

GODFREY FIRE PROTECTION DISTRICT
MINUTES OF BOARD OF TRUSTEES
OF THE GODFREY FIRE PROTECTION DISTRICT
PAID FIREFIGHTERS' PENSION FUND

On September 8, 2015, the regular meeting of the Board of Trustees of the Godfrey Fire Protection District Paid Firefighters' Pension Fund was held at Fire Station No. 2, 1712 West Delmar, Godfrey, Illinois at 6:30 p.m. pursuant to the regular meeting schedule of the Board.

Trustees Hand, Fowler, and Wills were present for the meeting. Trustee Ford was unable to attend the meeting due to a work commitment and Trustee Cranmer was unable to be present due to a hazardous materials incident. Also present were Fire Department member David Bellitto, legal counsel for the District, and Mr. Michael Stuart of MB Financial Bank.

The first item of business to come before the meeting was the election of officers following Mr. Hand's appointment to the Board. A motion was made that Mr. Hand serve as President of the Board and Mr. Wills as secretary of the Board. The motion was seconded and unanimously approved.

The meeting next turned to public comments. There were no public comments.

The meeting next turned to approval of the minutes of the prior meeting of the Board held on June 9, 2015. A motion was made by Mr. Fowler, seconded by Mr. Wills, and unanimously approved, to approve the minutes as presented.

The Chair next called for deferral of the Treasurer's Report due to Mr. Ford's absence, however, it was noted that the report of Hughes & Associates, had been submitted to the Board

prior to the meeting for the quarter ending July 31, 2015 and that the report reflected total assets at market value of \$6,560,881.53. It was also noted that the report the Hughes firm included a Balance Sheet as of July 31, 2015 and the Profit & Loss Statement for the period May through July 2015 along with the Check Detail Report for the same period.

The Chair next called upon Mr. Stuart for the report of MB Financial Bank, the investment manager for the fund. Mr. Stuart presented the report dated June 30, 2015 which was distributed in written form to the Board. The report began with information on the economy, markets, and the bank's outlook. He next reviewed with the Trustees the portfolio composition, performance summary, and account activities summary for the period December 31, 2007 through June 30, 2015. The market value asset allocation, performance by each segment of the fund in relation to its benchmark and receipts and disbursements were also reviewed. Mr. Stuart noted that the market is down approximately 4% for the year thus far and that the bank expects lower returns due to the general state of the market. He noted that August was the worst calendar month since 2012. In response to the market, the bank is decreasing domestic large cap investments and increasing emerging market investments and holdings in the international developed economies sector. Mr. Stuart reviewed with the Board the changes in stock holdings held by the fund since the last report, and he reviewed the asset compensation for the equity at fixed income portions of the fund. He noted that the report also contained a Time Weighted Returns for Selected Fiscal Periods report for the various assets held by the fund. He reviewed with the Board Market Value vs. Invested Capital graphic showing ending market values through the June 2015 quarter. The Risk/Return Analysis

graphic was reviewed with the Board and Mr. Stuart noted that the market remains in an adequate position with regard to risk and return. A report of sample mutual fund returns was in the report for the Board's consideration in evaluating performance of the fund. The report included a Bond Ratings Report for the fixed income portions of the fund by mutual asset held. A Maturity Bucket Report was included reflecting the time duration of the fixed income contained in that portfolio. Mr. Stuart noted that the report included a complete Holdings report for the period April 1, 2015 through June 30, 2015 and an Account Transactions report for the same period. The Chair thanked Mr. Stuart for his report.

Turning to fund disbursements and expenditures, the Chair noted there were none to be considered by the Board.

The Warrant Report was presented and upon motion of Mr. Wills, seconded by Mr. Hand, and unanimously approved, the Warrant Report was approved as presented.

The Secretary reported there was no correspondence.

Turning to administrative matters, it was noted that an application for retirement benefits from the fund had been received from Captain William Rexing who has retired from the fire department. A motion was made by Mr. Fowler, seconded by Mr. Wills, and unanimously approved to approve the application for retirement benefits for Mr. Rexing.

Mr. Wills noted that the Treasurer, in conjunction with the Hughes firm and MB Financial, is in the process of setting up payment to Mr. Rexing.

It was noted that an Actuarial Report had not as yet been received from the Illinois Department of Insurance for the fund.

It was suggested by the Chair that a request for the tax levy to support the fund be submitted to the District Board of

Trustees and a motion was made by Mr. Wills, seconded by Mr. Fowler, and unanimously approved to request the adoption of a tax levy by the District Board of Trustees for purposes of funding the Paid Firefighters' Pension Fund. The motion was unanimously approved.

There was discussion regarding a substitution of Mr. Hand for the prior Board member, Ms. O'Neal, as a signatory to the various accounts of the Fund, including those with MB Financial Bank, and upon motion by Mr. Fowler, seconded by Mr. Wills, and unanimously approved, the substitution was approved and the officers were requested to complete the required documentation to effect the change.

There being no further, or other, business to come before the meeting, upon motion duly made, seconded and unanimously approved, the meeting was adjourned.

Thomas Wills, Secretary of the
Board of Trustees