

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON APRIL 13, 2016, AT 3:00 PM, AT THE VILLAGE HALL, 835 MIDWAY DRIVE, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER

The meeting was called to order at the hour of 3:00 p.m. by Trustee Kobler.

2. ROLL CALL

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

Absent: Trustee Scott Eisenbeis.

****NOTE**** President Davi called and will arrive shortly.

3. APPROVAL - MINUTES OF THE REGULAR MEETING - January 13, 2016

The Board reviewed the minutes from the January 13, 2016 meeting.

MOTION: Made by Trustee Pec, seconded by Trustee Dittman to approve the minutes of the regular meeting of the Willowbrook Police Pension Fund Board of Trustees held on October 14, 2015.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL - EXPENSES INCURRED JANUARY THRU MARCH 2016

Trustee Dittman reviewed the expenses incurred January thru March 2016. The pension benefits totaled \$65,001.84 in January; \$69,558.95 in February; and \$69,3725.27 in March. The widow's benefit was \$3,209.37/mo., and disability totaled \$4,492.91/mo. Other expenses included Mesirow Financial Services for the fiduciary insurance was \$3,008.00; IPPFA education expenses for Trustee Dittman was \$239.95; 2016 IPPFA dues were \$795.00 and MB Financial quarterly fees were \$8,165.65.

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

MOTION: Made by Trustee Pec, seconded by Trustee Kobler, to approve the expenses incurred for January thru March 2016.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL - APPLICATION FOR RETIREMENT BENEFITS FOR DEPUTY CHIEF MARK ALTOBELLA

The Board reviewed the retirement pension application for Deputy Chief Mark Altobella.

Trustee Dittman advised that per his retirement agreement, Deputy Chief Altobella's retirement date will be May 2, 2016 (last day of employment is May 1) and his retirement pension will begin on May 2, 2016. He will have earned 29 years, 6 months and 18 days of service credit at that time granting him 72.5% of his May 1 salary of \$117,006 or an annual pension amount of \$84,829.35.

MOTION: Made by Trustee Kobler, seconded by Trustee Pec, to approve the retirement pension application per his retirement agreement to begin on May 2, 2016.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

****NOTE**** President Davi arrived to the meeting at 3:08 p.m.

6. APPROVAL OF AMENDED APPLICATION FOR MEMBERSHIP FOR NEW OFFICER BLAKE HUNTLEY

The Board reviewed the amended application for membership into the Willowbrook Police Pension Fund as Tier II employee by new officer Blake Huntley.

As requested by the Board at the January 2016 Pension Board meeting, Officer Huntley amended his membership application to remove his step-daughter as his minor child from beneficiary status because he has not adopted this child and has no legal obligation.

MOTION: Made by President Davi, seconded by Trustee Pec, to approve the amended membership application as a Tier II member.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

7. APPROVAL OF INVESTMENTS MADE OCTOBER THRU DECEMBER 2015 - 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 on 03/31/2016 is at \$19,000.171.00. She summarized the portfolio allocations are targeted at 55% in equities, 45% in fixed income. The performance summary for the

first quarter of 2016 are up 2.22% vs. the benchmark of 1.91%. The five-year projection is slightly lower at 6.00% vs. the benchmark at 6.03%.

Equities for the quarter were up 1.59% vs. the benchmark at 0.72%. The last 5-year equities earned 9.10% vs. the benchmark of 8.66%.

The Account earnings summary for the quarter is up \$412,428.00.

Mr. Ted Kirpach advised that diversification of the funds has been challenging over the last year or so, however the US market is very stable. The job market continues to grow even though the unemployment rate has gone up. Willowbrook's risk vs return ratio is slightly above the Blended Index, but with the higher risk comes a higher return. Equity return has performed well at 1.59% vs the S&P 500 at 1.39%.

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

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

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

8. APPROVAL OF PROPOSED BUDGET FY 2016/17

Trustee Dittman reviewed the proposed 2016/17 Police Pension budget. She advised that although it is not a requirement under the Village's appropriation ordinance, an operating budget is prepared annually for the pension fund.

Pension benefits are at \$844,957.26, Widow's pension is \$38,512.44, and Disability benefits are \$58,769.76 for a total of \$942,239.46. Contractual services which include legal fees, audit, actuary, Financial Advisory Services, Fiduciary Insurance have a total of \$47,284.00. These totals include a 3% increase for the year. Supplies and materials which include meetings/conferences; fees, dues, subscriptions; and filing state fees have a total of \$7,919.00. Total expenses for the year are estimated at \$997,442.00 with a surplus of \$510,508.00.

9. INFORMATION - ELECTION OF ACTIVE MEMBERS OF THE POLICE PENSION FUND BOARD OF DIRECTORS

Recording Secretary Hahn advised that ballot for the 2016 Police Pension Board of Directors have been passed out and were sent out to the officers and current benefit members. As of April 1st, of the 21 members, 15 ballots were returned. The following votes were received: Trustee Scott Eisenbeis-14, Trustee Tim Kobler-11, Sergeant Michelle Strugala-2, and Officer Nick Volek-2. By majority vote, Trustees Tim Kobler and Scott Eisenbeis will remain on the Board.

Of the 14 benefit members, 8 were returned and the vote was 6-2 that Trustee Joseph Pec remain on the Board.

At the next Board meeting in July, appointment of Board officers will be conducted.

The Village of Willowbrook's Board meeting on Monday, July 11, 2016, President Trilla re-elected Carrie Dittman to the Pension Board.

10. VISITOR BUSINESS

None presented.

11. NEW BUSINESS

Due to conflict in schedules for Board members, the July meeting has been rescheduled from Wednesday, July 13, 2016 to Thursday, July 21, 2016 at 3:00 p.m.

12. OLD BUSINESS

Recording Secretary Hahn advised that the annual address confirmation form for Benefit Distribution, which must be signed and notarized by the beneficiary was mailed in late January and all completed forms have been returned.

13. COMMUNICATIONS

None presented.

14. ADJOURNMENT

MOTION: Made by Trustee Kobler, seconded by Trustee Pec to adjourn the meeting of the Board of Trustees of the Police Pension Fund at the hour of 4:05 p.m.

UNANIMOUS VOICE VOTE
PRESENTED, READ and APPROVED,

MOTION DECLARED CARRIED

7-20-16
Date


President

Minutes transcribed by Debbie Hahn.