

MINUTES OF THE SPECIAL MEETING OF SOUTH HOLLAND POLICE PENSION FUND JANUARY 6, 2010

A special meeting of the Board of Trustees of the South Holland Police Pension Fund was held on Wednesday, January 6, 2010 at 9:00AM at 16220 Wausau Avenue in the Police Department conference room pursuant to notice, a copy of which is attached to their minutes.

CALL TO ORDER BY PRESIDING OFFICER

President Craig Vinke called the meeting to order at 9:15AM.

ROLL CALL

Upon roll call the following answered:

Present: President Craig Vinke, Secretary Mike Zackavec, Trustee Rich Good, Trustee Rich Zimmerman, Trustee Dan Zajeski

Absent: None.

Also Present: South Holland Firefighters' Pension Board: President Rick Triemstra, Secretary Tom Szewczykowski, Trustee Rich Zimmerman, Trustee Charles Jansma, Trustee Craig Vinke

MB Financial: Mike Nylen, Robert Thompson and Jim Hrabak;

Genworth Financial: Clint Verhagen, Scott Pothoven and Jonathan Steiner PNC;

Capital Gains: Gary Karshna, Neil Karshna and Carina Fermin;

Dave Wall and Associates: Dave Wall and Bill Galgan;

Becky Davis of Lauterbach and Amen

The purpose of this combined Special Meeting with the South Holland Firefighters' Pension Fund is to review investment services candidates for the Request for Proposal (RFP) process for both Fire and Police Pension Boards. The Boards authorized members to review the RFP's submitted by eight Investment companies. After an initial review of the eight companies, three were eliminated for various reasons. The remaining four candidates listed below were invited to present in person before the Board:

1. MB Financial – has a current history with both boards and is currently managing the Fixed Income portion of the portfolios. MB currently serves over 50 Fire/Police Pension boards in IL; the top three Vice Presidents are Fiduciaries; completed the 32 hour Trustee Training and are certified by NIU/IPPPFA; are familiar with the Article 3 & 4 state statutes. Will attend Board Meetings and provide quarterly reports. Fees: 34 basis points per year.
2. Genworth Financial – has 4-5yrs history with both boards and is currently managing the Equity portion of the portfolios. Have accepted Fiduciary responsibility. Does not work with any other pension funds. Will consider IPPFA membership if needed. Will attend Board meetings and provide quarterly reports as well as live data available for special meetings. Fees: Fund cost = .65 - .70; Platform = .61 - .62 basis points.
3. Capital Gains Inc.: Specializes in Pension Funds – currently serving 20 Police/Fire Pension Funds. Trades are communicated with full transparency the day they are traded. Will attend Board meetings and provide quarterly reports. Fees: .50 basis points or .25 + transaction fees.
4. Wall & Associates: Specializes in Public Pension Funds and is currently serving 33 Police / Fire Pension Funds. Both Dave and Bill are Fiduciaries and Board Directors of the IPPFA. Provides services in either discretionary or non-discretionary capacity. Fees: .20 basis points + transaction fees.

With all presentations completed, the Board unanimously voted to go into Executive Session at 11:20AM

EXECUTIVE SESSION

Executive Session opened at 11:25am
Executive Session closed at 12:05pm

A motion by Zackavec, seconded by Zimmerman, to return to Open Session to vote on the Board's findings.

Open Session re-convened at 12:07pm


A motion by Zackavec to approve MB Financial as the Investment Manager for the full Pension Fund Portfolio – both Equities and Fixed Income; seconded by Zajeski.

Roll Call Vote: Zackavec – yes, Good – yes, Zimmerman – yes, Zajeski – yes, Vinke – no. Motion carries: 4 – yes, 1 – no vote.

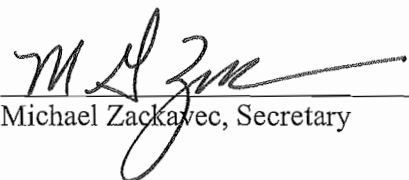
ADJOURNMENT

A motion by Zackavec, to adjourn the meeting at 12:12 pm, seconded by Zimmerman. Motion unanimously carried.

Respectfully Submitted,



Craig Vinke, President



Michael Zackavec, Secretary

Approved by the Board of Trustees on 1/27/10 (date).

Minutes prepared by Becky Davis, PSA, on January 11, 2010.