

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 WEDNESDAY, JANUARY 13, 2016, AT 3:00 P.M. AT THE VILLAGE HALL, 835 MIDWAY DRIVE, WILLOWBROOK, DUPAGE COUNTY, ILLINOIS

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL - MINUTES OF REGULAR MEETING - 10/14/15
4. APPROVAL - MONTHLY PENSION BENEFITS AS OF January 1, 2016
5. APPROVAL - EXPENSES INCURRED OCTOBER THRU DECEMBER 2015
6. APPROVAL - APPLICATIONS FOR MEMBERSHIP INTO THE WILLOWBROOK POLICE PENSION FUND
 - BLAKE HUNTLEY
7. APPROVAL - INVESTMENTS MADE OCTOBER THRU DECEMBER 2015- Quarterly Investment Report - MB Financial Bank
8. VISITOR BUSINESS
 - FOIA REQUEST
9. NEW BUSINESS
 - ANNUAL ADDRESS CONFIRMATION FOR BENEFIT DISTRIBUTION
10. OLD BUSINESS
 - ERIC BABCZAK'S PENSION REFUND
11. COMMUNICATIONS
12. ADJOURNMENT

MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE POLICE PENSION FUND OF THE VILLAGE OF WILLOWBROOK HELD ON WEDNESDAY, OCTOBER 14, 2015, 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 3:01 p.m. by President Umberto Davi.

2. ROLL CALL

Those present at roll call were President Davi, Trustees Carrie Dittman, Scott Eisenbeis, and Joseph Pec. Also present: Terese Krafchek and Bob DeMeulenaere of MB Financial.

ABSENT: Trustee Timothy Kobler.

3. APPROVAL - MINUTES OF THE REGULAR MEETING - July 8, 2015

The Board reviewed the minutes from the July 8, 2015 meeting.

MOTION: Made by Trustee Pec, seconded by Trustee Dittman to approve the minutes of the regular meeting of the Police Pension Fund Board of Trustees held on July 8, 2015.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

4. APPROVAL - APPLICATION FOR MEMBERSHIP INTO THE WILLOWBROOK POLICE PENSION FUND

The Board reviewed two applications for membership into the Willowbrook Police Pension Fund as Tier II employees by new officers Daniel Herrera and Othello Rosal.

Trustee Pec asked if the Village of Willowbrook pays for pre-employment medical exams and if the Pension Board has access to review the medical exams prior to approving them into the Pension Fund.

President Davi advised that the Village of Willowbrook does pay for pre-employment medical exams as part of the hiring process and the results are placed in their personnel file. The Pension

Board would have to request from the Chief of Police a copy of the medical record, if any medical issues arise in the future.

After a brief discussion, the following motion was made:

MOTION: Made by Trustee Pec, seconded by Trustee Dittman to approve membership into the Willowbrook Police Pension Fund as Tier II employees for Officers Daniel Herrera and Othello Rosal.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

5. APPROVAL - APPLICATIONS FOR RETIREMENT BENEFITS FOR OFFICERS JOHN SKIBA AND MARK LONG

At the last Pension Board meeting on July 8, 2015, Trustee Dittman provided a memo to the Pension Board regarding Officer John Skiba's Pension Application. She read the following for the record:

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 1, 2016, when he attains the age of 50. He will have earned 24 years, 1 month, and 4 days of service (net of 190 unpaid break days) credited 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.

At the July meeting, this item was tabled until the October meeting due to Officer Skiba's last day of work being August 13, 2015. Officer Skiba's pension will begin on February 1, 2016, when he reaches the age of 50.

After a brief discussion, the following motion was made:

MOTION: Made by Trustee Dittman, seconded by Trustee Pec to approve the retirement benefits for Officer John Skiba beginning February 1, 2016, when he attains the eligible age of 50.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

Trustee Dittman read a memo to the Pension Board regarding Officer Mark Long's Pension Application. She read the following for the record:

Enclosed for your review is an application for regular retirement benefits submitted by Patrolman Mark Long. As noted on the paperwork, Patrolman Long's retirement date (last day of work) is October 7, 2015 and his retirement pension will begin on October 8, 2015. He will have earned 30 years, 0 month, and 1 day of service credit granting him 75.00% of his current salary plus longevity of \$91,142.10. This calculates to an annual pension amount of \$68,356.58 (\$5,696.38 monthly).

He will be eligible for his first increase on 11/1/2016, the month following one year of retirement.

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

After a brief discussion, the following motion was made:

MOTION: Made by Trustee Dittman, seconded by Trustee Eisenbeis to approve the retirement benefits for Officer Mark Long beginning October 8, 2015.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

* TRUSTEE KOBLER JOINED THE MEETING AT 3:22 P.M.

6. EXPENSES INCURRED JULY 2015 THRU SEPTEMBER 2015

Trustee Dittman reviewed the expenses incurred June 2015 thru September 2015. She noted that the report includes monthly pension benefit payouts of \$57,637.13, widow's benefit of \$3,209.37, and a disability benefit of \$4,446.08. Legal fees for Atwell & Atwell were \$200.00, IPPFA conference registration fees of \$975.00, and the quarterly fee for MB Financial was \$8,361.11.

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 July 2015 through September 2015.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

7. APPROVAL - INVESTMENTS MADE JULY THRU SEPTEMBER 2015 -
Quarterly Investment Report - MB FINANCIAL BANK

Terese Krafchek, a representative of MB Financial Bank, reported that the total fund value is at \$18,281,410.00. She summarized the portfolio allocations are targeted at 50% in equities and remains at 50%; however it was down at 43.57 in the fixed income portion of the fund vs the targeted amount of 44%. Alternative strategies were 4.83% vs. our targeted amount of 5%.

Total fund performance for the quarter is down -4.12% vs. the benchmark at -3.72%. The 5-year returns came in at 6.46% vs. the benchmark of 6.26%. Although the quarter was down a bit, the housing market is the highest it's been in 7 years for sales.

The Account Activity summary for the quarter was a loss of \$904.873.00. There was one withdrawal for the MB Financial fee of \$8,003.00. The Market Value began the quarter at \$19,075,335.00 but with withdrawals and losses the fund stands at \$18,281,410.00.

Mr. Meulenaere advised that at the end of September, due to poor performance during the quarter, the Bank of America Foreign and High Yield bonds were switched to Goldman Sachs Group bonds.

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

8. REPORT - 2015 AUDITED FINANCIAL STATEMENTS

Trustee Dittman presented the final Willowbrook Police Pension financial statements from the April 30, 2015 audit, which was approved at the October 12, 2015 Village board meeting. The Village (including the Police Pension Fund) received an unqualified or "clean" opinion, as a result of the audit.

The Village's independent auditors had no comments or suggestions for improvement for the Police Pension Fund relating to the April 30, 2015 annual audit.

The new GASB 67 Statement went into effect this fiscal year, which affects the Police Pension Fund and dramatically lengthened the amount of disclosures that the Pension Fund has to provide. Since the Police Pension Fund doesn't issue its own financial statements, these are included in the Village's financial statements. Trustee Dittman reviewed the report for the Board.

The 1st report is the Statement of Plan Net Position which reports assets and liabilities. On April 30, 2015, there was \$19,313,682 of market value of assets and \$0 liabilities. The following page is the Statement of Changes in Plan Net Position - Budget to Actual, which is the income statement. The Village's contribution was \$519,915; police contribution was \$199,522 for a total of \$719,437. Investment income was \$852,604 (interest), Net Appreciation in Fair Value of Investments was \$353,134 for a total of \$1,205,738 less investment expenses of \$32,655 for a Net Investment Income of \$1,173,083. Total additions to the fund were \$1,892,520. Deductions for the fund which included administration expenses, pension benefits and refunds were a total of \$731,639, which reflects a positive change in the net position of \$1,160,881. The net position held in trust for Pension Benefits as of April 30, 2015 is \$19,313,682.

GASB also requires a 6-year Schedule of for Funding Progress and Schedule of Village Contributions. As of April 30, 2015, the fund is 76.99% funded. The annual Village contribution to the fund was \$519,915, which was 100% contribution based on the actuary's recommendation. The Net Pension Asset at April 30, 2015 was \$252,642. On the Investment Rate of Return; the actuary reduced the assumed return to 7.25% from the prior valuation amount of 7.5%.

The next schedule, which is new under GASB 67, is the Schedule of Changes in Village's Net Pension Liability. This is the difference between the current market value of the assets of the fund (Plan Net Position) vs. what the actuary determines is the plan's liability to make all future benefit payments to the officers (Total Pension Liability). The difference is called the Employer's Net Pension Liability. Going forward, this will be presented as 10-years' worth of data.

The Schedule of Investment Returns is a new schedule which shows the annual money weighted rate of return, net of investment expenses which is 6.47%. This also will be report as 10-years' worth of data moving forward.

9. REPORT - ACTUARIAL VALATION REPORT AS OF APRIL 30, 2015

Trustee Dittman presented the Actuarial Valuation Report prepared by the Tepfer Consulting Group, Ltd. This reports on the value of the Fund as of April 30, 2015 and includes funding recommendations which will be used for the fiscal year ending April 30, 2017.

The amount from the last valuation that is being contributed this year is \$614,530. For the next fiscal year, the actuary calculated the following contribution amounts from the Village: \$805,810 to be 100% funded by 2040, or \$665,410 to be 90% funded by 2040. The latter is the statutory minimum. In both cases, 7.25% is the assumed investment rate of return. A new mortality table was adopted in this valuation.

The board discussed requesting the higher amount of \$805,810 from the Village for its contribution.

The GASB Statement No. 67 went into effect for the year ending April 30, 2015 which increased the disclosures and audit work relative to the police pension fund as previously discussed in item 8. As a result, the actuary had to prepare a second report to satisfy the audit requirements, which is also included.

After a brief discussion, the following motion was made:

MOTION: Made by Trustee Kobler, seconded by Trustee Pec to approve the Actuarial Valuation Reports as of April 30, 2015.

ROLL CALL VOTE: AYES: President Davi, Trustees Eisenbeis, Kobler, and Pec. NAYS: None; ABSENT: None. ABSTAIN: Trustee Dittman

MOTION DECLARED CARRIED

10. REPORT - 4/30/15 ANNUAL REPORT TO THE VILLAGE

Trustee Dittman presented the required annual reporting to the Village by the Pension Board for fiscal year ending April 30, 2015. The report was prepared by the Police Pension Board's actuary, Art Tepfer. It was noted that the contribution amount by the Village for the next fiscal year was listed at \$665,410; however the consensus of the police pension board was to request

\$805,810 from the Village. Trustee Dittman will amend this number and send a new report to the pension board members, and the \$805,810 will be the amount formally requested of the Village board.

The report should be signed by the Pension Board President and submitted to the Village Board with the proper attachments.

11. REPORT - ANNUAL DEPARTMENT OF INSURANCE REPORT - 4-30-15

The Board reviewed the annual Department of Insurance report that was prepared by Trustee Dittman. The documents will be forwarded to the Department of Insurance once the Pension Board members approve and sign the certification form. This must be completed by their deadline of October 31, 2015.

12. VISITOR BUSINESS

None presented.

13. NEW BUSINESS

A. Officer Eric Babczak's Resignation

The Board reviewed the resignation letter of Officer Eric Babczak. As of this date, Officer Babczak has not submitted any paperwork to the Pension Board.

14. OLD BUSINESS

None presented

15. COMMUNICATIONS

None presented.

16. 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 4:13 p.m.

UNANIMOUS VOICE VOTE

MOTION DECLARED CARRIED

PRESENTED, READ and APPROVED,

1/13/16

Date

Debbie Hahn
President

Minutes transcribed by Debbie Hahn.



January 7, 2016

TO: Willowbrook Police Pension Fund Board of Trustees

FROM: Carrie Dittman, Director of Finance *CD*

SUBJECT: Monthly Pension Benefits as of January 1, 2016

In the attached schedule are the details of the police pension benefit increases that are effective January 1, 2016.

Although most of the increases are effective 1/1/2016, there are a few special items to note:

- Retirement pension for John Skiba begins 2/1/2016 @ \$4,557.11/mo. (attainment of age 50)
- Retirement pension for Andy Pelliccioni increases 3% on 3/1/2016 to \$5,710.21/mo. (1 year retirement anniversary)
- Retirement pension for Mark Long increases 3% on 11/1/2016 to \$5,867.27/mo. (1 year retirement anniversary)

Please contact me if you have any questions.

Cc: Janet Kufrin, Finance Analyst

Village of Willowbrook Police Pension Fund
 Schedule of Monthly Pension Amounts
 Effective 1-1-2016

<u>Retirement:</u>	Annual %			NOTES		
	Increase	1/1/2016	2/1/2016	3/1/2016	11/1/2016	
Barnacle, John	0%	5,711.22				Barnacle - 3% increase of CURRENT pension after reaching age 55 (4/1/2017)
Bozek, William D.	3%	5,301.24				Bozek - 3% increase of CURRENT pension after attaining age 55 (1/1/2016)
Finlon, Steven J.	3%	5,788.54				Finlon - 3% increase of CURRENT pension
Foley, Francis (Pat)	3%	7,532.94				Foley - 3% increase of CURRENT pension
Konstanty, Ed	3%	8,795.95				Konstanty - 3% increase of CURRENT pension
Kurinec, Michael J.	3%	6,620.87				Kurinec - 3% increase of CURRENT pension
Oggerino, Paul M.	0%	6,409.00				Oggerino - 3% increase of CURRENT pension after reaching age 55 (5/1/2017)
Pec, Joe	3%	7,601.81				Pec - 3% increase of CURRENT pension
Pelliccioni, Andy	3% beg 3-1-16	5,543.89	5,710.21			Pelliccioni - 3% increase of CURRENT pension after 1st anniversary (ret date 2/9/15)
Skiba, John	0%	-	4,557.11			Skiba: initial pension starts 2-1-16 (age 50); 3% increase of CURRENT pension after reaching age 55 (3/1/2021)
Long, Mark	3% beg 11-1-16	5,696.38			5,867.27	Mark Long - 3% increase of CURRENT pension after 1st anniversary (ret 10/8/15)
<u>Disability:</u>						
Dusek, Joe	3%	2,872.24				Dusek - 3% increase of ORIGINAL pension
McCarthy, James	0%	1,620.67				McCarthy - 3% increase of ORIGINAL pension after attaining age 60 (1-1-2017)
<u>Surviving Spouse:</u>						
Klevin, Martha	0%	3,209.37				No increase to widow's pension, fixed at last amount when retiree died

GL ACTIVITY REPORT FOR WILLOWBROOK
TRANSACTIONS FROM 10/01/2015 TO 12/31/2015

Page:

1/1

Date	JNL	Type	Description	Reference #	Debits	Credits	Balance
Fund 07 POLICE PENSION FUND							
10/01/2015			07-62-401-242 LEGAL FEES		BEG. BALANCE		200.00
12/08/2015	AP	INV	ATWELL & ATWELL	NOVEMBER 15	200.00		400.00
12/31/2015			07-62-401-242	END BALANCE	200.00	0.00	400.00
10/01/2015			07-62-401-251 AUDIT FEES		BEG. BALANCE		0.00
10/31/2015	CD	IMPT	AUDIT 07-401-251		1,700.00		1,700.00
10/31/2015	CD	IMPT	AUDIT 07-401-251		2,755.00		4,455.00
12/31/2015			07-62-401-251	END BALANCE	4,455.00	0.00	4,455.00
10/01/2015			07-62-401-252 ACTUARY SERVICES		BEG. BALANCE		0.00
11/30/2015	CD	IMPT	ACTUARY SERVICES 07-401-252		4,400.00		4,400.00
12/31/2015			07-62-401-252	END BALANCE	4,400.00	0.00	4,400.00
10/01/2015			07-62-401-253 FINANCIAL ADVISORY FEES		BEG. BALANCE		8,361.11
10/31/2015	PS	IMPT	QUARTERLY FINANCIAL ADVISORY FEES		8,002.64		16,363.75
12/31/2015			07-62-401-253	END BALANCE	8,002.64	0.00	16,363.75
10/01/2015			07-62-401-304 SCHOOL/CONFERENCES/TRAVEL		BEG. BALANCE		975.00
10/31/2015	CD	IMPT	MEETINGS, TRAVEL, CONFERENCES 07-401		1,365.12		2,340.12
10/31/2015	CD	IMPT	MEETINGS, TRAVEL, CONFERENCES 07-401		563.13		2,903.25
12/31/2015			07-62-401-304	END BALANCE	1,928.25	0.00	2,903.25
10/01/2015			07-62-401-531 FILING FEE - IL DEPT OF INSURANCE		BEG. BALANCE		3,630.56
12/31/2015			07-62-401-531	END BALANCE	0.00	0.00	3,630.56
10/01/2015			07-62-401-581 PENSION BENEFITS		BEG. BALANCE		288,185.65
10/31/2015	PR	IMPT	PR 10/31/2015		62,047.23	*	350,232.88
11/24/2015	GJ	JE	IMPORT 11/24/15 PAYROLL FROM DS - AC	9	63,333.51	*	413,566.39
12/24/2015	GJ	JE	RECORD 12/24/15 PR # 386 FROM D.S.	81	63,333.51	*	476,899.90
12/31/2015			07-62-401-581	END BALANCE	188,714.25	0.00	476,899.90
10/01/2015			07-62-401-582 WIDOW'S PENSION		BEG. BALANCE		16,046.85
10/31/2015	PR	IMPT	PR 10/31/2015		3,209.37	*	19,256.22
11/24/2015	GJ	JE	IMPORT 11/24/15 PAYROLL FROM DS - AC	9	3,209.37	*	22,465.59
12/24/2015	GJ	JE	RECORD 12/24/15 PR # 386 FROM D.S.	81	3,209.33	*	25,674.92
12/31/2015			07-62-401-582	END BALANCE	9,628.07	0.00	25,674.92
10/01/2015			07-62-401-583 DISABILITY BENEFITS		BEG. BALANCE		22,230.40
10/31/2015	PR	IMPT	PR 10/31/2015		4,446.08	*	26,676.48
11/24/2015	GJ	JE	IMPORT 11/24/15 PAYROLL FROM DS - AC	9	4,446.08	*	31,122.56
12/24/2015	GJ	JE	RECORD 12/24/15 PR # 386 FROM D.S.	81	4,446.08	*	35,568.64
12/31/2015			07-62-401-583	END BALANCE	13,338.24	0.00	35,568.64
10/01/2015			07-62-401-586 SEPARATION REFUNDS		BEG. BALANCE		0.00
12/08/2015	AP	INV	EDWARD JONES	ROLLOVER	6,252.34		6,252.34
12/31/2015			07-62-401-586	END BALANCE	6,252.34	0.00	6,252.34

* See attached detail

WILLOWBROOK POLICE PENSION FUND
Monthly Police Pension Beneficiary Payments
FY 2015-16

* nanson basins Feb 1 2016 at 2000 EO

APPLICATION FOR MEMBERSHIP

WILLOWBROOK POLICE PENSION FUND

I hereby make application to come under the terms and conditions of the Police Pension fund of the Municipality of Willowbrook, Illinois.

Name: Blake Huntley Maiden Name (if applicable)

Date of Birth: 03/01/1982 Place of Birth: Rockford, IL

Social Security Number: _____

Spouse Name: Cynthia Huntley (Marruffo)
Spouse's Maiden Name (if applicable)

Spouse Date of Birth: _____ Place of Birth: Sterling, IL

Married on: 08/06/2011

LIST ALL MINOR CHILDREN WITH THEIR DATES OF BIRTH.

Morgan Marruffo-Phillips Born: _____

Born: _____
Born: _____

Please include copy of marriage license or copy of dissolution of previous marriage and copies of birth certificates of each child

Please include applicant's legal parent's full names and indicate if living or deceased:

Father MARTIN HUNTELY Living Deceased

Mother Jackie Huntley Living Deceased

I was first appointed as a full time police officer on 01/05/2016 and have continued to serve since that date. If service has been broken, list all dates in which you were not in receipt of regular salary and the date of re-entry on the attached Form (i.e. suspension, leave of absence, military service, disability, etc. Certified copies of birth and marriage certificates are attached with this application per the request of the pension board.

Blake Huntley
Applicant

Approved for membership into the Willowbrook Police Pension Fund and duly recorded in the Minute Book on _____, 20 _____.
+

Tier 2

Secretary/Board of Trustees
Police Pension Fund

President/Board of Trustees

Deborah Hahn

From: Cindy Stuchl
Sent: Monday, December 14, 2015 2:40 PM
To: twhite0469@comcast.net
Cc: Carrie Dittman; Deborah Hahn
Subject: RE: FOIA Request

Mr. White,

I have spoken with our Director of Finance reference your additional questions. She stated that your questions should be discussed and answered by our Police Pension Board. Their next scheduled meeting will be on Wednesday, January 13, 2016 at the Village Hall, 835 Midway Drive, Willowbrook at 3:00 p.m. Either you may attend the meeting and ask your questions during Visitors' Business or the Director can reply back to you after their discussion.

Please let me know if you have any additional questions.

Thank you,
Cindy Stuchl

Cindy Stuchl

*Executive Secretary/Deputy Clerk
Village of Willowbrook*

835 Midway Drive – Please note new address!!!!
Willowbrook, IL 60527
Main #630-323-8215
Direct Line #630-920-2234
cstuchl@willowbrook.il.us

From: twhite0469@comcast.net [mailto:twhite0469@comcast.net]
Sent: Sunday, December 13, 2015 8:15 AM
To: Cindy Stuchl
Cc: TWhite0469
Subject: Re: FOIA Request

Cindy,

Thank you sooooo much for the timely reply to my FOIA request.

I have read the actuarial valuation for the fiscal year ending April 30, 2016

I am very impressed with the report and in truth would expect nothing less from Mr. Tepfer.

I commend the Village of Willowbrook for employing someone of his professional ethics.

I do have a couple assumptions that I am hoping you could review and then a couple questions all related to the above referenced valuation.

Assumptions:

- 1) The Police Pension Fund Actuary recommended Village contribution is \$805,810, which represents the GASB Statement 25 calculation.
- 2) The State minimum (projected unit credit) calculation results in a Village Contribution of \$665,410.
- 3) The investment return assumption is 7.25%

Questions:

- 1) Is the Village of Willowbrook Police Pension Funding Policy basically consistent with GASB Statement 25?

That is, has the Village Board formerly adopted GASB Statement 25 as their funding policy?
If so, approximately how long have they had this as their funding policy?

- 2) Can I assume that the Village's Police Pension Tax levy recommendation will be \$805,810?

- 3) What are the chances that the Police Pension portion of the Villages Tax Levy will be set at the \$805,810?

- 4) Assuming that it is the intention of the Village's Police pension funding policy to fund at the GASB 25 level, is there any reconciliation done to ensure that the Police Pension Fund minimally receives the GASB 25 amount? That is, realizing that the levy and actual tax receipts differ, does the village always ensure that minimally the GASB amount is received by the Pension Fund, or might this only happen when there is a fiscal year surplus?

- 5) Did the Village actually fund the police pension at the GASB 25 level for the year end April 30, 2015?

If not, what level or amount did they fund?

Thank you once again for your assistance and thanks in advance for considering the additional information requested above,

Sincerely,

Tom White

From: "Cindy Stuchl" <CStuchl@willowbrook.il.us>
To: "TWhite0469" <twhite0469@comcast.net>
Sent: Friday, December 11, 2015 3:52:42 PM
Subject: FOIA Request

Mr. White,

Please see attached per your FOIA request. Let me know if you have any questions.



WILLOWBROOK POLICE PENSION FUND



2016 ADDRESS CONFIRMATION FOR BENEFIT DISTRIBUTION

NAME: _____

ADDRESS: _____ CITY/STATE: _____

TELEPHONE #: _____ ALT. TX # _____

ALT. CONTACT: _____ ALT. CONTACT TX #: _____

SPOUSE'S NAME: _____ SSN #: _____

MEMBER'S SIGNATURE: _____

State of Illinois

County of _____.

Signed before me on the _____ of _____, 2015.

by _____ (name of retiree).

signature of notary public _____ (seal)



COPY

December 15, 2015

Mr. William Brown
Edward Jones
999 E. Touhy Ave, Suite 125
Des Plaines, IL 60018

Re: Officer Eric Babczak's Pension Refund

Dear Mr. Brown:

The Willowbrook Police Pension Board has received Mr. Eric Babczak's written request dated December 9, 2015 to transfer Mr. Babczak's accumulated pension contributions totaling \$6,252.34 into the traditional IRA he has established with you at Edward Jones. As you have requested a direct rollover to the IRA, the Board has not withheld any state or federal income taxes on the accumulated contributions. Further, the Board does not provide any tax or investment advice or assurances regarding these contributions. A check in the amount of \$6,252.34 accompanies this letter.

Please let me know if you have any further questions.

Sincerely,

A handwritten signature in black ink that appears to read "Carrie Dittman".

Carrie Dittman
Director of Finance/Police Pension Board Treasurer
630-920-2235
cdittman@willowbrook.il.us

Cc: Eric Babczak
 Willowbrook Police Pension File

To Willowbrook Pension:

Please rollover my amount of \$6,252.34 to my Edward Jones IRA.

Eric Babczak 12/09/15

-Eric Babczak
12/09/15

Acceptance Letter – Custodian Acceptance

This letter is used for Employers/Trustees/Custodians requesting a Custodian Acceptance (not eligible for Insurance & Annuity Transfers).

Important: By delivering assets to Edward Jones pursuant to this letter, the Employer/Plan Trustee/Custodian and Employee/Account Holder acknowledge and agree to the following:

- The distribution qualifies as an IRS eligible rollover distribution.
- No IRS required minimum distribution (RMD) is being rolled over.
- If an Employer plan, the Employer/Plan Administrator has provided the Employee a Special Tax Notice on plan payments as required by the IRS.
- The rollover, once made, is irrevocable.
- The Employee / Account Holder was informed of their ability to move into an IRA and the money could be reinvested into mutual funds as Net Asset Value (NAV) reinstatements without new commission charges.

A. Prior Firm Information

1. Employer/Plan Trustee/Custodian Name: WILLOWBROOK POLICE DEPT
 2. Employee/Account Holder Name: ERIC BABCZAK
 3. Employee/SSN/Account Number: (Depends on firm format)

B. Registration Instructions (Please ensure Edward Jones Account Number is Included on all Deliveries)

Type of Account at Edward Jones: TRADITIONAL IRA Edward Jones Account Number

 Make Checks Payable To:

Edward Jones, Custodian FBO: ERIC BABCZAK
 Tax Identification Number: 43-0345811

 Make Delivery via DTC or ACAT:

Edward Jones, Custodian FBO: _____
 Edward Jones DTC Number: #0057 ACAT Participant Number: #0057

 Wire Instructions/Bank Contact Information:

Bank Name: Northern Trust Company, Phone Number: (312) 630-6000
 Chicago, IL Account Name: Edward Jones
 ABA Routing Number: # 071000152 Further Credit to: _____
 Credit Account Number: # 78174 (Client's Name)

 Register Certificates and Other Assets:

Edward Jones, Custodian FBO: _____
 130 Edward Jones Blvd. Maryland Heights, MO 63043 Tax Identification Number: 43-0345811

Swift Code: CNORUS44 (Include this code **only** if funds are being wired from a foreign country.)

C. Mailing Instructions

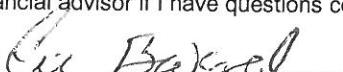
Checks: Certificates and Other assets:
 Edward Jones Edward Jones
 Street: 999 E Touhy Ste 125 Attention: **Security Receives**

 City, State, Zip code: Des Plaines, IL 60018
 Financial Advisor Name: Will Brown 130 Edward Jones Blvd. – 6th Floor
 _____ Maryland Heights, MO 63043

D. Signature - Employee/Account Holder

For Cash Distributions: I am aware that in certain instances some mutual fund companies may allow retirement plan assets that had been invested in their mutual funds, to be moved into an IRA and the money reinvested into their mutual funds as Net Asset Value (NAV) reinstatements without new commission charges. I understand the options will vary by mutual fund company and may require me to rollover the assets into an IRA held at the mutual fund company in order to receive this benefit. I understand that I should consult with my financial advisor if I have questions concerning the possible eligibility of my retirement plan holdings for this type of program.

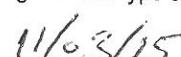
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Employee/Account Holder Signature

ERIC BABCZAK

Printed Name

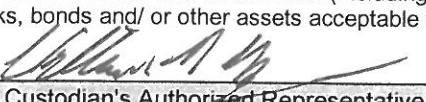


Date

E. Signature - Custodian's Authorized Representative (Financial Advisor)

Custodian Acceptance: This is to acknowledge that the Employee / Account Holder named above has established retirement account with Edward Jones and its affiliates (including but not limited to Edward Jones Trust Company). We will accept the rollover of cash, stocks, bonds and/ or other assets acceptable to Edward Jones, as per the instructions provided above.

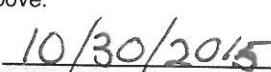
SIGN HERE



Custodian's Authorized Representative

WILLIAM R BROWN

Printed Name



Date

(Financial Advisor)

Questions: Contact our office if you have any questions.
 Contact person: WILL BROWN

Phone number: (847) 391-9155

WILLOWBROOK POLICE PENSION FUND

**STATEMENT OF
INVESTMENT POLICY**

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DEFINITION OF TERMS

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 (formerly 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 (EAFFE) - 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 – Income and capital appreciation or depreciation on an 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 one year of original issuance.

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:	0%	0 - 20%
Bank Certificates of Deposit:	0%	0 - 25%
U.S. Treasury Securities:	10%	0 - 40%
U.S. Government Agency Securities:	40%	0 - 75%
U.S. Government Agency MBS's:	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>
<u>Fixed Income</u>			
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%
<u>Equities</u>			
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. And to the extent they will be updated in the future, it will be done as an addendum to this investment policy statement.

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

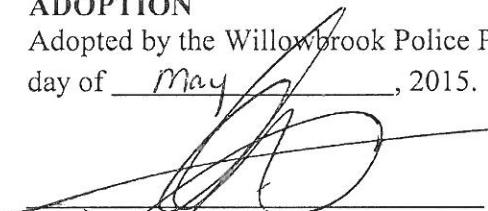
The Board shall review this Policy periodically to ensure its effectiveness in meeting the Pension Fund's needs for safety, liquidity, rate of return, and diversification, and its general performance. Any changes shall be presented to the Pension Board for its approval. Whenever this policy is amended,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

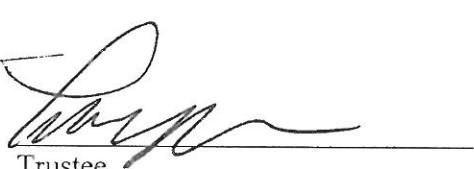
CONFLICT

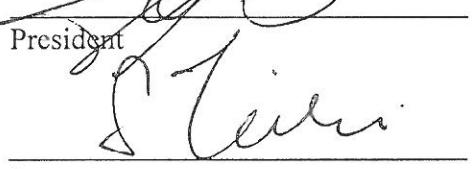
In the event of any conflict between this Policy and the Illinois Compiled Statutes or case decisions of the State of Illinois, the Statutes and case law decisions shall govern.

ADOPTION

Adopted by the Willowbrook Police Pension Fund Board of Trustees, as amended, on this 21st day of May, 2015.


President


Trustee


Secretary


Trustee


Treasurer


Trustee