

**WASHINGTON POLICE PENSION FUND
QUARTERLY BOARD MEETING
Monday, April 23, 2018 - 8:30 A.M.**

AGENDA

1. Call to Order
2. Roll Call
3. Review Agenda – Deletions or Additions (Discussion Items Only)
4. Investment Reporting by Mitchell, Vaught, & Taylor
5. Approval of December 31, 2017 Quarterly Meeting Minutes
6. Public comment
7. Financial Reports
9. Action Items:

A. Ratify investments made via phone/memo approval (roll call vote):

<u>Bank Name</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Action Taken</u>
			\$ 0.00	

B. Investments Maturing before next quarterly meeting:

<u>Name</u>	<u>Bank</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>
Morton Community Bank		1.60%	03/05/2018	\$104,918.30
CEFCU		1.98%	06/19/18	\$140,000.00
			TOTAL	<u>\$244,918.30</u>

- C. Ratification of Police Pension Fund Expenses (roll call vote)
 - D. Ratification of 1st Quarter 2018 Investment Transactions – MVT (roll call vote)
 - E. Investment Policy
 - F. Military credit buyback – Joshua Sutter
 - G. Ratification of Contribution Refund – Greg Patterson
 - H. Acceptance to the Police Pension Fund – Ramadan Moore
 - I. Election of Officers
10. Discussion Items:
 - A. Training requirements and opportunities
 - B. Cash Flow Analysis
 11. Adjournment (roll call vote)

Next meeting Monday, July 23, 2018 @ 8:30 a.m.

**Mitchell,
& Vaught
Taylor Inc.**
Investment Advisors

53 W. Jackson Suite 905
Chicago, IL 60604
312-922-1717 phone
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April 9, 2018
Statement for Second Quarter 2018
For Services Rendered

To: Washington Police Pension Fund

Investment Management Fee
Second Quarter 2018
April 1 through June 30, 2018

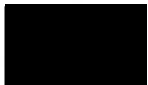
March 31, 2018 Portfolio Value: \$4,842,402*

Quarterly Fee

First \$2 Million at 0.50%	=	\$2,500.00
Next \$3 Million at 0.40%	=	\$2,842.00

Total Fee:	-----	\$5,342
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Allocate bill to individuals within group:

Name	Acct. Number	Portfolio Value	Bill Amount
Washington Police Bonds		\$1,939,385.00	\$1,853
Washington Police Equity		\$3,187,681.52	\$3,489

Each account listed above at Charles Schwab has been charged its corresponding fee.
Charles Schwab, as custodian, makes no independent verification of the calculation of the billing amount, which is the client's responsibility.

*Portfolio amount less bank certificate holdings value at 03/31/2018 (\$284,664).

April 9, 2018



Portfolio Statement
As of 03/31/2018
03/29/2018 Prices

Washington Police Pension Fund Group

<u>Weight</u>	<u>Symbol</u>	<u>Trade Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Current Value</u>
Washington Police Bonds							
Fixed Income							
Money Funds							
Money Funds							
3.3%	SNVXX	01/26/2018	Schwab Government Money	167,000	140,000.00	1.000	167,000.00
0.3%	SWGXX		Schwab U. S. Treasury		15,671.82		15,671.82
3.6%					155,671.82		182,671.82
TIPS							
2.1%		11/08/2016	Treasury Inflation-Indexed 07/15/2024 0.125% Par 103,825.00 (1.03825) Accrued Income	100,000	102,512.85	101.840	105,735.17
							5.93
Treasury Inflation-Indexed							
2.3%		08/03/2016	Treasury Inflation-Indexed 01/15/2021 1.125% Par 113,250.00 (1.1325) Accrued Income	100,000	116,430.20	102.219	115,762.68
							56.63
4.3%					218,943.05		221,560.41
Corporate Bonds							
Corporate Bond							
0.2%		02/03/2016	National Rural Electric 11/01/2018 10.375% Accrued Income	10,000	12,248.60	104.305	10,430.45
							432.29
0.6%		02/01/2016	General Electric Capital 02/15/2019 5.10% Accrued Income	28,000	30,513.84	101.749	28,489.61
							182.47
0.6%		02/01/2016	Potash Corp of Saskatchewan 05/15/2019 6.50% Accrued Income	30,000	34,215.00	103.894	31,168.26
							736.67
0.2%		02/01/2016	Deere & Company 01/15/2020 2.50% Accrued Income	11,000	11,114.40	98.417	10,825.83
							58.06
0.6%		02/01/2016	Union Pacific 02/15/2020 6.125% Accrued Income	30,000	34,443.00	105.785	31,735.38
							234.79
1.0%		02/01/2016	JP Morgan Chase 03/25/2020 4.95% Accrued Income	50,000	54,614.00	103.766	51,883.05
							41.25
0.4%		02/01/2016	American Express 09/14/2020 2.60% Accrued Income	20,000	20,160.20	99.082	19,816.44
							24.56

Portfolio StatementAs of 03/31/2018
03/29/2018 Prices

Washington Police Pension Fund Group

Weight	Symbol	Trade Date	Description	Quantity	Cost Basis	Current Price	Current Value
Washington Police Bonds 5994-4800 Fixed Income							
Fixed Income							
Corporate Bonds							
Corporate Bond							
1.0%		01/13/2017	Cisco Systems	50,000	50,027.00	98.181	49,090.70
			02/28/2021 2.20%				
			Accrued Income				94.72
1.4%		09/08/2016	Morgan Stanley	75,000	75,995.50	97.749	73,311.68
			04/21/2021 2.50%				
			Accrued Income				834.48
1.0%		10/12/2016	AbbVie	50,000	50,320.50	97.434	48,717.10
			05/14/2021 2.30%				
			Accrued Income				437.64
0.9%		07/13/2017	Toronto Dominion	50,000	49,151.00	96.002	48,001.15
			07/13/2021 1.80%				
			Accrued Income				195.00
0.9%		07/22/2016	Wells Fargo	50,000	50,107.14	96.439	48,219.55
			07/26/2021 2.10%				
			Accrued Income				188.54
1.0%		01/13/2017	Procter & Gamble	50,000	50,366.90	97.925	48,962.70
			02/06/2022 2.30%				
			Accrued Income				175.69
1.9%		05/10/2017	Bank Of Nova Scotia	100,000	101,107.50	98.190	98,189.50
			03/07/2022 2.70%				
			Accrued Income				180.00
1.0%		06/16/2017	Medtronic	50,000	51,876.50	99.819	49,909.60
			03/15/2022 3.125%				
			Accrued Income				69.44
1.9%		03/29/2017	Qualcomm Inc	100,000	101,441.00	98.492	98,491.80
			05/20/2022 3.00%				
			Accrued Income				1,091.67
0.9%		08/07/2017	Sysco Corporation	45,000	45,496.00	97.187	43,734.24
			06/12/2022 2.60%				
			Accrued Income				354.25
1.0%		05/23/2017	Toyota Motor Credit	50,000	50,792.00	99.173	49,586.55
			07/13/2022 2.80%				
			Accrued Income				303.33
1.0%		05/23/2017	Anheuser-Busch	50,000	50,088.00	97.045	48,522.70
			07/15/2022 2.50%				
			Accrued Income				263.89
1.0%		07/18/2017	Altria Group Inc	50,000	51,234.00	97.816	48,907.80
			08/09/2022 2.85%				
			Accrued Income				205.83
0.9%		10/06/2017	Brown Forman	50,000	49,338.00	95.456	47,728.00
			01/15/2023 2.25%				
			Accrued Income				237.50
1.0%		07/13/2017	Anheuser-Busch	50,000	50,012.50	97.273	48,636.65
			01/17/2023 2.625%				
			Accrued Income				269.79
0.4%		03/09/2018	IBM Credit	20,000	19,856.51	98.869	19,773.82
			02/06/2023 3.00%				
			Accrued Income				89.50
1.0%		10/06/2017	Bnp Paribas	50,000	51,533.00	99.307	49,653.65
			03/03/2023 3.25%				
			Accrued Income				126.39

Portfolio Statement

As of 03/31/2018

03/29/2018 Prices

Washington Police Pension Fund Group

<u>Weight</u>	<u>Symbol</u>	<u>Trade Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Current Value</u>
Washington Police Bonds 5994-4800 Fixed Income							
Fixed Income							
Corporate Bonds							
Corporate Bond							
0.8%		12/04/2017	Philip Morris 03/06/2023 2.625%	45,000	44,781.40	96.407	43,382.97
			Accrued Income				82.03
1.0%		10/06/2017	Altria Group Inc 05/02/2023 2.95%	50,000	50,951.77	97.578	48,789.00
			Accrued Income				610.49
0.9%		10/06/2017	Bank of NY Mellon Corp 08/16/2023 2.20%	50,000	49,064.00	93.746	46,873.20
			Accrued Income				137.50
24.4%					1,290,849.26		1,250,489.15
Bank Certificates							
1.9%		01/08/2016	Goldman Sachs Bank 06/17/2019 1.85%	100,000	0.00	99.473	99,472.70
			Accrued Income				421.56
Bank Loan							
3.6%		01/08/2016	Capital One Bank 08/27/2018 1.75%	184,000	0.00	100.019	184,035.70
			Accrued Income				733.66
5.6%					0.00		284,663.62
37.8%					1,665,464.13		1,939,385.00
37.8%					1,665,464.13		1,939,385.00
Washington Police Equity 2084-2258 Mutual Funds							
Fixed Income							
Money Funds							
Money Funds							
0.0%	SNVXX	11/15/2017	Schwab Government Money	449.49	449.49	1.000	449.49
0.0%	SWGXX		Schwab U. S. Treasury		448.95		448.95
0.0%					898.44		898.44
Domestic Equities							
Domestic							
Index Fund							
17.0%	VTSAX	01/20/2016	Vanguard Total Stock Admiral	13,174.372	651,922.66	66.050	870,167.27
Large Growth							
4.1%	VGIAX	01/20/2016	Vanguard Growth & Income	2,774.542	172,328.46	76.580	212,474.43
Large Value							
5.7%	VDIGX	01/20/2016	Vanguard Dividend Growth Fund	11,169.555	251,119.42	25.970	290,073.34

Portfolio Statement

As of 03/31/2018

03/29/2018 Prices

Washington Police Pension Fund Group

<u>Weight</u>	<u>Symbol</u>	<u>Trade Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Current Value</u>
Washington Police Equity 2084-2258 Mutual Funds							
Domestic Equities							
Domestic							
Mid Cap Growth							
2.2%	BMDIX	01/20/2016	Baird Midcap Institutional	5,600.136	84,348.34	20.000	112,002.72
Small Growth							
1.8%	PRDSX	06/22/2016	T Rowe Price Small Cap Growth	2,587.807	67,015.07	35.590	92,100.05
Small/MidCap							
4.9%	DHMIX	01/20/2016	Diamond Hill Small Mid Cap Inst	11,259.658	203,424.31	22.190	249,851.81
35.6%					1,430,158.26		1,826,669.62
Alternatives							
Technology							
2.7%	USSCX	10/20/2016	USAA Science And Technology	4,997.888	121,312.12	27.570	137,791.77
Health Care							
2.8%	PRHSX	01/20/2016	T Rowe Price Health Sciences Fu	2,038.155	125,932.77	71.300	145,320.45
Real Estate							
1.7%	CSRIX	07/15/2016	Cohen & Steers Institutional	2,226.592	107,878.06	40.180	89,464.47
7.3%					355,122.95		372,576.69
42.9%					1,785,281.21		2,199,246.31
International Equities							
International							
Large Growth							
1.0%	APDIX	08/03/2017	Artisan International Fund	1,590.594	50,434.13	33.370	53,078.12
Large Value							
9.8%	OANIX	11/16/2017	Oakmark International Fund Instit	18,004.112	350,113.62	27.800	500,514.31
Small Cap							
4.6%	OSMYX	01/20/2016	Oppenheimer Intl Smid Cap Inst	4,652.468	162,075.25	50.370	234,344.81
Emerging Markets							
3.9%	ODVYX	01/20/2016	Oppenheimer Developing Markets	4,513.784	137,571.02	44.220	199,599.53
19.3%					700,194.02		987,536.77
62.2%					2,486,373.67		3,187,681.52
99.8%					4,151,837.80		5,118,190.97
Total Accrued Income							8,875.55
100.0%							5,127,066.52

April 9, 2018

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Portfolio Statement

As of 03/31/2018

03/29/2018 Prices

Washington Police Pension Fund Group

This report includes data currently available to the investment manager. Past performance is no guarantee of future performance. Indices are not available for direct investment. An investment product which attempts to mimic the performance of an index will incur expenses such as management fees and transaction costs which reduce returns. We urge our clients to compare MVT statements with those from custodians.

April 3, 2018

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Interest: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	11/14/2017	AbbVie	00287YAU3	Interest	1,150.00			1,150.00
		05/14/2021 2.30%						
	03/20/2017	Ally Bank	02006LDL4	Interest	498.63			498.63
		03/20/2017 1.00%						
	08/09/2017	Altria Group Inc	02209SAN3	Interest	712.50			712.50
		08/09/2022 2.85%						
	est paid at purchase				(641.25)			(641.25)
	11/02/2017	Altria Group Inc	02209SAP8	Interest	737.50			737.50
		05/02/2023 2.95%						
	est paid at purchase				(651.45)			(651.45)
	09/14/2017	American Express	0258M0DX4	Interest	520.00			520.00
		09/14/2020 2.60%						
	07/15/2017	Anheuser-Busch	03523TBP2	Interest	625.00			625.00
		07/15/2022 2.50%						
	est paid at purchase				(454.86)			(454.86)
	09/07/2017	Bank Of Nova Sco	064159JG2	Interest	1,350.00			1,350.00
		03/07/2022 2.70%						
	est paid at purchase				(828.75)			(828.75)
	08/26/2017	Capital One Bank	140420UR9	Interest	3,220.00			3,220.00
		08/27/2018 1.75%						
	08/28/2017	Cisco Systems	17275RBD3	Interest	1,100.00			1,100.00
		02/28/2021 2.20%						
	est paid at purchase				(430.83)			(430.83)
	11/20/2017	ConocoPhillips	20826FAS5	Interest	2,175.83			2,175.83
		03/15/2021 4.20%						
	est paid at purchase				(70.00)			(70.00)
	07/17/2017	Deere & Company	24424CBS9	Interest	275.00			275.00
		01/15/2020 2.50%						
	04/18/2017	Discover Bank	2546706U1	Interest	894.79			894.79
		04/18/2017 1.85%						
	08/29/2017	GE Capital Bank	36161TY82	Interest	1,313.09			1,313.09
		08/29/2017 1.35%						

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Interest: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	08/15/2017	General Electric C	36966RW28	Interest	1,428.00			1,428.00
		02/15/2019 5.10%						
	12/17/2017	Goldman Sachs B	38148JWE7	Interest	1,850.00			1,850.00
		06/17/2019 1.85%						
	09/25/2017	JP Morgan Chase	46625HHQ6	Interest	2,475.00			2,475.00
		03/25/2020 4.95%						
	09/15/2017	Medtronic	585055AX4	Interest	781.25			781.25
		03/15/2022 3.125						
	Interest paid at purchase				(416.67)			(416.67)
	10/21/2017	Morgan Stanley	61746BEA0	Interest	1,875.00			1,875.00
		04/21/2021 2.50%						
	11/01/2017	National Rural Ele	637432LR4	Interest	1,037.50			1,037.50
		11/01/2018 10.37						
	11/15/2017	Potash Corp of Sa	73755LAF4	Interest	1,950.00			1,950.00
		05/15/2019 6.50%						
	08/06/2017	Procter & Gamble	742718DY2	Interest	1,150.00			1,150.00
		02/06/2022 2.30%						
	Interest paid at purchase				(521.98)			(521.98)
	11/20/2017	Qualcomm Inc	747525AE3	Interest	3,000.00			3,000.00
		05/20/2022 3.00%						
	Interest paid at purchase				(1,108.33)			(1,108.33)
	10/02/2017	Sallie Mae Bank	795450TP0	Interest	3,271.44			3,271.44
		10/02/2017 1.45%						
	12/12/2017	Sysco Corporation	871829AQ0	Interest	585.00			585.00
		06/12/2022 2.60%						
	Interest paid at purchase				(188.50)			(188.50)
	07/13/2017	Toyota Motor Cred	89236TCQ6	Interest	700.00			700.00
		07/13/2022 2.80%						
	Interest paid at purchase				(517.22)			(517.22)
	07/15/2017	Treasury Inflation-I	912828PP9	Interest	1,250.16			1,250.16
		01/15/2021 1.125						
	Accrued interest paid at purchase				(67.17)			(67.17)

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Interest: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	07/15/2017	Treasury Inflation-I	912828WU0	Interest	127.97			127.97
		07/15/2024 0.125						
	Interest paid at purchase				(40.34)			(40.34)
	06/16/2017	Treasury Note	912828XR6	Sell	45.42			45.42
		05/31/2022 1.75%						
	Interest paid at purchase				(38.25)			(38.25)
	08/15/2017	Union Pacific	907818DD7	Interest	1,837.50			1,837.50
		02/15/2020 6.125						
	07/26/2017	Wells Fargo	949746SA0	Interest	1,052.92			1,052.92
		07/26/2021 2.10%						
	Accrued interest paid at purchase				(103.83)			(103.83)
	Accrued paid				(6,079.43)			(6,079.43)
Total interest: tax free					32,910.07			32,910.07

Dividends: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	11/21/2017	Artisan Internation	APDIX	Qualified Dividen		434.13		434.13
	12/06/2017	Cohen & Steers In	CSRIX	Qualified Dividen		3,013.13		3,013.13
	12/28/2017	Diamond Hill Smal	DHMIX	Qualified Dividen		1,221.41		1,221.41
	03/30/2017	Ishares Russell Mi	IWS	Dividend		140.21		140.21
	12/14/2017	Oakmark Internati	OANIX	Qualified Dividen		7,563.52		7,563.52
	12/04/2017	Oppenheimer Dev	ODVYX	Qualified Dividen		1,099.77		1,099.77
	12/12/2017	Oppenheimer Intl	OSMYX	Qualified Dividen		2,406.06		2,406.06
	12/29/2017	Schwab Governm	SNVXX	Dividend			48.43	48.43
	12/29/2017	Schwab U. S. Trea	SWGXX	Dividend	242.10			242.10
	12/20/2017	Vanguard Dividen	VDIGX	Qualified Dividen		5,392.77		5,392.77
	12/18/2017	Vanguard Growth	VGIAX	Qualified Dividen		3,818.76		3,818.76

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Dividends: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
██████████	12/20/2017	Vanguard Total St	VTSA	Qualified Dividen		17,456.20		17,456.20
Total dividends: tax free					242.10	42,545.96	48.43	42,836.49

Short Term Gains

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
██████████	12/06/2017	Cohen & Steers In	CSRIX	Short Gain	213.15			213.15
	12/14/2017	Diamond Hill Smal	DHMIX	Short Gain	765.83			765.83
	12/12/2017	Oppenheimer Intl	OSMYX	Short Gain	1,852.39			1,852.39
	12/29/2017	Schwab Governm	SNVXX	Short Gain	1.19			1.19
	12/15/2017	T Rowe Price Heal	PRHSX	Short Gain	1,801.98			1,801.98
	12/14/2017	T Rowe Price Sma	PRDSX	Short Gain	90.57			90.57
	12/11/2017	USAA Science An	USSCX	Short Gain	3,397.41			3,397.41
	12/20/2017	Vanguard Dividen	VDIGX	Short Gain	948.29			948.29
	12/18/2017	Vanguard Growth	VGIAX	Short Gain	3,721.55			3,721.55
Total short term gains					12,792.36			12,792.36
Total accrued paid					(6,079.43)			(6,079.43)
Total Income					45,944.53	42,545.96	48.43	88,538.92

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April 3, 2018

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Interest: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	11/14/2017	AbbVie	00287YAU3	Interest	1,150.00			1,150.00
		05/14/2021 2.30%						
	03/20/2017	Ally Bank	02006LDL4	Interest	498.63			498.63
		03/20/2017 1.00%						
	08/09/2017	Altria Group Inc	02209SAN3	Interest	712.50			712.50
		08/09/2022 2.85%						
	Interest paid at purchase				(641.25)			(641.25)
	11/02/2017	Altria Group Inc	02209SAP8	Interest	737.50			737.50
		05/02/2023 2.95%						
	Interest paid at purchase				(651.45)			(651.45)
	09/14/2017	American Express	0258M0DX4	Interest	520.00			520.00
		09/14/2020 2.60%						
	07/15/2017	Anheuser-Busch	03523TBP2	Interest	625.00			625.00
		07/15/2022 2.50%						
	Interest paid at purchase				(454.86)			(454.86)
	09/07/2017	Bank Of Nova Sco	064159JG2	Interest	1,350.00			1,350.00
		03/07/2022 2.70%						
	Interest paid at purchase				(828.75)			(828.75)
	08/26/2017	Capital One Bank	140420UR9	Interest	3,220.00			3,220.00
		08/27/2018 1.75%						
	08/28/2017	Cisco Systems	17275RBD3	Interest	1,100.00			1,100.00
		02/28/2021 2.20%						
	Interest paid at purchase				(430.83)			(430.83)
	11/20/2017	ConocoPhillips	20826FAS5	Interest	2,175.83			2,175.83
		03/15/2021 4.20%						
	Interest paid at purchase				(70.00)			(70.00)
	07/17/2017	Deere & Company	24424CBS9	Interest	275.00			275.00
		01/15/2020 2.50%						
	04/18/2017	Discover Bank	2546706U1	Interest	894.79			894.79
		04/18/2017 1.85%						
	08/29/2017	GE Capital Bank	36161TY82	Interest	1,313.09			1,313.09
		08/29/2017 1.35%						

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Interest: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	08/15/2017	General Electric C	36966RW28	Interest	1,428.00			1,428.00
		02/15/2019 5.10%						
	12/17/2017	Goldman Sachs B	38148JWE7	Interest	1,850.00			1,850.00
		06/17/2019 1.85%						
	09/25/2017	JP Morgan Chase	46625HHQ6	Interest	2,475.00			2,475.00
		03/25/2020 4.95%						
	09/15/2017	Medtronic	585055AX4	Interest	781.25			781.25
		03/15/2022 3.125						
	Interest paid at purchase				(416.67)			(416.67)
	10/21/2017	Morgan Stanley	61746BEA0	Interest	1,875.00			1,875.00
		04/21/2021 2.50%						
	11/01/2017	National Rural Ele	637432LR4	Interest	1,037.50			1,037.50
		11/01/2018 10.37						
	11/15/2017	Potash Corp of Sa	73755LAF4	Interest	1,950.00			1,950.00
		05/15/2019 6.50%						
	08/06/2017	Procter & Gamble	742718DY2	Interest	1,150.00			1,150.00
		02/06/2022 2.30%						
	Interest paid at purchase				(521.98)			(521.98)
	11/20/2017	Qualcomm Inc	747525AE3	Interest	3,000.00			3,000.00
		05/20/2022 3.00%						
	Interest paid at purchase				(1,108.33)			(1,108.33)
	10/02/2017	Sallie Mae Bank	795450TP0	Interest	3,271.44			3,271.44
		10/02/2017 1.45%						
	12/12/2017	Sysco Corporation	871829AQ0	Interest	585.00			585.00
		06/12/2022 2.60%						
	Interest paid at purchase				(188.50)			(188.50)
	07/13/2017	Toyota Motor Cred	89236TCQ6	Interest	700.00			700.00
		07/13/2022 2.80%						
	Interest paid at purchase				(517.22)			(517.22)
	07/15/2017	Treasury Inflation-I	912828PP9	Interest	1,250.16			1,250.16
		01/15/2021 1.125						
	Accrued interest paid at purchase				(67.17)			(67.17)

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Interest: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	07/15/2017	Treasury Inflation-I 07/15/2024 0.125	912828WU0	Interest	127.97			127.97
	Interest paid at purchase 06/16/2017	Treasury Note 05/31/2022 1.75%	912828XR6	Sell	(40.34) 45.42			(40.34) 45.42
	Interest paid at purchase 08/15/2017	Union Pacific 02/15/2020 6.125	907818DD7	Interest	(38.25) 1,837.50			(38.25) 1,837.50
	07/26/2017	Wells Fargo 07/26/2021 2.10%	949746SA0	Interest	1,052.92			1,052.92
	Accrued interest paid at purchase				(103.83)			(103.83)
	Accrued paid				(6,079.43)			(6,079.43)
Total interest: tax free					32,910.07			32,910.07

Dividends: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
	11/21/2017	Artisan Internation	APDIX	Qualified Dividen		434.13		434.13
	12/06/2017	Cohen & Steers In	CSRIX	Qualified Dividen		3,013.13		3,013.13
	12/28/2017	Diamond Hill Smal	DHMIX	Qualified Dividen		1,221.41		1,221.41
	03/30/2017	Ishares Russell Mi	IWS	Dividend		140.21		140.21
	12/14/2017	Oakmark Internati	OANIX	Qualified Dividen		7,563.52		7,563.52
	12/04/2017	Oppenheimer Dev	ODVYX	Qualified Dividen		1,099.77		1,099.77
	12/12/2017	Oppenheimer Intl	OSMYX	Qualified Dividen		2,406.06		2,406.06
	12/29/2017	Schwab Governm	SNVXX	Dividend			48.43	48.43
	12/29/2017	Schwab U. S. Trea	SWGXX	Dividend	242.10			242.10
	12/20/2017	Vanguard Dividen	VDIGX	Qualified Dividen		5,392.77		5,392.77
	12/18/2017	Vanguard Growth	VGIAX	Qualified Dividen		3,818.76		3,818.76

Income Report
From 01/01/2017 to 12/31/2017

Washington Police Pension Fund

Dividends: Tax Free

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
██████████	12/20/2017	Vanguard Total St	VTSAX	Qualified Dividen		17,456.20		17,456.20
Total dividends: tax free					242.10	42,545.96	48.43	42,836.49

Short Term Gains

<u>Account Number</u>	<u>Last Date Received</u>	<u>Name of Payer</u>	<u>Symbol</u>	<u>Activity</u>	<u>Non-Qualifi Amount</u>	<u>Qualified Amount</u>	<u>Unclassifi Dividend Amount</u>	<u>Total Amount</u>
██████████	12/06/2017	Cohen & Steers In	CSRIX	Short Gain	213.15			213.15
	12/14/2017	Diamond Hill Smal	DHMX	Short Gain	765.83			765.83
	12/12/2017	Oppenheimer Intl	OSMYX	Short Gain	1,852.39			1,852.39
	12/29/2017	Schwab Governm	SNVXX	Short Gain	1.19			1.19
	12/15/2017	T Rowe Price Heal	PRHSX	Short Gain	1,801.98			1,801.98
	12/14/2017	T Rowe Price Sma	PRDSX	Short Gain	90.57			90.57
	12/11/2017	USAA Science An	USSCX	Short Gain	3,397.41			3,397.41
	12/20/2017	Vanguard Dividen	VDIGX	Short Gain	948.29			948.29
	12/18/2017	Vanguard Growth	VGIAX	Short Gain	3,721.55			3,721.55
Total short term gains					12,792.36			12,792.36
Total accrued paid					(6,079.43)			(6,079.43)
Total Income					45,944.53	42,545.96	48.43	88,538.92

This report includes data currently available to the investment manager. Past performance is no guarantee of future performance. Indices are not available for direct investment. An investment product which attempts to mimic the performance of an index will incur expenses such as management fees and transaction costs which reduce returns.

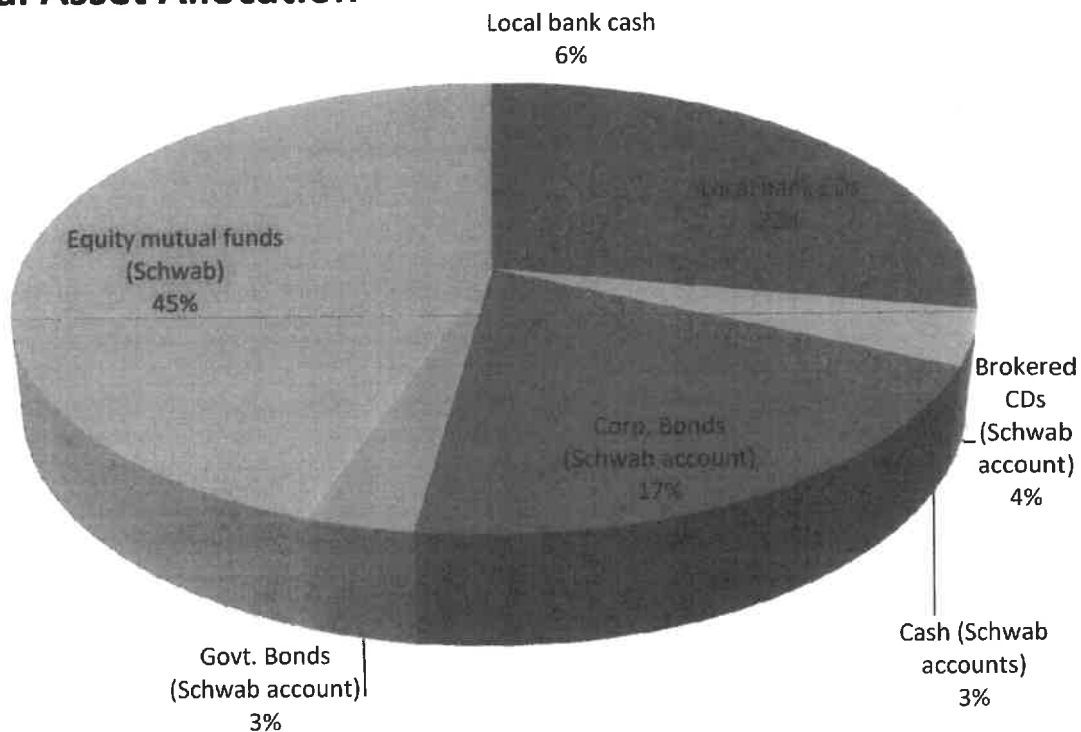
Washington Police Pension Fund

Total Asset Allocation

As of March 31, 2018

<u>Asset Class</u>	<u>Value</u>	<u>% of assets</u>	<u>Sector</u>
Local bank cash	\$415,705	5.8%	
Local bank CDs	\$1,588,608	22.3%	
Brokered CDs (Schwab account)	\$284,664	4.0%	
Cash (Schwab accounts)	\$183,570	2.6%	34.7% total cash and CD
Corp. Bonds (Schwab account)	\$1,250,489	17.5%	17.5% total corp.
Govt. Bonds (Schwab account)	\$221,560	3.1%	3.1% total govt.
Equity mutual funds (Schwab)	\$3,186,784	44.7%	44.7% total mutual funds
Total	\$7,131,380		

Total Asset Allocation



**WASHINGTON POLICE PENSION FUND
CASH AND INVESTMENTS
03/31/18**

Heartland Bank Money Market	\$	410,214.91
Cefcu Savings	\$	5,490.51
Charles Schwab Money Market - Fixed Income	\$	15,671.82
Charles Schwab Money Market - Fixed Income Non-Sweep	\$	167,000.00
Charles Schwab Money Market - Equity Sweep	\$	448.95
Charles Schwab Money Market - Equity Non-Sweep	\$	449.49

Certificates of Deposit:

CEFCU

470118-200	1.79% due 1/10/22	\$	100,000.00	
470118-203	1.98% due 6/19/18	\$	140,000.00	\$ 240,000.00

Heartland Bank
No CD's at this time.

IPAVA State Bank

10829	1.50% due 08/23/20	\$	132,955.12	
10873	2.00% due 08/31/20	\$	100,991.78	\$ 233,946.90

Washington State Bank

706712-1	1.50% due 7/25/19	\$	206,595.50	
706712-2	1.50% due 2/22/20	\$	133,117.46	\$ 339,712.96

Morton Community Bank

564839	1.60% due 9/27/19	\$	107,975.98	
561243	1.60% due 6/5/18	\$	104,918.30	
560083	2.11% due 12/23/18	\$	107,020.61	
562325	1.60% due 8/21/18	\$	104,638.34	
559439	2.09% due 11/20/18	\$	107,204.47	\$ 531,757.70

South Side Bank and Trust

6130001357	2.00% due 4/9/19 (Soaring CD)	\$	137,455.29	
6130001363	2.00% due 4/24/19 (Soaring CD)	\$	105,734.91	\$ 243,190.20

Mitchell, Vaught, & Taylor

38148JWE7	CD 1.85% due 6/17/19 - Goldman Sachs	\$	100,000.00	
140420UR9	CD 1.75% due 8/27/18 - Capital One Bank	\$	184,000.00	\$ 284,000.00

Total Certificates of Deposits **\$ 1,872,607.76**

**WASHINGTON POLICE PENSION FUND
REVENUE AND EXPENSE REPORT
MAY 1, 2017 THROUGH MARCH 31, 2018**

REVENUES:

Property Taxes	497,316.04	
Property Replacement Taxes	14,212.25	
Interest	71,487.23	
Dividends (Cash/Reinvested)	110,774.86	
Employee Contributions	125,664.89	
Miscellaneous Income	10.00	
TOTAL		819,465.27

EXPENSES:

Pensions	532,929.48	
Insurance	3,058.00	
Legal	0.00	
Compliance Fee	1,334.85	
Training	4,080.46	
Membership Dues	795.00	
Subscriptions	0.00	
Postage	0.00	
Contributions Refund	56,962.21	
Investment Expense	15,695.00	
Miscellaneous	0.50	
TOTAL		614,855.50

REVENUES LESS EXPENSES

204,609.77

* Note - Unrealized gain/loss are not recorded here.

MONTHLY PENSIONS PAID (GROSS): RETIREMENT

Britt Beard	2,823.54	
David Densberger	3,169.62	
Mary Densberger	1,253.11	
James Fussner	3,642.67	
Rosalie Gerkin	4,508.93	
James Kuchenbecker	6,181.99	
Thomas Libotte	4,490.68	
Gwendolyn Marshall	2,965.62	
David Stark	3,710.34	
Donald Volk	6,299.10	
Michael Williams	2,984.19	
William Witmer	2,967.12	
Charles Woolley	4,059.69	
TOTAL		<u>49,056.60</u>

MONTHLY PENSIONS PAID (GROSS): DISABILITY

No Disability Pensions at this time.	0.00	
TOTAL		<u>0.00</u>

POLICE PENSION - ACTIVE OFFICERS' CONTRIBUTIONS AS OF 03/31/18

	Contributions	Years
Lyle Baele	\$ 119,143.53	19
Zachary Bean	\$ 40,910.61	7
Michael Brown	\$ 20,110.72	3
Jacob Cemek	\$ 35,166.57	6
Ashley Clare	\$ 9,872.74	2
Daniel Foster	\$ 40,284.09	8
Greg Gordon	\$ 105,012.29	19
Frank Grossman	\$ 32,105.01	6
Steve Hinken	\$ 44,224.48	8
Ryan Hunsunger	\$ 66,218.28	12
Brian Simpson	\$ 25,724.61	5
Keegan Smith	\$ 34,855.45	6
Steven Smith	\$ 58,060.48	8
Stuart Stevens	\$ 106,045.74	18
Joshua Sutter	\$ 9,873.69	2
Dramane Taylor	\$ 19,066.74	3
Derek Thomas	\$ 81,209.46	14
Troi Westbrook	\$ 26,330.69	4
Tyler Willi	\$ 53,912.22	9
TOTAL ACTIVE CONTRIBUTIONS	<u>\$ 928,127.40</u>	

POLICE PENSION -INACTIVE OFFICERS' CONTRIBUTIONS AS OF 03/31/18

		Contributions	Years
Lindsay Bond	Terminated 3/5/15	\$ 5,662.02	
Michael Heitz	Terminated 5/11/13	\$ 624.14	
April Schrementi	Terminated 7/21/10	\$ 5,253.25	
TOTAL INACTIVE CONTRIBUTIONS		<u>11,539.41</u>	

TOTAL CONTRIBUTIONS

939,666.81

**WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571**

MEMO MEMO MEMO MEMO MEMO MEMO MEMO MEMO

TO: Washington Police Pension Board
FROM: Jeanette Glueck
DATE: 12/31/17
SUBJECT: Ratification of Police Pension Fund Expenses

The following is a list of any expenses incurred by the Police Pension Board during the last quarter:

<u>Payee</u>	<u>Date</u>	<u>Amount</u>	<u>Reason</u>
IPPFA	02/16/18	375.00	IPPFA Training - Gordon
IPPFA	02/16/18	375.00	IPPFA Training - Hillary
IPPFA	02/16/18	375.00	IPPFA Training – Wetzel
IPPFA	02/16/18	375.00	IPPFA Training - Westbrook
IPPFA	02/16/18	375.00	IPPFA Training – Fussner
	TOTAL	<u>\$1,875.00</u>	

Jeanette Glueck

From: Joanie Baxter
Sent: Wednesday, February 7, 2018 1:11 PM
To: [REDACTED] Jim Wetzel - Washington Police Pension Board
[REDACTED]; Greg Gordon; Troi Westbrook; [REDACTED]
Cc: Ellen Dingledine; Ellen Dingledine; Jeanette Glueck; Jim Culotta; [REDACTED]
Subject: Revised draft investment policy
Attachments: Draft Inv Policy January 2018.docx

Attached is a revision to the investment policy incorporating changes discussed at the Police Pension Board meeting on January 29, 2018. I made the following changes based on the recommendations:

- Pages 2 and 3 – added Purpose of Investment language from current policy
- Page 5 – change monthly reports to quarterly
- Page 15 – change asset allocations per discussion; added government and corporate bonds and CDs as a subcategory under fixed income
- Did a search on “consultant” and replaced with advisor if made sense to do so. Several references indicated that manager and advisor could be used interchangeably and that manager and consultant were considered to be the “Investment Advisors”.

All changes are shown in yellow with the existing language on page 6 highlighted in blue as this shows the correlation to Investment Advisor.

Please let me know if I interpreted the suggested changes correctly or if there are additional revisions you would like to see prior to the April meeting.

Thanks!
Joanie

Joan E. Baxter, C.P.A.

Controller - City of Washington
301 Walnut Street
Washington, IL 61571
(309) 444-1124 (309) 444-9779 fax
jbaxter@ci.washington.il.us
www.washington-illinois.org

NOTICE: E-MAIL TO OR FROM CITY STAFF MAY BE SUBJECT TO DISCLOSURE PURSUANT TO THE ILLINOIS FREEDOM OF INFORMATION ACT.

Comments from Jim Wetzel:

Total Asset Allocation Dec.31, 2017

45.7% Equity Mutual Funds

17.8% Corporate Bonds
3.0% Government Bonds

21.7% CD's Local Banks
3.9% CD's Brokered

7.2% Local Bank Cash
0.7% Schwab Cash

MVT Assets Dec.31,2017

63.8% Equities
• 37.4% Domestic
• 19.2% International
• 7.2% Alternatives

25.3% Corporate Bonds
4.3% TIPS

5.6% Brokered CD's

1.0% Schwab Cash

Hi Joanie,


You did a wonderful job getting the Investment policy quickly to us. Sorry it took so long to get back to you. It looks very good.

In the middle of the Addendum, does this refer to the blended index formed by MVT, or is this the total holdings of the fund? We need to define if it is MVT or total holdings. The percentages in the addendum need to be changed to reflect what we actually have invested. We may also want to talk about what we use as a target in MVT reporting.

I have read the proposed Investment Policy, and I have a few suggestions. ILCS 5/1-101.4 and 101.5 define investment managers, advisors, and consultants. A consultant is hired to develop investment strategy, find and recommend advisors, and monitor pension fund investments. ILCS uses advisors and managers to mean the same thing. On page six Under L 5, I recommend that the consultant be changed to advisor. On page 5 part H, I recommend that the last part (collectively, the Investment Advisor) be dropped.

Thanks,
Jim

**CITY OF WASHINGTON
POLICE PENSION FUND**

TO: Police Pension Board
FROM: Joanie Baxter, Controller 
DATE: January 26, 2018
SUBJECT: Purchase of Military Service

In regard to the military credit that Joshua Sutter has inquired about purchasing, the attached calculation was done by Foster and Foster and has been shared with Officer Sutter. He and his wife are making a decision on what route they want to go but haven't decided which payment schedule. Please recall that the Board agreed to pay the \$300 fee for the calculation unless Officer Sutter opts not to go forward with the purchase and then the cost would be borne by him.

The Statute does allow the purchase to be done over time with 6% interest. The two years would not be added as service credit until such time that the entire balance is paid.

At this time the Board is being asked to determine any and all payment schedules that would be acceptable through payroll deduction.

This item is on the agenda for action at the April 23, 2018 Police Pension Board meeting.

COST FOR MILITARY SERVICE PURCHASE

Washington Police Pension Board:

The following information is being provided to you to assist in determining the cost of purchasing an officer's military service in an Article 3 pension fund.

Below is the following:

- A) A summary of information used in the calculation.
- B) The calculation for the purchase of two years.
- C) A summary of alternative payment schedules.
- D) A summary of methods.

A) Information Summary

Officer's Name: Joshua Sutter

Date of Birth: [REDACTED]

Date of Membership: 3/21/2016

Benefit Tier: Tier 2

Salary as of Date of Membership: \$47,088.15

Payment Date: 4/1/2017

Fund Fiscal Year End: April 30

B) Cost of Military Service - Purchase 2 Years

Dates for Which Military Service is Being Credited: 3/21/2014 through 3/20/2016

Police Fund Fiscal Year-End	Assumed Salary as Military Employee	Total Tier 2 Normal Cost Percentage	Time Period	Total Tier 2 Normal Cost (Member Contributions + ER Normal Cost)
4/30/2014	\$47,088.15	15.54%	3/21/2014 - 4/30/2014	\$790.22
4/30/2015	\$47,088.15	19.58%	5/1/2014 - 4/30/2015	\$9,184.07
4/30/2016	\$47,088.15	22.42%	5/1/2015 - 3/21/2016	\$9,376.11

Total Normal Cost = \$790.22 + \$9,184.07 + \$9,376.11 = \$19,350.40

Interest Calculation

Interest Period	Interest Rate	Interest $\{(1 + \text{Interest Rate})^{\text{Interest Period}}\}$
3/21/2016 - 3/31/2017	6.50%	1.066839

Total Normal Cost Plus Interest = \$19,350.40 X 1.066839 = \$20,647.33

C) Alternative Payment Schedules

Interest: 6.00%
26 payments per year

<u>Years</u>	<u>Payments</u>	<u>Payment Amount</u>
1	26	\$817.22
2	52	\$420.85
3	78	\$288.89
4	104	\$223.02
5	130	\$183.60

D) Summary of Methods

The calculation was performed pursuant to Public Act 096-1260/Senate Bill 3022, which was signed into law July 23, 2010 and effective July 23, 2010. Per statute, the maximum allowable credit for military service is 2 years. Interest is credited using the actuarially assumed rate for funding purposes according to the Illinois Department of Insurance.

Jason L. Franken
Enrolled Actuary #17-06888
Foster & Foster, Inc.



Date	Invoice #
4/18/2018	12212

City of Washington
301 Walnut Street
Washington, IL 61571

Phone: (630) 620-0200

Fax: (239) 481-0634

Website: www.foster-foster.com

**CITY OF WASHINGTON
POLICE PENSION FUND**

Description	Amount
Military Purchase Calculation: SUTTER	300.00

Thank you for your business!

Please make all checks payable to:

Foster & Foster, Inc.

184 Shuman Blvd., Ste.305

Naperville, IL 60563

Balance Due	\$300.00
--------------------	-----------------

CITY OFFICIALS

Gary W. Manier, *Mayor*

Patricia S. Brown, *City Clerk*

Ellen L. Dingleline, *City Treasurer*

Jim Culotta, *City Administrator*



ALDERMEN

Robert A. Brucks, *Ward I*

Michael J. Brownfield, *Ward I*

Carol K. Moss, *Ward II*

Brett M. Adams, *Ward II*

Brian H. Butler, *Ward III*

David Dingleline, *Ward III*

James L. Gee, *Ward IV*

Daniel A. Cobb, *Ward IV*

March 6, 2018

Greg Patterson



Dear Greg:

Enclosed please find a *Notice of Taxation of Distribution* that explains your options in regard to your contributions to the Washington Police Pension Fund. Our records indicate that you do not have sufficient service credit to be vested in the pension plan. However, as of the pay period ended March 7, 2018, you will have made contributions of \$56,962.21, which entitles you to a lump sum distribution. Please note that election of a direct refund of contributions will be subject to income tax withholding and could result in a premature distribution penalty.

You must notify the City of Washington of your decision by completing the enclosed *Election of Form of Benefits* and returning it to us within 30 days. Should you reach a decision before the required 30 day timeframe has expired and wish the City to take action, you must indicate as such by signing the *Waiver of Notice Period* at the bottom of the *Election of Form of Benefits*.

Should you have any questions regarding the distribution alternatives available or the resulting tax consequences, please feel free to contact me. Best of luck in your new adventure!

Sincerely,

WASHINGTON POLICE PENSION BOARD

Joan E. Baxter, C.P.A.
Controller

Encl.

CITY OFFICIALS

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Patricia S. Brown, *City Clerk*

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Brian H. Butler, *Ward III*

David Dingleline, *Ward III*

James L. Gee, *Ward IV*

Daniel A. Cobb, *Ward IV*

April 19, 2018

Greg Patterson
[REDACTED]

Dear Greg:

Enclosed please find a check in the amount of \$207.43. This check represents an additional contribution that was withheld in error from one of your March 23, 2018 checks. The contribution was in the amount of \$259.29 and 20% was withheld for federal income taxes as required.

Hope all is going well with you! Please contact me if you have any questions about this additional distribution.

Sincerely,

WASHINGTON POLICE PENSION BOARD

Joan E. Baxter, C.P.A.
Controller

Encl.

ELECTION OF FORM OF BENEFITS

(Refer to the Notice of Taxation of Distribution as you complete this form)

Plan Name: City of Washington Police Pension Fund

Type of Retirement Plan: ☐ Profit Sharing ☐ Money Purchase ☐ 401K Plan
☒ Defined Benefit ☐ Target Benefit ☐ Other
☐ Age-Based Profit Sharing

Participants Name: Gregory S. Patterson SSN [REDACTED]

Address: [REDACTED] Date of Hire: 03/30/2007

City, State, Zip: Washington, IL 61571 Date of Termination: 03/15/2018

PURPOSE OF DISTRIBUTION

(Check One)

- ☐ Normal Retirement
☐ Early Retirement
☐ Separation from Service and age 59 ½ or over
☐ Separation from Service and currently under age 59 ½
☐ Plan Terminated: Rollover to Successor Plan
☐ Other

DISTRIBUTION ELECTION

If the balance of your account is \$3,500 or less, the benefit will automatically be paid as a lump sum distribution. Otherwise, elect form of distribution.

☒ Immediate Lump Sum Payment – I understand payment will be made as soon as practical following the valuation coincident with or following my termination of employment for any reason.

☐ Installment Payments – I understand that these are equal periodic payments which cannot exceed my life expectancy or the life expectancy of my spouse and me.

Frequency: ☐ Monthly ☐ Quarterly ☐ Annually
Beginning Date: _____

☐ Deferred Payment – I understand that I will need to contact the

Plan Administrator to elect the time of distribution.

.....
WITHHOLDING
ELECTION

(If distribution
is \$200 or less,
no withholding
will occur)

I understand that this distribution will be reported to the Internal Revenue Service and the state, if applicable, and will be subject to income tax unless I complete a direct rollover of the funds into any Individual Retirement Account (IRA) or other Qualified Defined Contribution Plan within 60-days of receipt. I further understand that is I receive this distribution before reaching age 59 ½ the distribution may be subject to a **10% penalty tax** in addition to the income taxes otherwise due. I also understand that is I take the distribution without a direct rollover of funds, the plan is required by law to withhold **20% for Federal Income Tax Withholding**.

☒ Please issue a check for 80 % (indicate the percent of the total distribution which is to be a cash payment) of the distribution to me. Withhold from my distribution ☒ 20% or ____ % (if greater than 20%) as required for Federal Income Tax Withholding. I understand that the withholding will be considered taxable income as well as the amount actually received by me.

____ I elect a direct rollover. Please issue a check for ____ % (indicate the percent of the total distribution which is to be a direct rollover) of the distribution for the direct rollover to the following IRA or Qualified Plan:

Trustee Name: _____
Name Of Plan: _____
Participant Name: _____
Financial Institution: _____
Address: _____

____ I understand that my taxable distribution is not eligible for rollover and I hereby elect not to have withholding apply to my distribution.

.....
PARTICIPANT
CERTIFICATION

I hereby acknowledge that (a) I have read and understand the Notice Of Taxation Of Distribution, I have received it no earlier than 90-days and no later than 30-days before my distribution is to be made (unless waived below); (b) I have received an explanation of various benefit options under the plan and have received such explanation and summary prior to completing this form; (c) this form must completed and signed within the 90-day period prior to the first date for which payments are made in order to be effective; and (d) this election in revocable by completing and submitting a new written election prior to

the date the plan benefits begin.

NOTE: Employees are urged to consult their tax advisor or Accountant for tax information on distributions.

I certify, under penalty of perjury, that all information contained herein is true and correct, and further that I have received all notices, read and understood them, and hereby release the Employer and his agents from responsibility therefore.

Participant Signature: _____

Date: _____

03/16/18

.....

WAIVER OF NOTICE PERIOD I have executed the above certification, I have read and understood the Notice Of Taxation Of Distribution and my rights as regards to my distribution. I **waive the Notice Period** described above and elect that my distribution be made immediately.

Participant Signature: _____

Date: _____

03/16/18

.....

CITY OF WASHINGTON
PAYROLL REGISTER REPORT

FOR CHECK DATES 03/01/2018 TO 03/31/2018

			EARNINGS			TAXES			DEDUCTIONS		PENSION/INSUR			
EMPL. #	NAME	CODE	PAY RATE	HOURS	TOTAL	CODE	EMPLOYEE	EMPLOYER	CODE	EMPLOYEE	CODE	EMPLOYEE	EMPLOYER	

3386	PATTERSON, GREGORY S.													
END DATE	03/21/18	PCR	56,962.2100	1.000	56,962.21	FED	11,392.44		DDP	45,569.77				
DEPT. CODE	140					STATE								
DEPOSIT #	972													
DEPOSIT DATE	03/23/18													
PAY PERIOD	2													
TOTAL FICA EMPLOYEE WAGES:					TOTAL EMPLOYER FICA:									
TOTAL MEDICARE EMPLOYEE WAGES:					TOTAL EMPLOYER MEDICARE:									
TOTAL FEDERAL EMPLOYEE WAGES:														
TOTAL STATE EMPLOYEE WAGES:														
GROSS PAY:			\$56,962.21	TOTAL DEDUCTIONS:		56,962.21	NET PAY:		\$0.00					
END DATE	03/21/18	VCN	32.7058	28.663	937.45	FED	250.48		DDP	1,469.59	PPF	259.29		
DEPT. CODE	140	COM	32.7058	7.633	249.64	FICA	139.50	139.50						
DEPOSIT #	973	SIC	32.7058	32.500	1,062.94	MEDIC	32.63	32.63						
DEPOSIT DATE	03/23/18					STATE	98.54							
PAY PERIOD	2													
TOTAL FICA EMPLOYEE WAGES:					2,250.03	TOTAL EMPLOYER FICA:					139.50			
TOTAL MEDICARE EMPLOYEE WAGES:					2,250.03	TOTAL EMPLOYER MEDICARE:					32.63			
TOTAL FEDERAL EMPLOYEE WAGES:					1,990.74									
TOTAL STATE EMPLOYEE WAGES:					1,990.74									
TOTAL PENSION EMPLOYEE WAGES:					2,616.46									
GROSS PAY:			\$2,250.03	TOTAL DEDUCTIONS:		2,250.03	NET PAY:		\$0.00					
EMPLOYEE TOTALS:	REG		60.500		1,978.70	FED	12,389.02		AFF	47.16	PPF	518.58		
	OT1		7.000		228.94	FICA	484.27	484.27	AFL	71.28	SPF	106.00		
	H20		8.000		523.29	MEDIC	113.26	113.26	DDP	50,785.42				
	VCN		52.663		1,722.39	STATE	360.97		GLI	12.30				
	SIC		68.000		2,224.00				PBP	38.00				
	COM		31.633		1,034.58				VSP	6.60				
	UNI		1.000		258.75									
	PCR		1.000		56,962.21									
TOTAL FICA EMPLOYEE WAGES:					7,810.89	TOTAL EMPLOYER FICA:					484.27			
TOTAL MEDICARE EMPLOYEE WAGES:					7,810.89	TOTAL EMPLOYER MEDICARE:					113.26			
TOTAL FEDERAL EMPLOYEE WAGES:					7,292.31									
TOTAL STATE EMPLOYEE WAGES:					7,292.31									

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

APPLICATION TO BE PLACED IN THE POLICE PENSION FUND

To the Board of Trustees of the Washington Police Pension Fund:

I hereby make application for the benefits under the terms and provisions of the Statute of the State of Illinois relative to a Police Pension Fund applicable to the police in the City of Washington, Illinois and to become subject to the provisions of said laws.

I was sworn in to the Police Department of the City of Washington on the
19 day of April, 2018, and
have served in the said department since that date.

Respectfully submitted,

Hernadan Moore

Signature

Hernadan Moore

Print

4-20-18

Date

TRUSTEE ACCEPTANCE:

The foregoing application having been duly presented and considered, is hereby (circle one)
Approved Rejected this _____ day of _____, _____.

By: _____

Secretary

President

**WASHINGTON POLICE PENSION FUND
BOARD MEETING
January 29, 2018**

The meeting was called to order by President Michael Hillary at 8:34 a.m. on Monday, January 29, 2018 in the Conference Room at City Hall.

Roll Call

Present

Michael Hillary, President
James Wetzel, Vice President
Greg Gordon, Secretary

Absent

Troi Westbrook, Assistant Secretary
James Fussner, Representative

Also in attendance were Controller Joanie Baxter, City Administrator Jim Culotta, Accountant Jeanette Glueck and Dwight Ower from Mitchell Vaught & Taylor

The agenda was reviewed with no changes noted.

Dwight Ower from Mitchell, Vaught and Taylor (MVT) provided a summary of investment activity for the quarter. He indicated that it had been a good quarter and a good year for 2017 with the total gain at \$641,000. The GDP at 2.6% is down a little, but overall healthy numbers. Looking for good economic growth for 2018 as well. The ending value of investments are \$5.15 million with the average annual return since inception of 12.5%, net of expenses. This equates into a \$991,000 gain. There have been \$200,000 in gains so far in January 2018. The Federal Reserve raised interest rates in December and three additional increases in 2018 are anticipated. The target for the investment portfolio is 60% stocks/40% bonds and thus the portfolio will need to be rebalanced before the end of the fiscal year – probably \$250,000 to \$300,000 will be rebalanced to bonds. MVT plans to start this rebalancing now and reevaluate again in February with the goal at 4/30 to be back to 45% equity. MVT recommends adding government bonds to the portfolio to diversify and reduce the overall risk. Government bonds are not callable and MVT recommends a term of 7 years or more. Rates are running at about 2.7% for 10 years and 2.5% for 7 years.

Wetzel made a motion, seconded by Hillary to approve the October 30, 2017 regular meeting minutes. Motion carried and minutes approved.

There were no public comments.

Financial reports as of December 31, 2017, were reviewed by Controller Baxter. Gordon made a motion to approve the reports, seconded by Hillary. Motion carried.

Police pension expenses since the last meeting were as follows:

- IPPFA – paid 10/30/17 in the amount of \$795.00 for IPPFA annual membership dues.
- IPPFA – paid 10/30/17 in the amount of \$250.00 for online training for Gordon.

Wetzel made a motion to ratify these expenses, seconded by Hillary. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

MVT transactions for the 3rd quarter 2017 were reviewed. Hillary made a motion, seconded by Wetzel to approve these transactions. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

MVT transactions for the 4th quarter 2017 were reviewed. Wetzel made a motion, seconded by Hillary to approve these transactions. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

for those investments managed by MVT

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A comment was made that the minutes for the October 30, 2017 meeting should be amended to add “managed by MVT” in regard to the 60%/40% target for stocks and bonds. Wetzel made a motion, seconded by Hillary to approve the October 30, 2017 regular meeting minutes as amended. Motion carried and minutes approved as amended.

There were no public comments.

Financial reports as of December 31, 2017, were reviewed by Controller Baxter. Westbrook made a motion to approve the reports, seconded by Hillary. Motion carried.

There were no CDs that matured since the last meeting that required ratification. There are two CDs maturing before the next meeting of which trustees will be contacted with alternative investment options.

Police pension expenses since the last meeting were as follows:

- IPPFA – paid 2/16/18 in the amount of \$375.00 for IPPFA Conference - Gordon.
- IPPFA – paid 2/16/18 in the amount of \$375.00 for IPPFA Conference - Hillary.
- IPPFA – paid 2/16/18 in the amount of \$375.00 for IPPFA Conference - Wetzel.
- IPPFA – paid 2/16/18 in the amount of \$375.00 for IPPFA Conference - Westbrook.
- IPPFA – paid 2/16/18 in the amount of \$375.00 for IPPFA Conference - Fussner.

Wetzel made a motion to ratify these expenses, seconded by Westbrook. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Westbrook – yes. Motion carried.

MVT transactions for the 1st quarter 2018 were reviewed. Wetzel made a motion, seconded by Hillary to approve these transactions. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Westbrook – yes. Motion carried.

The investment policy was discussed. Both the current policy and the one recommended by MVT were reviewed. Following discussion, it was agreed to make the following changes:

- Pages 2 and 3 – add Purpose of Investment language from current policy
- Page 5 – change monthly reports to quarterly
- Page 15 – change asset allocations per discussion; add government and corporate bonds and CDs as a subcategory under fixed income

	<u>Minimum</u>	<u>Maximum</u>	<u>Preferred</u>
Equities	25%	45%	45%
Fixed Income			
Gov't & Corp Bonds	0%	25%	25%
CD's	0%	40%	25%
Cash and Cash Equivalents	0%	15%	5%

- Clarify consultant versus advisor in policy

These changes will be incorporated in the draft policy and sent to the Board for review prior to the next meeting. Discussion and approval of the policy will be put on the agenda for the April meeting.

Controller Baxter reviewed a request for purchase of military service from Joshua Sutter. Officer Sutter served in the military from October 3, 2003 through February 2, 2008 and thus he is eligible to purchase 2 years of service credit. Foster and Foster indicated that they will do the calculation of the cost for Officer Sutter to purchase the service credit for a fee of \$300. Following discussion, Gordon made a motion, seconded by Hillary that Officer Sutter should pay the \$300 cost for the calculation and if he decides to go forward with the purchase, the Board will reimburse him; otherwise the cost will be borne by Officer Sutter. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

Hillary made a motion, seconded by Gordon to designate City Clerk Pat Brown as the Freedom of Information Act (FOIA) and Open Meetings Act Officer. Motion carried by voice vote.

Accountant Glueck indicated that Predatory Lending Law forms have been sent out to the banks.

Accountant Glueck indicated that all five trustees are attending the local IPPFA conference in May and thus training requirements should be met for 2017-18.

There being no further business to come before the Board, Gordon made a motion to adjourn the meeting, seconded by Hillary. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. The meeting was adjourned at 10:13 a.m.

Respectfully Submitted,

Greg Gordon, Secretary