

**MINUTES OF THE BOARD OF TRUSTEES MEETING
OF THE WAUCONDA FIREFIGHTERS' PENSION FUND
Friday, November 11, 2011**

The meeting of the Board of Trustees of the Wauconda Firefighters' Pension Fund was called to order Friday, November 11, 2011 at 10:07 a.m. at Wauconda Fire District, Station 1, 109 W. Liberty Street, Wauconda, Illinois.

ATTENDANCE: Trustees present were President Scott Gaschler, Vince Clemens, Bill Glade, Crystal McClure, and Jon Fessler. Also present were Attorney Carolyn Welch Clifford; Kelly Brainerd from Lauterbach and Amen; Tom Sawyer and John Falduto from Sawyer Falduto Asset Management; and Al Weaver.

APPROVAL OF MINUTES: Motion by Vince Clemens seconded by Crystal McClure to approve the minutes of the Regular Pension Board Meeting dated August 12, 2011 as presented. On call of voice vote all present voted aye. Motion carried.

CORRESPONDENCE: Information was provided in the packet regarding the purchase of printed versions of the Pension Code, as well as the Fall 2011 Legal Insights publication from Ottosen Britz, and the October 20, 2011 DOI Siren.

PUBLIC COMMENTS: None

OLD BUSINESS: The Board reviewed the Actuarial Study for the fiscal year beginning May 1, 2012, provided by Tim Sharpe, the Fund's actuary, and conducted a conference call with Mr. Sharpe to gain additional insight in the document and how the recent legislation has impacted the process.

Mr. Sharpe went over the investment results, changes in payroll and percentage funded information before explaining the various methodologies used to provide the four options on his report. Our Fund is one of only a few faced with an increased contribution amount as a result of the statutory changes. This is due in part to the Fund being relatively new, the amortization schedule actually decreasing in years from 36 to 30, and also due to the fact that a significant number of personnel will be of retirement age in a few years.

Mr. Sharpe recommended the final actuarial study reflect column 3, which utilizes the old statutory approach which is GASB compliant, but includes the new full funding date of 2040. Mr. Sharpe will also include in the final report the column 4 statutory minimum recommendation. The Board agreed to utilize the information in column 4 which reflects PA 096-1495 at a 90% target amortization for purposes of its formal recommendation to the District. This amounts to a contribution of \$1,302,988.00 for the May 1, 2012 through April 30, 2013 fiscal year. We will discuss this in New Business during the Certification of the Municipal Compliance Report.

NEW BUSINESS: Sawyer Falduto Financial Presentation -- Tom Sawyer and John Falduto distributed and reviewed with the Board the Quarterly Investment Performance

Report dated September 30, 2011 but information through October 31, 2011 was also provided. Information from the report included:

Cash Flow for the quarter ending September 30, 2011

Beginning Market Value:	\$10,592,567
Contributions / Additions:	\$524,081
Distributions / Expenses:	(\$74,387)
Investment Return:	(\$640,574)
Ending Market Value:	\$10,401,687

Investment Return and Performance for the quarter ending September 30, 2011

Investment Return (total account - percentage): -5.94%
(v. benchmark return of -4.49%)

Asset Allocation as of September 30, 2011

Equities:	42.0%
Fixed Income:	56.1%
Cash Equivalent:	1.9%

Discussion regarding the financial markets, portfolio structure, recent market volatility and transactions followed.

Motion by Crystal McClure seconded by Bill Glade to accept the report from Sawyer Falduto Asset Management as presented. On call of roll:

AYES:	Gaschler, Clemens, Glade, McClure, and Fessler
NAYS:	None
ABSTAIN:	None
ABSENT:	None

Motion carried.

Lauterbach and Amen report: Kelly Brainerd presented the September 30, 2011 financial statement and went through the packet. The Board previously received copies of the monthly reports.

Motion by Vince Clemens seconded by Crystal McClure to accept the financial statement from Lauterbach and Amen as presented. On call of roll:

AYES:	Gaschler, Clemens, Glade, McClure, and Fessler
NAYS:	None
ABSTAIN:	None
ABSENT:	None

Motion carried.

Motion by Crystal McClure seconded by Bill Glade to accept the Disbursement Warrants dated August, 2011, September 30, 2011, and October, 2011, as presented and authorize the President and Secretary to execute the Warrants. On call of roll:

AYES: Gaschler, Clemens, Glade, McClure, and Fessler
NAYS: None
ABSTAIN: None
ABSENT: None

Motion carried.

Municipal Compliance Report: Kelly Brainerd and Attorney Clifford presented an updated Municipal Compliance Report (MCR) and Tax Levy Request letter, respectively, and discussed the particulars. The Board agreed to utilize the column 4 numbers from Actuary Sharpe for inclusion in the MCR. Attorney Clifford discussed including in the letter to the District the pension benefit projections for the next several years if available from Mr. Sharpe prior to the November 17, 2011 Fire District Board meeting.

Motion by Bill Glade seconded by Crystal McClure to utilize \$1,302,988.00 as the District contribution request for the May 1, 2012 through April 30, 2013 fiscal year pursuant to the calculations from Actuary Sharpe, certify the Municipal Compliance Report, and authorize the President and Secretary to execute the documents. On call of roll:

AYES: Gaschler, Clemens, Glade, McClure, and Fessler
NAYS: None
ABSTAIN: None
ABSENT: None

Motion carried.

2012 Meeting Schedule; The Board discussed the 2012 proposed quarterly meeting schedule. The 2nd Friday in February needs to be changed as it conflicts with the NIAFPD Conference.

Motion by Vince Clemens seconded by Bill Glade to schedule the 2012 quarterly Pension Board meetings February 3, 2012; May 11, 2012; August 10, 2012; and November 9, 2012; beginning at 10:00 a.m. at Wauconda Fire District Station One, 109 West Liberty St. Wauconda, IL. Upon a voice vote, all present voted aye.

Motion carried.

Rules update: Attorney Clifford discussed the statutory changes to the Illinois Pension Code and advised the Board she would be sending out proposed changes to the Board's rules and forms in red line format before the next meeting.

Board Member Discussion: None

TRAINING: Attorney Carolyn Clifford reminded the Trustees of the NIAFPD annual conference in February. She will be assisting again this year in securing speakers for the pension track.

CLOSED SESSION: None

ADJOURNMENT: Motion by Bill Glade, seconded by Vince Clemens, to adjourn at 11:37 a.m. Upon a voice vote, all present voted aye. Meeting adjourned.

Respectfully submitted,

Secretary, Board of Trustees
Wauconda Firefighters' Pension Fund

Approved by the Board of Trustees at its _____, meeting.