

**TINLEY PARK PENSION BOARD  
MEETING  
MAY 20, 2009**

**PRESENT: PRESIDENT O'HERN, SECRETARY VIOLETTO, TRUSTEE MEDROW, TRUSTEE BARTON, TRUSTEE LINDOKKEN, FINANCIAL ADVISOR CRAIN, ROBERT THOMPSON-MB FINANCIAL, RICHARD BLOCK, TREASURER BETTENHAUSEN, AND RUTH GIBSON**

**MEETING OPENED AT 0736 HOURS**

**THE MINUTES WERE REVIEWED FROM THE MARCH 18, 2009 MEETING. TRUSTEE LINDOKKEN MADE A MOTION TO APPROVE THE MINUTES AS AMENDED WHICH WAS SECONDED BY TRUSTEE MEDROW. ALL IN FAVOR AND THE MOTION CARRIED.**

**SECRETARY VIOLETTO CONDUCT THE ELECTION FOR TRUSTEES, 1 FROM THE ACTIVE MEMBERS AND THE OTHER FROM THE RETIRED MEMBERS WITH THE ELECTION CONDUCTED ON APRIL 20, 2009. MICHAEL O'HERN WAS THE ONLY CANDIDATE FROM THE ACTIVE MEMBERSHIP AND ROGER BARTON WAS THE ONLY CANDIDATE FROM THE RETIRED MEMBERSHIP. THE BALLOTS WERE DISTRIBUTED AND THE TALLY WAS COUNTED ON APRIL 20, 2009 WITH MICHAEL O'HERN AND ROGER BARTON EACH BEING ELECTED TO A TWO YEAR TERM.**

**THE BENEFIT ADJUSTMENT FIGURES FOR JOSEPH KOCEK WERE RECEIVED AND DISTRIBUTED TO THE TRUSTEES FOR REVIEW. TRUSTEE MEDROW MADE A MOTION TO PAY JOSEPH KOCEK THE MONTHLY INCREASE OF \$190.40 STARTING JANUARY 2007, MONTHLY INCREASE OF \$386.51 STARTING JANUARY 2008, AND \$588.51 IN JANUARY 2009 WHICH WAS SECONDED BY TRUSTEE BARTON. DISCUSSION WAS HELD AND IT WAS DETERMINED THAT JOSEPH KOCEK'S WAS NOT ELIGIBLE UNTIL FEBRUARY 2007. TRUSTEE MEDROW AMENDED THE MOTION TO REFLECT THE DATE CHANGE STARTING FEBRUARY 2007 FOR A TOTAL AMOUNT OF \$9086.56 RETRO PAY WHICH WAS SECONDED BY TRUSTEE BARTON. A ROLL CALL VOTE WAS TAKEN WITH ALL PRESENT VOTING YES, O'HERN, VIOLETTO, BARTON, MEDROW, AND LINDOKKEN.**

**PRESIDENT O'HERN PRESENTED A PENSION BENEFIT FOR DAVID S. CYBORSKI WHO PASSED AWAY. PRESIDENT O'HERN PASSED OUT THE BENEFIT CALCULATION TO MEMBERS OF THE BOARD. DAVID S. CYBORSKI WAS BORN JANUARY 25, 1961 WITH A HIRE DATE OF FEBRUARY 01, 1988 GIVING HIM 21 YEARS OF SERVICE. CYBORSKI QUALIFIES FOR 52.50% OF HIS TOTAL SALARY OF \$78,229.45 FOR AN ANNUAL SURVIVAL PENSION OF \$41,070.46. TRUSTEE MEDROW MOTIONED TO ACCEPT THE PRELIMINARY ANNUAL SURVIVAL PENSION OF \$41,070.46 WHICH WAS SECONDED BY TRUSTEE LINDOKKEN. ROLL CALL VOTE WAS TAKEN WITH ALL PRESENT VOTING YES, O'HERN, VIOLETTO, BARTON, MEDROW, AND LINDOKKEN.**

## FINANCIAL REPORT

KEVIN CRAIN-SMITH BARNEY REPORTED THAT THE LAST 2 MONTHS WERE BETTER THAN THE FIRST 2 MONTHS OF THE YEAR. CRAIN REPORTED THE ECONOMIC DECLINE STARTED TO SLOW. EXPECTED VULNERABILITY TO DECLINE WHICH WILL IMPROVE CONFIDENCE. COMPANIES ARE PAYING BACK THE GOVERNMENT FROM THE ECONOMIC STIMULUS. THE GDP IS STILL EXPECTED TO BE NEGATIVE AND IS DOWN WITH IT BEING THE WORST ON RECORD. THE UNEMPLOYMENT NUMBERS ARE STILL GOING UP AND BELIEVED WILL REACH TO 10% NATIONALLY. HOUSING IS STILL DOWN.

TOTAL FUND IS 10.34% FISCAL QTR. AND 3.41% SINCE INCEPTION.  
 COLUMBIA FUND 13.93 FISCAL QTR. AND .40 YTD  
 CAMBIAR FUND 12.58 FISCAL QTR. AND 2.41 YTD  
 RENAISSANCE FUND 4.52 FISCAL QTR AND - 2.66 YTD  
 SANDS FUND 15.01 FISCAL QTR. AND 22.76 YTD  
 THE ANNUITIES ARE 3.7% YTD

CRAIN REPORTED THAT COLUMBIA IS RIGHT WITH THE INDEX AFTER BEING ASKED IF SMITHBARNEY IS STILL WATCHING THE FUND.

MOTION WAS MADE BY TRUSTEE MEDROW TO ACCEPT THE FINANCIAL REPORT AS REPORT BY KEVIN CRAIN WHICH WAS SECONDED BY TRUSTEE BARTON. ALL WERE IN FAVOR AND MOTION CARRIED.

ROB THOMPSON PROVIDED THE PORTFOLIO PERFORMANCE REVIEW.

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| MONEY MARKET RETURN  | .03% FISCAL QTR. AND   | .20% YTD  |
| FIXED INCOME RETURN  | -.70% FISCAL QTR. AND  | -.75% YTD |
| EQUITY RETURN        | 10.42% FISCAL QTR. AND | -.92% YTD |
| TOTAL ACCOUNT RETURN | 1.43% FISCAL QTR AND   | .54% YTD  |

RICHARD BLOCK REPORTED THAT MB FINANCIAL IS KEEPING THE PERCENTAGES AS FOLLOWS WITH THE FUND, 14% IN MONEY MARKET, 65% IN FIXED INCOME, AND 21% IN EQUITY SECURITIES. THEY ARE CURRENTLY PUTTING \$100,000.00 BACK INTO THE MARKET EACH MONTH. RICHARD STATED THE SECOND HALF OF THE MONTH IS POSITIVE BUT BY THE STANDARD EVERYTHING IS STILL WEEK. BUSINESSES ARE SELLING LESS, BUT PROFITS ARE OUT PERFORMING DUE TO COST CUTTING. UNEMPLOYMENT STILL HIGH AND EXPECTED TO CLIMB WITH DETROIT'S EXPECTED LAYOFF WITH THE FAILING AUTO INDUSTRY.

TRUSTEE LINDOKKEN INQUIRED AS TO WHY WE ARE AT 21% WHEN THE MB FINANCIAL TARGET IS 30% AND WHY WE ARE NOT TAKING THE PROFITS SINCE THE MARKET IS UP 30 %.

RICHARD STATED HE DOES NOT BELIEVE THE REAL RALLY HAS HAPPENED UNTIL THE THREE LEVELS OF GROWTH HAVE HAPPENED.

TRUSTEE LINDOKKEN INQUIRED IF A MARKET STUDY HAS BEEN COMPLETED TO ENSURE WE ARE IN THE RIGHT ALLOCATIONS. PRESIDENT O'HERN INQUIRED AS TO WHY MB WAS HOLDING \$3.3 MILLION IN A MONEY MARKET ACCOUNT. ROBERT THOMPSON STATED THEY ARE LOOKING ELSEWHERE FOR INVESTMENTS AND UNSURE OF WHERE TO GO WITH THE WAY THE MARKET HAS BEEN PERFORMING. ROBERT ALSO STATED THE \$3.3 MILLION IS THEIR FIRST PRIORITY AND SHOULD HAVE A DECISION BY FRIDAY WITH DIRECTION.

TRUSTEE LINDOKKEN MOTIONED TO ACCEPT THE FINANCIAL REPORT AS PRESENTED BY MB FINANCIAL WHICH WAS SECONDED BY TRUSTEE MEDROW. ALL WERE IN FAVOR AND THE MOTION CARRIED.

PRESIDENT O'HERN MADE A MOTION TO TRANSFER THE \$3.3 MILLION BACK TO THE PENSION BOARD TO OBTAIN A BETTER MONEY MARKET RATE IF MB FINANCIAL IS UNABLE TO FIND INVESTMENT OPPORTUNITIES WHICH WAS SECONDED BY TRUSTEE LINDOKKEN. ROLL CALL VOTE WAS TAKEN WITH ALL PRESENT VOTING YES, O'HERN, VIOLETTO, BARTON, MEDROW, AND LINDOKKEN.

RUTH GIBSON REPORTED THAT A CD FROM ALLEGIANCE BANK, I.D. #3715000, ON MAY 26, 2009 WITH \$5648.60 IN INTEREST EARNED. RUTH REPORTED THEY HAVE STARTED RECEIVING THE FIRST ROUND OF TAX RECEIPTS. THE YTD REVENUES ARE -2,239,943.26.

TRUSTEE LINDOKKEN PRESENTED A SAMPLE SPREAD SHEET FOR REPORTING CONTRIBUTIONS, DISTRIBUTIONS, EXPENSES, AND TOTAL EQUITIES TO THE BOARD FOR REVIEW. THE SPREAD SHEET WAS REVIEWED AND A COPY WAS GIVEN TO RUTH GIBSON TO INCORPORATE INTO THE REPORT.

PRESIDENT O'HERN MOTIONED TO REINVEST THE \$300,000 CD WHEN IT MATURES AT ALLEGIANCE BANK FOR THE BEST RATE UP TO 12 MONTHS WHICH WAS SECONDED BY TRUSTEE MEDROW. ROLL CALL VOTE WAS TAKEN WITH ALL PRESENT VOTING YES, O'HERN, VIOLETTO, BARTON, MEDROW, AND LINDOKKEN.

TRUSTEE BARTON MOTIONED TO ACCEPT THE REPORT AS PRESENTED BY RUTH GIBSON WHICH WAS SECONDED BY TRUSTEE MEDROW. ALL WERE IN FAVOR AND MOTION CARRIED.

PRESIDENT O'HERN PRESENTED A BILL FROM ATTORNEY RICHARD REIMER IN THE AMOUNT OF \$1,853.47 FOR SERVICES OF THE APPEAL HEARING, VILLAGE BUY OUT PROGRAM, AND PENSION HEARING FOR PHIL VALOIS, THE COMPLIANCE FEE IN THE AMOUNT OF \$7,245.74 FROM THE DOI, AND POSTAGE DUE IN THE AMOUNT OF \$3.70 FROM MAIL SENT BY RICHARD REIMER TO THE BOARD.

TRUSTEE LINDOKKEN MOTIONED TO PAY ALL THE BILLS PRESENTED WHICH WAS SECONDED BY TRUSTEE MEDROW. ROLL CALL VOTE, O'HERN, ABSTAINED, VIOLETTO, YES, BARTON, YES, MEDROW, YES, LINDOKKEN, YES.

TRUSTEE LINDOKKEN INQUIRED ABOUT A 1 DAY TRAINING, MAY 1 2009, IN WOODFIELD, WHICH THE IPPFA IS SPONSORING. TRUSTEE LINDOKKEN IS INTERESTED IN ATTENDING.

PRESIDENT O'HERN MOTIONED TO APPROVE \$100.00 FOR THE IPPFA 1 DAY TRAINING FOR ANY TRUSTEE TO ATTEND WHICH WAS SECOND BY TRUSTEE MEDROW. ROLL CALL VOTE WAS TAKEN WITH EVERYONE PRESENT VOTING YES, O'HERN, VIOLETTO, BARTON, MEDROW, AND LINDOKKEN.

ANY TRUSTEE TO ATTEND THE TRAINING WILL BRING THE REQUIRED INFORMATION ON THE JULY 15, 2009 MEETING.

THE MEETING WAS ADJOURNED AT 1007 HOURS.

RESPECTFULLY SUBMITTED,

RAYMOND VIOLETTO  
SECRETARY