

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON JULY 30, 2008, AT THE VILLAGE HALL, 7760 QUINCY STREET, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER

The meeting was called to order at the hour of 3:07 p.m. by President Umberto Davi.

2. ROLL CALL

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

3. DISCUSSION - ELECTION OF OFFICERS OF THE POLICE PENSION FUND BOARD OF TRUSTEES

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

MOTION: Made by Trustee Kobler, seconded by Trustee Stanish, to re-elect Umberto Davi as President, re-elect Tim Kobler as Secretary, and approved by ordinance, Sue Stanish as the Village appointed Treasurer for the Police Pension Fund.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL OF MINUTES OF REGULAR MEETING - 04/18/08

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

MOTION: Made by Trustee Stanish, seconded by Trustee Kobler, to approve the minutes of the regular meeting of the Police Pension Fund Board of Trustees held on April 18, 2008.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL OF MINUTES OF SPECIAL MEETING - 04/04/08

President Davi requested that the length of the special meeting be added into the second paragraph under Item #3 and a minor grammatical change be made in the last sentence of that same paragraph.

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

MOTION: Made by Trustee Stanish, seconded by President Davi, to approve the minutes of the special meeting of the Police Pension Fund Board of Trustees held on April 4, 2008.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

6. APPROVAL OF EXPENSES INCURRED APRIL THRU JUNE, 2008

Trustee Stanish summarized the expenses of the Pension Fund as follows: 1) Pension Benefits-Kleven-\$8,811.09; 2) Disability Benefits-Dusek-\$7,492.80; 3) Disability Benefits-McCarthy-\$4,862.01; 4) Thompson, Rosenthal & Watts-Legal Fees-\$195.00; 5) Financial Management Fees-\$4,712.89; 6) IPPFA Conference-Kobler-\$379.50; and 7) Division of Insurance-State Fee-\$2,030.92. The total expenditures for the Pension Fund for April thru June 2008 were \$28,484.21.

Trustee Stanish indicated that the legal fees were in reference to questions involving the trustee elections.

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

MOTION: Made by Trustee Kobler, seconded by President Davi, to approve the expenditures in the amount of \$28,484.21 incurred by the Police Pension Fund for April thru June 2008.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

7. APPROVAL OF INVESTMENTS MADE APRIL THRU JUNE 2008 -
QUARTERLY INVESTMENT REPORT - MB FINANCIAL BANK

Terese Krafchek, representing MB Financial Bank, summarized the quarterly investment report for the Pension Fund Board. Ms. Krafchek noted that for the quarter that ended 06/30/08 the cash and cash equivalents return of the portfolio made a 0.30% return for the fund, the fixed income return was -2.32%, and the equity portion of the portfolio had a -1.53% return. The total return for the quarter was -1.88%. Ms. Krafchek stated that since inception, the annualized return was 6.29%.

Dave Harrington of MB Financial Bank summarized the portfolio allocations with 43% in equities, 1% in cash/cash equivalents and 56% of the portfolio in fixed income securities. The 1.0% cash equivalent was 100% in money markets; the 43% equity was invested 63% in large cap U.S. stocks, 15% in small cap U.S. stocks, 17% in international stocks, and 5% in REIT funds; and the 56% fixed income was invested in 22% U.S. Treasuries, 63% in U.S. Agencies, 13% in Municipal Bonds and 2% in U.S. Mortgage Backed Securities.

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

MOTION: Made by Trustee Kobler, seconded by President Davi, to approve the investments made by MB Financial Bank on behalf of the Police Pension Fund from April thru June 2008.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

8. NEW BUSINESS

There was no new business.

9. OLD BUSINESS

a. Rules & Regulations

The Board reviewed the retyped edition of the Pension Rules and Regulations Manual. President Davi requested that a "revised date" be added. Ms. Krafchek stated audits by the Division of Insurance have required that the offices of Vice-President and

Assistant Secretary need to be filled as required by state statute.

President Davi made a motion to reopen Item #3 of the Agenda reference election of officers, seconded by Trustee Kobler.

UNANIMOUS VOICE VOTE MOTION DECLARED CARRIED

President Davi nominated Trustee Eisenbeis for the position of Vice President, seconded by Trustee Kobler. Trustee Kobler nominated Trustee Dusek for the position of Assistant Secretary, seconded by President Davi.

After an additional election by the Board, Trustee Scott Eisenbeis was elected as Vice-President and Trustee Joseph Dusek was elected as Assistant Secretary.

UNANIMOUS VOICE VOTE MOTION DECLARED CARRIED

The sections that had been omitted in the first edition of the Policy reference the Vice President and Assistant Secretary positions were reinstated.

Additional discussion of the Rules and Regulations Policy will remain on the agenda for future meetings.

b. Fiduciary Insurance

Trustee Stanish stated that she had contacted IRMA, which is the Village's risk management pool. She stated that they do have an optional fiduciary liability insurance made specifically for Pension Board members. Hub International is the company that manages this type of insurance for IRMA. IRMA stated that one level of protection that the Willowbrook Pension Fund already has is that they use a money manager.

Trustee Stanish stated that Tom Kelly from Hub would be glad to come and speak with the Board to provide additional information. President Davi requested that

a representative from Hub International and one from Chubb Insurance provide a short 15-minute presentation at the next Board meeting in October.

10. COMMUNICATIONS

There were no communications.

11. ADJOURNMENT

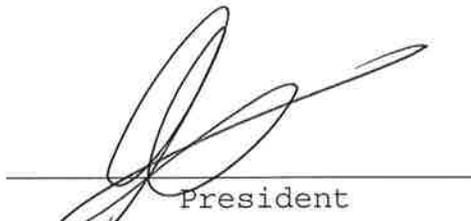
MOTION: Made by Trustee Kobler, seconded by Trustee Stanish to adjourn the meeting of the Board of Trustees of the Police Pension Fund at the hour of 4:12 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

OCTOBER 23, 2008



President

Minutes transcribed by Cindy Stuchl.