

MINUTES OF THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON OCTOBER 17, 2007, 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 3:06 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 Bob Thompson and Dave Harrington from MB Financial Bank. ABSENT: Trustees Joseph Dusek and Scott Eisenbeis.

3. APPROVAL OF MINUTES OF REGULAR MEETING - 07/11/07

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

MOTION: Made by Trustee Kobler, seconded by Trustee Stanish, to approve the minutes of the regular meeting of the Police Pension Fund Board of Trustees held on July 11, 2007.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL OF EXPENSES INCURRED JULY THRU SEPTEMBER, 2007

Trustee Stanish summarized the expenses of the Pension Fund as follows: 1) Pension Benefits-Kleven-\$8,554.47; 2) Disability Benefits-Dusek-\$7,352.31; 3) Disability Benefits-McCarthy-\$4,862.01; 4) Tepfer Consulting-Actuary Report-\$1,600.00; 5) Financial Management Fees-\$4,518.76; 6) IPPFA/Davi-Trustee Program-\$650.00; 7) IPPFA/Kobler-Conference Registration-\$200.00; 8) Griebel/Separation Funds-\$1,164.60. The total expenditures for the Pension Fund for July thru September 2007 were \$28,902.15.

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 \$28,902.15 incurred by the Police Pension Fund for July thru September 2007.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL OF INVESTMENTS MADE JULY THRU SEPTEMBER 2007 -
QUARTERLY INVESTMENT REPORT - MB FINANCIAL BANK

Dave Harrington, representing MB Financial Bank, introduced Bob Thompson, First Vice President, to the investment team.

Mr. Harrington summarized the quarterly investment report for the Pension Fund Board. Mr. Harrington noted that for the quarter that ended 09/30/07 the cash and cash equivalents return of the portfolio made a 1.31% return for the fund, the fixed income return was 3.57%, and the equity portion of the portfolio had a 1.13% return. The total return for the quarter was 2.47%. Mr. Harrington stated that since inception, the annualized return was 6.18%.

Mr. Harrington summarized the portfolio allocations with 45% in equities, 1% in cash/cash equivalents and 54% of the portfolio in fixed income securities. The 1.0% cash equivalent was 100% in money markets; the 45% equity was invested 64% in large cap U.S. stocks, 17% in small cap U.S. stocks, 15% in international stocks, and 4% in REIT funds; and the 54% fixed income was invested in 23% U.S. Treasuries, 64% in U.S. Agencies, 10% in Municipal Bonds and 3% in U.S. Mortgage Backed Securities.

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

MOTION: Made by Trustee Stanish, seconded by Trustee Kobler, to approve the investments made by MB Financial Bank on behalf of the Police Pension Fund from July thru September 2007.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

6. APPROVAL - ACTUARIAL SERVICES

Trustee Stanish reviewed the Actuarial Valuation Report for the period beginning May 1, 2007 and ending April 30, 2008.

Trustee Stanish stated that Mr. Tepfer's report indicated that the fund continues to be well funded and is above state averages. The fund is 89.47% funded and has an actuarial value of over \$10.4 million.

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

MOTION: Made by Trustee Stanish, seconded by Trustee Kobler, to approve the Actuarial Valuation Report for the period beginning May 1, 2007 and ending April 30, 2008.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

The Board then had a discussion reference the funding recommendations listed in the report. Trustee Stanish again stated that the Village Board will follow state statute.

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

MOTION: Made by Trustee Kobler, seconded by President Davi that the Pension Board recommends the contribution based on Level Dollar funding amount of \$384,495 but the Pension Board understands that the Village Board will follow the state statute recommendation of \$354,370 contribution.

ROLL CALL VOTE: AYES: President Davi and Trustee Kobler; NAYS: Trustee Stanish; ABSENT: Trustees Dusek and Eisenbeis.

MOTION DECLARED CARRIED

7. NEW BUSINESS

Trustee Kobler reviewed information that he received from the IPPFA Conference. Trustee Kobler stated that one of the seminars related to medical issues and how to read medical reports when determining disability. Trustee Kobler also stated that legislation is attempting to broaden investing opportunities.

8. OLD BUSINESS

There was no old business.

9. COMMUNICATIONS

There were no communications.

10. 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 3:50 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

January 18 , 2008

Umberto Davi

President

Minutes transcribed by Cindy Stuchl.