

Woodstock Firefighter's Pension Board of Trustees

A meeting of the Woodstock Firefighter's Pension Board of Trustees was called to order on Thursday April 28th, 2011 at 6:25 p.m. at Fire Station #1, 435 E. Judd Street, Woodstock, Illinois.

Board members present were President Mike Hill, Secretary Matt Hedges and Trustees Lloyd Shaw and Dick Menzel. Trustee Bob Kristensen arrived at 6:40 p.m.

Treasurer John Kunzie was absent.

Others present were Thomas Quinn and Kevin Noonan of American Community Wealth Management and various participants of the fund. Attorney Jeremy Shaw arrived at approx. 6:45.

Minutes

The pension board reviewed the minutes of the January 27, 2011 meeting. **Motion to approve minutes as written made by Trustee Shaw, seconded by Trustee Menzel; motion passed unanimously.**

Communications

Secretary Hedges received information for a conference in Miami, Florida from the National Conference on Public Employee Retirement Systems, May 21-26, 2011. Also, there was information available for the Illinois Public Pension Advisory Committee's Annual Spring Conference, May 18, 19, 20, 2011 in Rock Island, Illinois.

Secretary Hedges has received many prospectus statements since the last meeting in regards to the LAMP account that was opened. They are available for review.

Financial Report

Secretary Hedges presented a Bill Report:

Woodstock Firefighter's Pension Fund		
April 28, 2011		
Bill Report		
Frisbie& Lohmeyer	Surety Bond Policy	\$330.00
Zanack, Coen& Wright	Consultation (1% question)	\$768.75
	Communication re: new legislation	\$93.75
Internal Revenue Service	2010 Tax Payment (accidentally refunded)	\$6600.00
Matt Hedges	Stamps	\$8.80
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		\$ 7801.30

Additionally, Trustee Shaw presented an invoice for the IPPFA 2011 Spring Conference that he had paid for. Secretary Hedges added the invoice for \$275.00 to the bill report.

Motion to pay the bills was made by Trustee Shaw, seconded by Trustee Menzel; motion passed unanimously.

President Hill turned the floor over to Thomas Quinn and Kevin Noonan of American Community Wealth Management (ACWM) to discuss the Fund's current investments.

Mr. Quinn presented the account summary:

**Woodstock Firefighters Account Summary
As of 4/19/2011**

Certificate Summary	Maturity Date	Interest Rate	Total
36 Month Certificate	August 20, 2011	4.35%	\$110,108.02
36 Month Certificate	November 24, 2012	2.53%	\$307,638.01
26 Week CD - CDARS	June 9, 2011	0.15%	\$200,000.00
52 Week CD - CDARS	December 8, 2011	0.75%	<u>\$200,000.00</u>
Total Certificates			\$817,746.03
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Interest Checking (#516369)		0.25%	\$5,903.68
Indexed Money Market (#527846)		0.25%	<u>\$84,322.84</u>
			\$90,226.52
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Wealth Management			
Pension Fund Equity CDs -QB6-025275			\$309,023.00
Pension Fund Equity UITs - QB6-701394			\$221,017.68
Pension Fund BONDS - QB6-409880			\$579,808.39
Pension Fund LAMP - QB6-000027			<u>\$627,693.46</u>
			<u>\$1,737,542.53</u>
			<u><u>\$2,645,515.08</u></u>

Mr. Quinn noted that the CDARS CD maturing June 2011 does not roll over into a new CD and will return to the money market. Mr. Quinn noted that the reason for the CDARS was to take advantage of asset protection from the FDIC. He recommended discussing reallocation options in June as the account nears maturity. Mr. Noonan suggested that in the future the board consider purchasing 52 week CDARS CDs vs. the 26 week option. Board noted that the interest rate from the CDARS program was not very attractive.

Board discussed possibility of scheduling a special meeting to review asset allocation and investments and include where to place tax proceeds.

Trustee Shaw commented that he had heard as of the first of January that Pension Boards are allowed to invest in commercial bonds. Mr. Quinn and Mr. Noonan both agreed that commercial bonds would be beneficial to add to the portfolio. They asked if the commercial bonds had been added to the investment policy. Mr. Quinn stated that once the investment policy is amended the bond manager will begin adding commercial bonds to the portfolio as they deem to be beneficial. **Secretary Hedges to investigate if the commercial bonds are now allowed by statute and report back to board.**

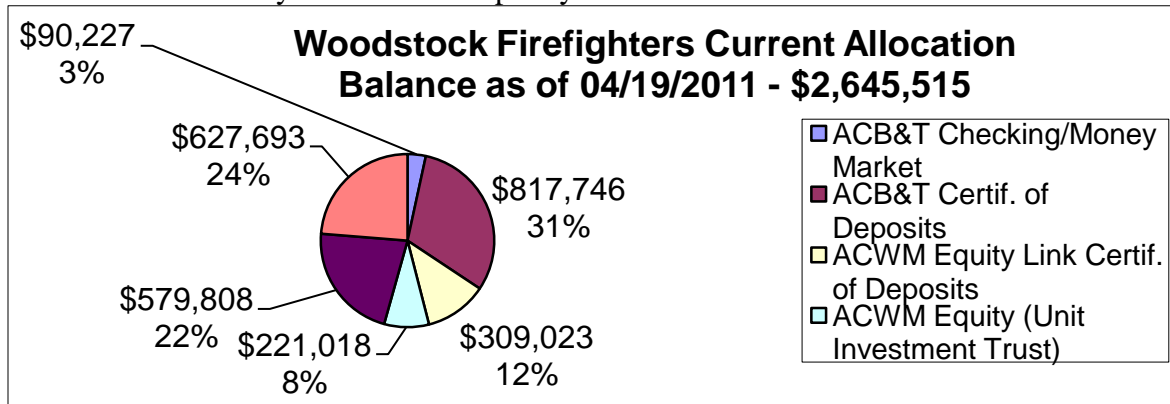
Mr. Quinn reviewed the performance reports:
Woodstock Firefighters Pension Fund



AMERICAN MUTUAL LIFE OF NEW YORK
 McHenry, IL 60050
 (815) 578-2073
 tqinn@amcomwealth.com

Time-Weighted Rate of Return (TWRR)								
Description	Beginning Value	Change in Value	Ending Value	Net Cash	Net Capital	Net Fees	Net Admin Fees	TWRR Annualized
Woodstock Firefighters Pension Fund	\$1,718,109.79	\$21,885.13	\$1,739,994.92	(\$503.61)	\$0.00	(\$4,427.46)	\$0.00	1.30%
Woodstock FF Pension Fund - Bond - Trust								
QB8409880 - National Financial	\$575,553.33	(\$121.34)	\$575,431.99	(\$503.61)	\$0.00	(\$1,724.42)	\$0.00	0.07%
Woodstock FF Pension Fund-Equity - Trust								
QB6701394 - National Financial	\$213,026.75	\$10,934.68	\$223,961.43	\$0.00	\$0.00	(\$589.91)	\$0.00	5.13%
Woodstock Firefighters Pen Fund and Matthew Tee - Trust								
QB6000027 - National Financial	\$621,810.71	\$10,375.29	\$632,186.00	\$0.00	\$0.00	(\$2,113.13)	\$0.00	1.67%
Woodstock Pension Fund-Linked Cds - Trust								
QB8025275 - National Financial	\$307,719.00	\$696.50	\$308,415.50	\$0.00	\$0.00	\$0.00	\$0.00	0.23%
INDEX 1								
S&P 500 INDEX - 500 STOCKS	1,258.76	67.07	1,325.83					5.33%

They noted that all accounts are doing well and discussed how each account ties into the asset allocations allowed by the investment policy. The current allocations are as follows:



Mr. Quinn noted that all investments are within the parameters and that some of the investments are under allocated. He stated that the LAMP account has room for about 10% more of the fund's assets. Mr. Noonan stated that the fund is now about 20% in the market as opposed to about 10% last year. Mr. Quinn advised that the portfolio should be kept to primarily mutual funds as opposed to individual stocks. They recommended reviewing the Board's options in June.

Open Issues

Secretary Hedges presented the revised Investment Policy that had been approved by the Board in January for signature by the Board. He stated that this policy was to be filed with the Illinois Department of Insurance within 30 days of adoption.

Secretary Hedges presented the updated Investment Manager Agreement for discussion and approval. Attorney Shaw stated that the new agreement was based upon the IMRFs investment

manager agreement. Mr. Quinn asked that the Board include the Illinois Securities Commission Form ADV, Part 2 to the agreement. Secretary Hedges stated he would include it in the file as a rider; Attorney Shaw stated that is acceptable. **Motion to approve and sign Investment Manager Agreement as presented made by Trustee Menzel, seconded by Trustee Shaw; motion passed unanimously.**

President Hill discussed the bid proposal from Brain Zabel & Associates from last year. He found that the bid listed the cost as \$3800 for FY 09/10; \$3900 for FY 10/11 and \$4000 for FY 11/12.

Secretary Hedges discussed the accountant search that he had requested permission to perform. He stated that the board would be best served by a book-keeper vs. an accountant as it really is just book-keeping that is needed. Secretary Hedges stated that he is able to handle the incoming statements at this time; however he is going to create a job description for future use. He stated that the Board would not need to take any further action on this issue.

Secretary Hedges stated that the Ralph Webster contribution resolution was not prepared for the Board to take action on due to needing further data. He recommended tabling the issue until the July meeting. **Motion to table discussion on the issue by Trustee Shaw, seconded by Trustee Menzel; motion passed unanimously.**

New Business

President Hill called on the Board for nominations Officer Elections for President and Secretary. Results as follows:

President: Mike Hill was nominated by Secretary Hedges, second by Trustee Menzel. **Motion to close nominations by Trustee Kristensen, seconded by Trustee Shaw. Mike Hill is elected President by default, uncontested to a one year term.**

Secretary: Matt Hedges was nominated by Trustee Menzel, seconded by Trustee Shaw. **Motion to close nominations by Trustee Kristensen, seconded by Trustee Shaw. Matt Hedges is elected Secretary by default, uncontested to a one year term.**

Adjournment

There being no further business before the Board, **Motion to adjourn by Trustee Menzel, seconded by Trustee Shaw; Meeting adjourned 7:02 p.m.**

Respectfully submitted,

Matt Hedges, Secretary
Woodstock Firefighter's Pension Fund

April 29, 2011