / MAR	03/30/15			-775.00	1,993.49	66.5	1,006.51	1,006.51
			IN WRONT ACCT IPPFA DUES								
07-62-401-307 FEES DUES SUBSCRIPT 07-401-307							APPROP:	1,600.00		BUDGET:	800.00
			***** BALANCE FORWARD *****					0.00	0.0	800.00	800.00
3	PS	03/30/15	AJES / MAR	03/30/15			775.00	775.00	96.9	25.00	25.00
			IN WRONT ACCT IPPFA DUES								

WILLOWBROOK POLICE PENSION FUND  
 Monthly Police Pension Beneficiary Payments  
 FY 2014-15

Retirement:	Retirement Date	Future Increases	2015			
			Jan	Feb	March	April
Barnacle, John	4/1/2012	1st inc 1/1/17	(5,711.22)	(5,711.22)	(5,711.22)	(5,711.22)
Bozek, William D.	8/1/2011	1st inc 1/1/16	(4,691.36)	(4,691.36)	(4,691.36)	(4,691.36)
Finlon, Steven J.	8/1/2011		(5,619.94)	(5,619.94)	(5,619.94)	(5,619.94)
Foley, Francis (Pat)	6/1/2010	1st inc 1/1/15	(7,313.53)	(7,313.53)	(7,313.53)	(7,313.53)
Konstanty, Ed	3/1/2010		(8,539.76)	(8,539.76)	(8,539.76)	(8,539.76)
Kurinec, Michael J.	8/1/2011		(6,428.03)	(6,428.03)	(6,428.03)	(6,428.03)
Oggerino, Paul M.	1/4/2013	1st inc 5/1/17	(6,409.00)	(6,409.00)	(6,409.00)	(6,409.00)
Pec, Joe	11/29/2008		(7,380.40)	(7,380.40)	(7,380.40)	(7,380.40)
Pelliccioni, Andy	2/8/2015	1st inc 3/1/16	-	(3,959.92)	(5,543.89)	(5,543.89)
			(52,093.24)	(56,053.16)	(57,637.13)	(57,637.13)
<u>Disability:</u>						
Dusek, Joe			(2,825.41)	(2,825.41)	(2,825.41)	(2,825.41)
McCarthy, James		1st inc 1/1/17	(1,620.67)	(1,620.67)	(1,620.67)	(1,620.67)
			(4,446.08)	(4,446.08)	(4,446.08)	(4,446.08)
<u>Surviving Spouse:</u>						
Klevin, Martha		fixed - life	(3,209.37)	(3,209.37)	(3,209.37)	(3,209.37)
<b>Monthly pension requirement beg May 2014</b>			<b>\$ (59,748.69)</b>	<b>\$ (63,708.61)</b>	<b>\$ (65,292.58)</b>	<b>\$ (65,292.58)</b>

**WILLOWBROOK POLICE  
PENSION FUND  
INVESTMENT POLICY**

**PURPOSE**

The investment of pension funds is the responsibility of the members of the Board of Trustees of the Willowbrook Police Pension Fund (Pension Board). The purpose of this investment policy is to indicate a conscious, formal effort by the Pension Board to develop, implement and monitor the investment of pension funds. It shall be considered an important means to communicate the Pension Board's policy views on management of pension funds to the public, participants, and beneficiaries of the Willowbrook Police Pension Fund (Fund).

**OBJECTIVES**

The Pension Board has a fiduciary responsibility to discharge their duties with respect to the pension fund solely in the interest of the participants and beneficiaries as set forth in the Illinois Pension Code at 40 ILCS 5/1-109.

**Safety:** Safety of principal is the foremost objective of the Pension Fund. Each investment transaction shall seek to first ensure that large capital losses are avoided whether they are from securities defaults or erosion of market value.

**Return on Investments:** The Pension Board seeks to attain market rates of return on its investments consistent with constraints imposed by its safety objectives, cash flow considerations and Illinois state laws that restrict the placement of public funds.

**Maintenance of Public Trust:** All participants in the investment process shall seek to act prudently as custodians of pension funds. Investment officials shall avoid any transactions that might reasonably impair Fund participant's confidence in the Pension Board's ability to manage the Fund.

**Liquidity:** The assets shall be sufficiently liquid to meet the Fund's disbursement requirements for the payment of operating expenses and benefits.

**RESPONSIBILITY**

Management of the investment program is the responsibility of the Pension Fund Board of Trustees. No person may engage in an investment transaction except as provided under terms of this policy established by the Pension Board. The Pension Board may appoint an investment manager (as defined in 40 ILCS 5/1 - 101.4) to assist in the management of the investment program. Any such appointment shall be made in accordance with the requirements of Section 1-113.5 of the Illinois Pension Code (40 ILCS 5/1-113.5). The investment manager shall acknowledge, in writing, that it is a fiduciary with respect to the Pension Fund. Any such written agreement shall be attached to this policy. The Pension Board will meet with the investment manager at least quarterly to review market conditions, review the investment portfolio, and determine investment strategy.

## **PRUDENCE**

Investments shall be made with judgment and care, under circumstances prevailing, which person of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return. The standards of prudence to be used by investment officials shall be the "Prudent Person" and shall be applied in the context of managing the portfolio.

## **PROHIBITED TRANSACTIONS**

A Fiduciary with respect to the Fund shall not:

1. Deal with the assets of the Fund in their own interests or for their own account.
2. In their individual or other capacity act in any transaction involving the Fund on behalf of a party whose interests are adverse to the interests of the Fund or the interests of its participants or beneficiaries.
3. Receive any consideration for their own personal account from any party dealing with the Fund in connection with a transaction involving the assets of the Fund.

## **INVESTMENT INSTRUMENTS**

The Fund may invest in any type of investment instrument permitted by Illinois law, as described in Chapter 40 of the Illinois Compiled Statutes, 40 ILCS 5/1-113.1 through 113.4(a). Permitted investment instruments include, but are not limited to:

1. Interest bearing direct obligations of the United States of America.
2. Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest by the United States of America.
3. Interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America. For the purposes of this section, "Agencies of the United States of America" include:
  - a. The Federal National Mortgage Association
  - b. Federal Land Banks, Federal Intermediate Credit Banks, Federal Farm Credit Banks, and any other entity authorized to issue direct debt obligations of the United States of America under the Farm Credit Act of 1971 or amendments to that Act
  - c. Federal Home Loan Banks and the Federal Home Loan Mortgage Corporation

- d. Any agency created by Act of Congress that is authorized to issue direct debt obligations of the United States of America.
4. Interest bearing savings accounts or certificates of deposit, issued by federally chartered banks or savings and loan associations, or by State of Illinois chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
5. Interest bearing bonds of the State of Illinois.
6. Pooled interest bearing accounts managed by the Illinois Public Treasurer's Investment Pool, also known as the IL Fund, in accordance with the Deposit of State Moneys act, interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Funds, and interest bearing funds or pooled accounts managed, operated, and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies in accordance with the law of the State of Illinois.
7. Interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
8. Money Market Mutual Funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies; provided that the portfolio of the money market mutual fund is limited to:
  - a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities that are guaranteed by the full faith and credit of the United States of America as to principal and interest.
  - b. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
  - c. Short term obligations of corporations organized in the United States with assets exceeding \$400,000,000, provided that i) the obligations mature no later than 180 days from the date of purchase, ii) at the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest classifications, and iii) the obligations held by the mutual fund do not exceed 10% of the corporation's outstanding obligations.
9. Not to exceed 10% of the portfolio; any combination of separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stock, bonds or money market instruments or mutual funds that meet the following requirements:
  - a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.

- b. The mutual fund must have been in operation for at least 5 years.
  - c. The mutual fund must have total net assets of \$250,000,000 or more.
  - d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.
10. Corporate bonds, managed through an investment advisor, and the bonds meet the following requirements:
- a. The bonds must be rated as investment grade by one of the two largest rating services at the time of purchase.
  - b. If subsequently downgraded below investment grade, the bonds must be liquidated from the portfolio within 90 days after being downgraded by the manager.
11. A pension fund with net position of \$2,500,000 or more, may invest a portion of its net position, not to exceed 45% of the market value of the pension fund's net present assets as stated in its most recent annual report on file with the Illinois Department of Insurance, in separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stock, bonds or money market instruments or mutual funds that meet the following requirements:
- a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
  - b. The mutual fund must have been in operation for at least 5 years.
  - c. The mutual fund must have total net assets of \$250,000,000 or more.
  - d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.
12. A pension fund with net position of \$5,000,000 or more, which has appointed an investment adviser under Section 1-113.5, may, through that investment adviser, invest in common and preferred stocks that meet the following requirements:
- a. The common stocks must be listed on a national securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934 and set forth in paragraph G of Section 3 of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System.
  - b. The securities must be of a corporation in existence for at least 5 years.
  - c. The market value of stock in any one corporation may not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation may not exceed 5% of the total outstanding stock of that corporation.

- d. The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board.

The Fund's investment in the above equity investments shall not exceed 45% of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

13. A pension fund with net position of \$10,000,000 or more, which has appointed an investment adviser under Sections 1-101.4 and 1-113.5, may, through that investment adviser, invest an additional portion of its assets in common and preferred stocks and mutual funds that meet all of the following requirements:

These stocks must meet all of the following requirements:

- a. The common stocks must be listed on a national securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934 and set forth in paragraph G of Section 3 of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System.
- b. The securities must be of a corporation in existence for at least 5 years.
- c. The market value of stock in any one corporation may not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation may not exceed 5% of the total outstanding stock of that corporation.
- d. The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board.

These mutual funds must meet the following requirements:

- a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
- b. The mutual fund must have been in operation for at least 5 years.
- c. The mutual fund must have total net assets of \$250,000,000 or more.
- d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.

The Fund's total investment in the items authorized under this Section shall not exceed 50% effective July 1, 2011 and 55% effective July 1, 2012 of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

## **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:

<u>Application</u>	<u>Benchmark</u>
Cash Equivalents	90 - day U.S. Treasury Bills
Fixed Income (excludes Corporate Bonds)	B of A Merrill Lynch Treasury/Agency Index
Corporate Bond	B of A Merrill Lynch 1-10 Year Corporate
Large Capitalization Equities	Standard & Poor's 500 Stock Index
Mid Capitalization Equities	Standard & Poor's 400 Stock Index
Small Capitalization Equities	Russell 2000 Stock Index
International Equities (includes developed and emerging markets)	Morgan Stanley Capital International Europe/Australias/Far East Index

## CONTROLS

The Fund maintains its books and records in conformance with generally accepted accounting principles. The internal controls shall be established by the Treasurer and reviewed by the Pension Board and an independent auditor. The controls shall be designed to prevent 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 Pension Board.

## DIVERSIFICATION / STRATEGY

### Fixed Income:

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>Target Allocation</u> 3	<u>Range of Allocation</u>
Cash, Money Market, IPTIP accounts: 1	0%	0 - 10%
Bank Certificates of Deposit: 2	0%	0 - 10%
U.S. Treasury Securities:	10%	0 - 40%
U.S. Government Agency Securities:	40%	0 - 75%
U.S. Government Agency MBS's:4	0%	0 - 20%
Taxable Municipal Securities:	10%	0 - 20%
Corporate Bonds:	25%	0 - 50%
High-Yield Fixed Income Funds:	7.5%	0 - 10%
Emerging Market Fixed Income Funds	7.5%	0 - 10%

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.
4. May be individual Mortgage Backed Securities (MBS) or MBS Funds

**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>Target Allocation</u>	<u>Range of Allocation</u>
U.S. Large Company Stocks	55%	0-75%
U.S. Mid-Sized Company Stocks	10%	0-15%
U.S. Small Company Stocks	10%	0-20%
International Stock Funds	15%	0-25-%
Alternative Investment Funds *	10%	0-20%

\*Such as, but not limited to: Real Estate Funds, Natural Resources Funds, Infrastructure Funds. All funds used in this space will meet the State Statute guidelines for mutual funds.

Portfolio allocations should be rebalanced at least annually at the end of the fiscal year or when the portfolio allocation to equities rises above the limit established and confirmed at each board meeting.

	<u>Target Allocation</u> <sup>3</sup>	<u>Range of Allocation</u>
Cash, Money Market, IPTIP accounts: 1	0%	0 - 10%
Bank Certificates of Deposit: 2	0%	0 - 10%
U.S. Treasury Securities:	10%	0 - 40%
U.S. Government Agency Securities:	40%	0 - 75%
U.S. Government Agency MBS's:4	0%	0 - 20%
Taxable Municipal Securities:	10%	0 - 20%
Corporate Bonds:	25%	0 - 50%
High-Yield Fixed Income Funds:	7.5%	0 - 10%
Emerging Market Fixed Income Funds	7.5%	0 - 10%

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	<u>Target Allocation</u> 3	<u>Range of Allocation</u>
Cash, Money Market, IPTIP accounts: 1	0%	0 - 10%
Bank Certificates of Deposit: 2	0%	0 - 10%
U.S. Treasury Securities:	10%	0 - 40%
U.S. Government Agency Securities:	40%	0 - 75%
U.S. Government Agency MBS's:4	0%	0 - 20%
Taxable Municipal Securities:	10%	0 - 20%
Corporate Bonds:	25%	0 - 50%
High-Yield Fixed Income Funds:	7.5%	0 - 10%
Emerging Market Fixed Income Funds	7.5%	0 - 10%

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\*Such as, but not limited to: Real Estate Funds, Natural Resources Funds, Infrastructure Funds. All funds used in this space will meet the State Statute guidelines for mutual funds.

Portfolio allocations should be rebalanced at least annually at the end of the fiscal year or when the portfolio allocation to equities rises above the limit established and confirmed at each board meeting.

**COLLATERALIZATION** - It is the policy of the Fund to require that all deposits in excess of FDIC insurable limits (applies to bank Certificates of Deposit) be secured by collateral in order to protect deposits from default.

1. Eligible collateral instruments and collateral ratios (market value divided by deposit) are as follows:

- |    |                                                          |        |
|----|----------------------------------------------------------|--------|
| a. | U.S. Government Securities                               | = 110% |
| b. | Obligations of Federal Agencies                          | = 115% |
| c. | Obligations of the State of Illinois                     | = 115% |
| d. | Local and Municipal Bonds rated "A" or better by Moody's | = 115% |

The ratio of fair market value of collateral to the amount of funds secured shall be reviewed at least quarterly and additional collateral shall be requested when the ratio declines below the level required.

2. Safekeeping of collateral

a) Third party safekeeping is required for all collateral. To accomplish this, the securities can be held at the following locations:

1. A Federal Reserve Bank or branch office.
2. At another custodial facility - generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved. If physical securities are involved, at a third party depository in a suitable vault and insured against loss by fire, theft and similar causes.

b) Safekeeping of collateral shall be documented by a written agreement approved by the Treasurer. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.

c) Substitution or exchange of securities held in safekeeping as collateral may occur without prior written notice to the Treasurer provided that the market value of the replacement securities are equal to or greater than the market value of the securities being replaced. The Treasurer shall be notified in writing within two days of all substitutions.

## **CUSTODY, REGISTRATION AND SAFEKEEPING OF INVESTMENTS**

1. Third party safekeeping is required for all securities owned by the Fund. To accomplish this, the securities shall be held in a trust department through book-entry at the Depository Trust Company.

2. The Board of Trustees may register the investments of the Fund in the name of the Pension Fund, in the nominee name of a bank or trust company authorized to conduct

trust business in Illinois, or in the nominee name of the Illinois Public Treasurer's Investment Pool.

3. Safekeeping shall be documented by an approved written agreement. The agreement may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement. Fees for this service shall be mutually agreed upon by the Pension Board and the safekeeping bank.

### **ETHICS AND CONFLICTS OF INTEREST**

Any fiduciary with respect to the Fund shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

### **INDEMNIFICATION**

Pension Board members, investment officers, and the Treasurer acting in accordance with this Investment Policy and such written procedures as have been or may be established, in relation thereto, and exercising due diligence, shall be relieved of personal liability for an individual security's credit risk or market changes.

### **REPORTING**

On a quarterly basis, the Treasurer shall submit to the Pension board an investment report which shall describe the portfolio in terms of investment securities, maturity, cost, transactions and earnings for the current period. The Treasurer or Investment Manager shall also submit a comprehensive annual report on the investment program and activity.

### **MEETING SCHEDULE**

The Board shall schedule periodic meetings for the purposes of portfolio and investment performance review. Special meetings may be called as needed to conduct the business of the pension Board.

### **AUDIT**

The Fund is subject to periodic examination by the Illinois Department of Insurance.

### **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.

**IL Funds (also known as the 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.

**B of A Merrill Lynch Corporate 1-10 Year Index** - benchmark index based upon publicly issued intermediate corporate debt securities.

**B of A 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.

**B of A 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 re-balanced 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, stock, bond, certificate of interest or certificate of deposit.

**Separate Account** - term used of 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 & Poor's 400 Midcap Stock Index** – is comprised of 400 stocks chosen for market size, liquidity and industry group representation. All stocks within the S & P 500 are not eligible for inclusion.

**Standard & Poor's 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.

## **AMENDMENT**

The Board shall review this Policy periodically to ensure its effectiveness in meeting the Pension Fund's needs for safety, liquidity, rate of return, and diversification, and its general performance. Any changes shall be presented to the Pension Board for its approval. Whenever this policy is amended, the Board shall file a copy of the new policy with the Illinois Department of Insurance within thirty (30) days.

## **CONFLICT**

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

## **FILING OF POLICY; PUBLIC AVAILABILITY**

The Board shall file this policy with the Illinois Department of Insurance within thirty (30) days of its adoption. The Board shall make a copy of this Policy available to the public at the main administrative office of the Pension Fund.

**ADOPTION**

Adopted by the Willowbrook Police Pension Fund Board of Trustees, as amended, on this day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
President

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Treasurer

\_\_\_\_\_  
Trustee

01/2014

**WILLOWBROOK POLICE PENSION FUND**

**STATEMENT OF  
INVESTMENT POLICY**

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## **DEFINITION OF TERMS**

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**Return** - Income and capital appreciation or depreciation on an investment.

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**Treasury Note** - intermediate debt obligation of U.S. government which will mature in 1 to 10 years of original issuance.

**Treasury Bond** - longer debt obligations of U.S. government which will mature in more than ten years of original issuance.

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

## **STATEMENT OF PURPOSE**

The investment of pension funds is the responsibility of the members of the Board of Trustees of the Willowbrook Police Pension Fund (Pension Board). The purpose of this investment policy is to:

- Define and assign the responsibilities of all parties involved
- Establish the relevant investment horizon for which the Pension Fund will be managed
- Offer guidance and limitations to all Investment Managers regarding the investment of Pension Fund
- Communicate the Pension Board's policy views on management of pension funds to the public, participants, and beneficiaries of the Willowbrook Police Pension Fund (Fund)

- Establish long-term expected rates
- Establish a basis of evaluating investment results

In general, the purpose of this investment policy is to outline a philosophy which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical. This document is intended to serve as a reference tool, an operating code, and a communications link between the Board of Trustees, its staff, and its investment professionals.

## **INVESTMENT OBJECTIVES**

The Pension Board has a fiduciary responsibility to discharge their duties with respect to the pension fund solely in the interest of the participants and beneficiaries as set forth in the Illinois Pension Code at 40 ILCS 5/1-109.

**Safety:** Safety of principal is the foremost objective of the Pension Fund. Each investment transaction shall seek to first ensure that large capital losses are avoided whether they are from securities defaults or erosion of market value.

**Return on Investments:** The Pension Board seeks to attain market rates of return on its investments consistent with constraints imposed by its safety objectives, cash flow considerations and Illinois state laws that restrict the placement of public funds.

**Maintenance of Public Trust:** All participants in the investment process shall seek to act prudently as custodians of pension funds. Investment officials shall avoid any transactions that might reasonably impair Fund participant's confidence in the Pension Board's ability to manage the Fund.

**Liquidity:** The assets shall be sufficiently liquid to meet the Fund's disbursement requirements for the payment of operating expenses and benefits.

## **DISTINCTION OF RESPONSIBILITIES**

Management of the investment program is the responsibility of the Pension Fund Board of Trustees. No person may engage in an investment transaction except as provided under terms of this policy established by the Pension Board. The Pension Board may appoint an investment manager (as defined in 40 ILCS 5/1 - 101.4) to assist in the management of the investment program. Any such appointment shall be made in accordance with the requirements of Section 1-113.5 of the Illinois Pension Code (40 ILCS 5/1-113.5). The investment manager shall acknowledge, in writing, that it is a fiduciary with respect to the Pension Fund. Any such written agreement shall be attached to this policy. The Pension Board will meet with the investment manager at least quarterly to review market conditions, review the investment portfolio, and determine investment strategy.

The Board of Trustees will generally be responsible for the following:

- Complying with applicable laws, regulations, and rulings.
- Selecting all qualified investment professionals.
- Monitoring and evaluating investment performance and compliance with this Policy.
- Reviewing and suggesting changes, as needed, to this Policy.
- Establishing and reviewing the appropriateness of the Pension Fund's asset allocation policy.
- Taking action according to this policy.

## **PRUDENCE**

Investments shall be made with judgment and care, under circumstances prevailing, which a person of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return. The standards of prudence to be used by investment officials shall be the "Prudent Investor" and shall be applied in the context of managing the portfolio.

## **PROHIBITED TRANSACTIONS**

The members of the Pension Fund Board of Trustees, and all other employees, agents, officials, or representatives of the Pension Fund involved in the investment process shall avoid any transactions prohibited by federal, state, or local law, particularly as set forth in 40 ILCS 5/1-110 and 30 ILCS 235/2. A Fiduciary with respect to the Fund shall not:

- Deal with the assets of the Fund in their own interests or for their own account.
- In their individual or other capacity act in any transaction involving the Fund on behalf of a party whose interests are adverse to the interests of the Fund or the interests of its participants or beneficiaries.
- Receive any consideration for their own personal account from any party dealing with the Fund in connection with a transaction involving the assets of the Fund.

## **INVESTMENT GUIDELINES**

The Fund may invest in any type of investment instrument permitted by Illinois law, as described in Chapter 40 of the Illinois Compiled Statutes, 40 ILCS 5/1-113.1 through 113.4(a). Permitted investment instruments include, but are not limited to:

1. Interest bearing direct obligations of the United States of America.
2. Interest bearing obligations to the extent that they are fully guaranteed or insured as to payment of principal and interest by the United States of America.

3. Interest bearing bonds, notes, debentures, or other similar obligations of agencies of the United States of America. For the purposes of this section, "Agencies of the United States of America" include:
  - a. The Federal National Mortgage Association
  - b. Federal Land Banks, Federal Intermediate Credit Banks, Federal Farm Credit Banks, and any other entity authorized to issue direct debt obligations of the United States of America under the Farm Credit Act of 1971 or amendments to that Act
  - c. Federal Home Loan Banks and the Federal Home Loan Mortgage Corporation
  - d. Any agency created by Act of Congress that is authorized to issue direct debt obligations of the United States of America.
4. Interest bearing savings accounts or certificates of deposit, issued by federally chartered banks or savings and loan associations, or by State of Illinois chartered banks or savings and loan associations, to the extent that the deposits are insured by agencies or instrumentalities of the federal government.
5. Interest bearing bonds of the State of Illinois.
6. Pooled interest bearing accounts managed by the Illinois Public Treasurer's Investment Pool, also known as the IL Fund, in accordance with the Deposit of State Moneys act, interest bearing funds or pooled accounts of the Illinois Metropolitan Investment Funds, and interest bearing funds or pooled accounts managed, operated, and administered by banks, subsidiaries of banks, or subsidiaries of bank holding companies in accordance with the law of the State of Illinois.
7. Interest bearing bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois.
8. Money Market Mutual Funds managed by investment companies that are registered under the Federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies; provided that the portfolio of the money market mutual fund is limited to:
  - a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities that are guaranteed by the full faith and credit of the United States of America as to principal and interest.
  - b. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies.
  - c. Short term obligations of corporations organized in the United States with assets exceeding \$400,000,000, provided that i) the obligations mature no later than 180 days from the date of purchase, ii) at the time of purchase, the obligations are rated by at least 2 standard national rating services at one of their 3 highest

classifications, and iii) the obligations held by the mutual fund do not exceed 10% of the corporation's outstanding obligations.

9. Not to exceed 10% of the portfolio; any combination of separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stock, bonds or money market instruments or mutual funds that meet the following requirements:
  - a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
  - b. The mutual fund must have been in operation for at least 5 years.
  - c. The mutual fund must have total net assets of \$250,000,000 or more.
  - d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.
10. Corporate bonds, managed through an investment advisor, and the bonds meet the following requirements:
  - a. The bonds must be rated as investment grade by one of the two largest rating services at the time of purchase.
  - b. If subsequently downgraded below investment grade, the bonds must be liquidated from the portfolio within 90 days after being downgraded by the manager.
11. A pension fund with net assets of \$2,500,000 or more, may invest a portion of its net assets, not to exceed 45% of the market value of the pension fund's net present assets as stated in its most recent annual report on file with the Illinois Department of Insurance, in separate accounts that are managed by life insurance companies authorized to transact business in Illinois and are comprised of diversified portfolios consisting of common or preferred stock, bonds or money market instruments or mutual funds that meet the following requirements:
  - a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
  - b. The mutual fund must have been in operation for at least 5 years.
  - c. The mutual fund must have total net assets of \$250,000,000 or more.
  - d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.
12. A pension fund with net assets of \$5,000,000 or more, which has appointed an investment adviser under Section 1-113.5, may, through that investment adviser, invest in common and preferred stocks and mutual funds that meet all of the following requirements:

The stocks must meet all of the following requirements:

- a. The common stocks must be listed on a national securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934 and set forth in paragraph G of Section 3 of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System.
- b. The securities must be of a corporation in existence for at least 5 years.
- c. The market value of stock in any one corporation may not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation may not exceed 5% of the total outstanding stock of that corporation.
- d. The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board.

The mutual funds must meet the following requirements:

- a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
- b. The mutual fund must have been in operation for at least 5 years.
- c. The mutual fund must have total net assets of \$250,000,000 or more.
- d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.

The Fund's investment in the above equity investments shall not exceed 45% of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

13. A pension fund with net assets of \$10,000,000 or more, which has appointed an investment adviser under Sections 1-101.4 and 1-113.5, may, through that investment adviser, invest an additional portion of its assets in common and preferred stocks and mutual funds that meet all of the following requirements:

The stocks must meet all of the following requirements:

- a. The common stocks must be listed on a national securities exchange or board of trade (as defined in the Federal Securities Exchange Act of 1934 and set forth in paragraph G of Section 3 of the Illinois Securities Law of 1953) or quoted in the National Association of Securities Dealers Automated Quotation System National Market System.
- b. The securities must be of a corporation in existence for at least 5 years.
- c. The market value of stock in any one corporation may not exceed 5% of the cash and invested assets of the pension fund, and the investments in the stock of any one corporation may not exceed 5% of the total outstanding stock of that corporation.

- d. The straight preferred stocks or convertible preferred stocks must be issued or guaranteed by a corporation whose common stock qualifies for investment by the board.

The mutual funds must meet the following requirements:

- a. The mutual fund must be managed by an investment company registered under the Federal Investment Company Act of 1940 and registered under the Illinois Securities Law of 1953.
- b. The mutual fund must have been in operation for at least 5 years.
- c. The mutual fund must have total net assets of \$250,000,000 or more.
- d. The mutual fund must be comprised of a diversified portfolio of common or preferred stocks, bonds, or money market instruments.

The Fund's total investment in the items authorized under this Section shall not exceed 60% effective July 1, 2011 and 65% effective July 1, 2012 of the market value of the pension fund's net present assets stated in its most recent annual report on file with the Illinois Department of Insurance.

#### **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:

<u>Application</u>	<u>Benchmark</u>
Cash Equivalents	90 - day U.S. Treasury Bills
Fixed Income (excludes Corporate Bonds)	B of A Merrill Lynch Treasury/Agency Index
Corporate Bond	B of A Merrill Lynch 1-10 Year Corporate
Large Capitalization Equities	Standard & Poor's 500 Stock Index
Mid Capitalization Equities	Standard & Poor's 400 Stock Index
Small Capitalization Equities	Russell 2000 Stock Index
International Equities (includes developed and emerging markets)	Morgan Stanley Capital International Europe/Australias/Far East Index

The investment performance of total portfolios, as well as asset class components, will be measured against said benchmarks. The Trustees reserve the right to terminate a manager for any reason including, but not limited to, the following:

- Investment performance which is significantly less than anticipated given the discipline employed and the risk parameters established, or unacceptable justification of poor results.
- Failure to adhere to any aspect of this statement of investment policy, including communication and reporting requirements.
- Significant qualitative changes to the investment management organization.

## CONTROLS

The Fund maintains its books and records in conformance with generally accepted accounting principles. The internal controls shall be established by the Treasurer and reviewed by the Pension Board and an independent auditor. The controls shall be designed to prevent 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 Pension Board.

## DIVERSIFICATION / STRATEGY

### Fixed Income:

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 1.0 years to 7.0 years. 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>Target Allocation</u> 3	<u>Range of Allocation</u>
Cash, Money Market, IPTIP accounts: 1	0%	0 - 20%
Bank Certificates of Deposit: 2	0%	0 - 25%
U.S. Treasury Securities:	10%	0 - 40%
U.S. Government Agency Securities:	40%	0 - 75%
U.S. Government Agency MBS's:4	0%	0 - 20%
Taxable Municipal Securities:	10%	0 - 20%
Corporate Bonds:	25%	0 - 50%
High-Yield Fixed Income Funds:	7.5%	0 - 10%
Emerging Market Fixed Income Funds	7.5%	0 - 10%

### 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.
4. May be individual Mortgage Backed Securities (MBS) or MBS Funds

**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>Target Allocation</u>	<u>Range of Allocation</u>
U.S. Large Company Stocks	55%	15-75%
U.S. Mid-Sized Company Stocks	10%	0-20%
U.S. Small Company Stocks	10%	0-25%
International Stock Funds	15%	0-30%
Alternative Investment Funds *	10%	0-30%

\*Such as, but not limited to: Real Estate Funds, Natural Resources Funds, Infrastructure Funds. All funds used in this space will meet the State Statute guidelines for mutual funds.

Portfolio allocations should be rebalanced at least annually at the end of the fiscal year or when the portfolio allocation to equities rises above the limit established and confirmed at each board meeting.

**LONG-TERM EXPECTED RATES [as required by GASB 67]**

Willowbrook Police Pension Fund

**Long-Term Expected Rates\***

<u>Asset Class</u>	<u>Long-Term Expected Rate of Return</u>	<u>Long-Term Inflation Expectations</u>	<u>Long-Term REAL Rates of Return Expectations</u>
<b><u>Fixed Income</u></b>			
US Treasuries	4.30%	2.50%	1.75%
US Agencies	4.50%	2.50%	2.00%
Taxable Municipal Securities	4.50%	2.50%	2.00%
Corporate Bonds	5.00%	2.50%	2.50%
High-Yield Fixed Income	6.00%	2.50%	3.50%
Emerging Market Fixed Income	6.50%	2.50%	4.00%
<b><u>Equities</u></b>			
US Large Cap	7.50%	2.50%	5.00%
US Mid Cap	7.80%	2.50%	5.25%
US Small Cap	7.50%	2.50%	5.00%
International	7.80%	2.50%	5.25%

<u>Alternatives</u>			
Real Estate	6.80%	2.50%	4.25%
Global Infrastructure	7.30%	2.50%	4.75%
Natural Resources	3.80%	2.50%	1.25%

\*The above data has been requested per GASB 67, MB Financial Bank has formulated this data in accordance with the Asset Management and Trust Division's proprietary research and analytical tools. These projections were most recently updated in September, 2014.

**COLLATERALIZATION** - It is the policy of the Fund to require that all deposits in excess of FDIC insurable limits (applies to bank Certificates of Deposit and other cash deposits) be secured by collateral in order to protect deposits from default.

1. Eligible collateral instruments and collateral ratios (market value divided by deposit) are as follows:
  - a. U.S. Government Securities = 110%
  - b. Obligations of Federal Agencies = 115%
  - c. Obligations of the State of Illinois = 115%
  - d. Local and Municipal Bonds rated "A" or better by Moody's = 115%

The ratio of fair market value of collateral to the amount of funds secured shall be reviewed at least quarterly and additional collateral shall be requested when the ratio declines below the level required.

2. Safekeeping of collateral
  - a) Third party safekeeping is required for all collateral. To accomplish this, the securities can be held at the following locations:
    1. A Federal Reserve Bank or branch office.
    2. At another custodial facility - generally in a trust department through book-entry at the Federal Reserve, unless physical securities are involved. If physical securities are involved, at a third party depository in a suitable vault and insured against loss by fire, theft and similar causes.
  - b) Safekeeping of collateral shall be documented by a written agreement approved by the Treasurer. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.
  - c) Substitution or exchange of securities held in safekeeping as collateral may occur without prior written notice to the Treasurer provided that the market value of the replacement securities are equal to or greater than the market value of the securities

being replaced. The Treasurer shall be notified in writing within two days of all substitutions.

### **CUSTODY, REGISTRATION AND SAFEKEEPING OF INVESTMENTS**

1. Third party safekeeping is required for all securities owned by the Fund. To accomplish this, the securities shall be held in a trust department through book-entry at the Depository Trust Company.
2. The Board of Trustees may register the investments of the Fund in the name of the Pension Fund, in the nominee name of a bank or trust company authorized to conduct trust business in Illinois, or, in the nominee name of the Illinois Public Treasurer's Investment Pool.
3. Safekeeping shall be documented by an approved written agreement. The agreement may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement. Fees for this service shall be mutually agreed upon by the Pension Board and the safekeeping bank.

### **ETHICS AND CONFLICTS OF INTEREST**

Any fiduciary with respect to the Fund shall refrain from personal business activity that could conflict with the proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

### **INDEMNIFICATION**

The Pension Fund may indemnify and protect the trustees, staff and advisors against all damage claims and suits, including defense thereof, when damages are sought for negligent or wrongful acts alleged to have been committed in the scope of employment or under the direction of the trustees. However, the trustees, staff and advisors shall not be indemnified for willful misconduct and gross negligence.

### **REPORTING AND COMMUNICATION**

#### **Reporting**

On a quarterly basis, the Treasurer, Finance Director and /or Investment Manager shall submit to the Pension board an investment report which shall describe the portfolio in terms of investment securities, maturity, cost, transactions and earnings for the current period. The Treasurer or Investment Manager shall also submit a comprehensive annual report on the investment program and activity.

#### **Meeting Schedule**

The Board shall schedule periodic meetings for the purposes of portfolio and investment performance review. Special meetings may be called as needed to conduct the business of the

pension Board. Investment policies and Fund management guidelines will be reviewed by the Pension Board every year.

**Audit**

The Fund is subject to periodic examination by the Illinois Department of Insurance.

**Filing of Policy; Public Availability**

The Board shall file this policy with the Illinois Department of Insurance within thirty (30) days of its adoption. The Board shall make a copy of this Policy available to the public at the main administrative office of the Pension Fund.

**AMENDMENT**

The Board shall review this Policy periodically to ensure its effectiveness in meeting the Pension Fund's needs for safety, liquidity, rate of return, and diversification, and its general performance. Any changes shall be presented to the Pension Board for its approval. Whenever this policy is amended, the Board shall file a copy of the new policy with the Illinois Department of Insurance within thirty (30) days.

**CONFLICT**

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

**ADOPTION**

Adopted by the Willowbrook Police Pension Fund Board of Trustees, as amended, on this \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
President

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Secretary

\_\_\_\_\_  
Trustee

\_\_\_\_\_  
Treasurer

\_\_\_\_\_  
Trustee

**VILLAGE OF WILLOWBROOK  
POLICE PENSION FUND  
PROPOSED BUDGET - FY 2015-16**

	FY 10-11 ACTUAL	FY 11-12 ACTUAL	FY 12-13 ACTUAL	FY 13-14 ACTUAL	FY 14-15 BUDGET	FY 14-15 ESTIMATED ACTUAL	FY 15-16 PROPOSED BUDGET
<b>Police Pension Fund EXPENSES</b>							
<b>Personnel Services</b>							
07-62-401-104							
07-62-401-581	\$ 263,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
07-62-401-582	10,663	393,127	535,175	596,824	611,530	628,162	698,652 (1)
07-62-401-583	50,730	38,512	38,512	38,512	38,512	38,512	38,512 (1)
07-62-401-586	-	51,292	51,854	52,416	52,978	52,978	53,540 (1)
* TOTAL	324,802	482,931	625,541	706,354	703,020	719,652	790,704 (2)
<b>Contractual Services</b>							
07-62-401-242		817		437	1,000		2,000
07-62-401-251	3,600			2,232	2,299	2,300	2,369 (3)
07-62-401-252	1,600	1,383	1,800	1,800	1,800	2,200	4,400 (5)
07-62-401-253	22,509	24,790	26,791	26,956	30,542	32,735	33,717 (3)
07-62-401-254	-			2,952	3,040	2,960	3,049 (3,4)
* TOTAL	27,709	27,490	28,591	34,377	38,681	40,195	45,535
<b>Supplies &amp; Materials</b>							
07-62-401-301							
07-62-401-302							
07-62-401-304	2,216	1,575	3,607	2,251	3,000	1,993	3,000
07-62-401-306							
07-62-401-307	775	775		775	800	775	800 (3)
07-62-401-311							
07-62-401-401							
07-62-401-531	2,016	2,491	2,859	3,033	3,124	3,344	3,631
07-62-401-543							
* TOTAL	5,007	4,841	6,466	6,059	6,924	6,112	7,431
07-62-401-599	2,996	2,998	2,950				
* TOTAL	2,996	2,998	2,950				-
<b>TOTAL EXPENSES</b>							
	\$ 360,514	\$ 518,250	\$ 663,548	\$ 746,790	\$ 748,625	\$ 765,959	\$ 843,670
<b>SURPLUS/ (DEFICIT)</b>							
	\$ 1,836,349	\$ 869,302	\$ 1,559,202	\$ 1,430,653	\$ 471,052	\$ 724,979	\$ 475,197

**NOTES:**

- (1) See separate schedule
- (2) One-time payment to Amanda Willey
- (3) Assumed 3% increase
- (4) Fiduciary insurance was previously budgeted under "other" instead of "insurance"
- (5) Normal valuation plus add'l GASB 67 disclosures that must be implemented April 30, 2015.

<b>Village of Willowbrook Police Pension Fund</b>				
<b>Budget 2015-16</b>				
<b>Pension Benefit Detail</b>				
	<b>5/1/15- 12/31/2015</b>	<b>1/1/2016 4/30/2016</b>	<b>Annual Payment</b>	
<b>Regular Retirement:</b>				
John Barnacle	45,689.76	22,844.88	68,534.64	(no inc until 4/1/17)
Bill Bozek	37,530.88	21,204.96	58,735.84	(first increase 1/1/16)
Steve Finlon	44,959.52	23,154.16	68,113.68	3% annual inc
Pat Foley	58,508.24	30,131.76	88,640.00	3% annual inc
Ed Konstanty	68,318.08	35,183.80	103,501.88	3% annual inc
Mike Kurinec	51,424.24	26,483.48	77,907.72	3% annual inc
Paul Oggerino	51,272.00	25,636.00	76,908.00	(no inc until 5/1/17)
Joe Pec	59,043.20	30,407.24	89,450.44	3% annual inc
Andy Pelliccioni	44,351.12	22,508.20	66,859.32	(first increase 3/1/16)
<b>Total</b>			<b>698,651.52</b>	<b>07-62-401-581</b>
<b>Disability:</b>				
Joseph Dusek	22,603.28	11,488.96	34,092.24	3% annual inc of orig pension
James McCarthy	12,965.36	6,482.68	19,448.04	(no inc until 1/1/17)
			<b>53,540.28</b>	<b>07-62-401-583</b>
<b>Widow:</b>				
Mrs. Richard Klevin			38,512.44	\$3,209.37/mo fixed
			<b>38,512.44</b>	<b>07-62-401-582</b>
<b>GRAND TOTAL</b>			<b>\$ 790,704.24</b>	



## Willowbrook Police Department

7760 Quincy Street  
Willowbrook, IL 60527-5594

Phone: (630) 325-2808 Fax: (630) 323-7915  
www.willowbrookil.org



### Chief of Police

Mark T. Shelton

Memo To: Willowbrook Police Pension Board  
From: Debbie Hahn, Secretary to the Police Pension Board  
Subject: Re: James McCarthy - Potential Employment in Wisconsin  
Date: May 12, 2015

I have been receiving calls from Mr. Jim McCarthy regarding possible employment in Wisconsin and how it would affect his current disability benefits.

Mr. McCarthy would also like to know how he is to correspond with the Willowbrook Police Pension Board and/or the Pension attorney - Email/mail?

In addition, he forwarded to me two job descriptions he is considering and would like some feedback from the attorney if this would impact his current pension benefits. (See attached).

The Board can contact Mr. McCarthy by mail, [REDACTED]  
telephone — [REDACTED]

NEWS | CAREER

Welcome

Our Culture

Brand Experience

Find Your Fit

Manufacturing Professional

Jobs

Welcome

Search  
openingsSearch  
resultsJob  
details

? Help

**Job details**

Job 1 of 1

Apply to job

Send to friend

Save to cart

Title

Operations

Job Description

**Position Purpose:**

Associates in store Operations positions ensure the store is stocked and ready for business every day, as well as provide merchandise loading assistance to our customers. They load and unload trucks, move material from the receiving area throughout the store, may operate forklifts and may perform critical functions for maintaining proper on-hands and pricing for our customers. Direct customer interaction is frequently required for some positions and excellent customer service skills are required. Operations position types may include Bay Integrity Associates, Freight Team Associates, Lot Associates, RTV, and Receiving Associates.

**Major Tasks, Responsibilities & Key Accountabilities:**

- Examines and inspects stock items for wear or defects, reporting any damage to supervisors
- Follows all loss prevention policies and procedures
- Marks stock items using identification, and stock location based on turnover, environmental factors, and physical capabilities of facilities
- Stocks merchandise onto shelves for customer availability; requires sorting and staging of merchandise to sales floor
- Builds end caps and promotions
- Provides fast, friendly service
- Approach customers to determine if they need help loading product into vehicles
- Loads customer products into vehicles
- Unloading merchandise using designated equipment
- Understanding carrier unload processes for efficient freight management
- Identifying and reading vendor packing slips, carrier shipping documents, UPC labels and other receiving documents and comparing to purchase orders to ensure accuracy

**Nature and Scope:**

- Due to forklifts and other heavy equipment traveling through the store, temporary cracks may appear in the floor, causing an uneven walking surface
- The warehouse environment can be dusty and noisy
- Doors are frequently open, causing drafts and interior temperature changes
- Floors around work area may become slippery during wet weather conditions
- May have to handle merchandise and work with tools with sharp edges
- Passing forklifts emit gas fumes
- Tools, supplies and related merchandise may contain hazardous materials

**Environmental Job Requirements:**

**Minimum Qualifications**

**Environment:**

Usually in a comfortable environment but with regular exposure to factors causing moderate physical discomfort from such things as dust, fumes or odors

**Travel:**

Typically requires overnight travel less than 10% of the time  
Must be eighteen years of age or older

Must be legally permitted to work in the United States

**Additional Minimum Qualifications:**

**Education Required:**

The knowledge, skills and abilities typically acquired through the completion of a high school diploma and/or GED

**Physical Requirements:**

Must continuously stand or walk or regularly requires lifting/handling/carrying material or equipment of moderate weight (8-50 pounds)

**Additional Qualifications:**

**Physical Job Requirements**

- Bending, stooping, reaching, twisting, lifting, pushing, pulling and moving items
  - Requires the ability to move around the store and maneuver merchandise when necessary
- Responding to public address system announcements
  - Requires listening for customer service calls, personal pages and general information announcements
- Walking and Standing
  - Requires moving around the store to assist Customers
- Identifying and reading reports, tickets and UPC labels
  - Requires recognizing, identifying and using merchandise and necessary reports

**Preferred Qualifications**

- Knowledge, Skills, Abilities and Competencies:**
- Attention to Detail: Concentrates for an extended period of time; catches errors before completing assignments; maintains high quality standards for his/her work
  - Customer Driven: Provides outstanding customer service (to both internal and external customers); follows through on responsibilities to customers; recovers from any errors made and leaves customer satisfied
  - Gets Things Done: Demonstrates the ability to get results despite a large workload, competing demands and a fast-paced environment
  - Acts with Integrity: Demonstrates responsible and honest behavior in all Home Depot roles

**City**  
**State**  
**Location #**  
**Auto req ID**

FRANKLIN  
WI  
4907 - FRANKLIN, WI  
76292BR

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**Deborah Hahn**

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**From:** Elaine McCarthy [REDACTED]  
**Sent:** Tuesday, May 12, 2015 12:51 PM  
**To:** Deborah Hahn  
**Subject:** Job Description

Hi Deb. Can you please forward this job description to the Police Pension Board for their review? And let me know that you received this? Thanks.

Jim

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**From:** Stacy Melichar [mailto:SMelichar@whelansecurity.com]  
**Sent:** Monday, May 11, 2015 3:07 PM  
**To:** [REDACTED]  
**Cc:** Stacy Melichar  
**Subject:** Whelan Security Openings

Hi Jim,

Thank you for your interest in Whelan Security! Please see the position details below for Oconomowoc:

Roundy's Distribution Center  
1111 Delafield Rd.  
[REDACTED]

FT or PT  
\$9.75 per hour

2<sup>nd</sup> or 3<sup>rd</sup> shift  
2<sup>nd</sup> shift hours: 1500-2300  
3<sup>rd</sup> shift hours: 2300-0700

Front Desk Duties: Transferring Calls, issuing ID badges, monitoring CCTV, pulling video reviews, monitoring alarms, checking visitors in.

Guard Shack Duties: Following proper check-in and check-out procedures, verifying/entering order numbers into the computer system, documenting the seal numbers

If you are still interested, please let me know and I can go over of the application process. Call with any questions, and thank you again for your interest!

Thank you,

**Stacy Melichar**  
*Employee Services Specialist*  
Whelan Security  
933 North Mayfair Road  
Suite 109  
Wauwatosa, WI 53226  
(414) 939-8706 **Office**