

**WASHINGTON POLICE PENSION FUND
QUARTERLY BOARD MEETING
Monday, October 22, 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. Actuarial Report by Foster & Foster
6. Approval of July 23, 2018 Quarterly Meeting Minutes
7. Public comment
8. 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>
Morton Community Bank	1.60%	08/21/18	105,342.01	Redeemed and Purchased a 5 year certificate with Busey Bank for \$105K at 2.76%
MVT – Capital One Bank	1.75%	08/27/18	185,605.59	Redeemed and Purchased a 3 year certificate with MCB for \$180K at 2.70%
			<u>\$ 290,947.60</u>	

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		2.09%	11/20/18	108,338.94
Morton Community Bank		2.11%	12/23/18	108,153.13
				<u>\$216,492.07</u>

- C. Ratification of Police Pension Fund Expenses (roll call vote)
 - D. Ratification of 3rd Quarter 2018 Investment Transactions – MVT (roll call vote)
 - E. Approval of Municipal Compliance Report for FYE 4/30/18
 - F. Ratification of pension increase – Kuchenbecker
 - G. Acceptance to the Police Pension Fund – Danton Althiser
 - H. Approval of IPPFA membership for 2019
 - I. Acceptance of Police Pension Fund Annual Report
 - J. Recommendation for 2018 Police Pension Fund Tax Levy based on Actuarial Report
 - K. Ratification of Fiduciary Insurance policy – Mesirow/Ullico
-
10. Discussion Items:
 - A. Inactive Police Pension Contributions
 - B. Investment Policy update
 - C. Military credit buyback update – Joshua Sutter
 - D. Training requirements and opportunities
 11. Adjournment (roll call vote)

Next meeting Monday, January 28, 2019 @ 8:30 a.m.

Mitchell, & Vaught Taylor Inc.

Investment Advisors

53 W. Jackson Suite 905
Chicago, IL 60604
312-922-1717 phone
312-922-1772 fax

October 9, 2018
Statement for Fourth Quarter 2018
For Services Rendered

To: Washington Police Pension Fund

Investment Management Fee
Fourth Quarter 2018
October 1 through December 31, 2018

September 30, 2018 Portfolio Value: \$5,280,610.01*

Quarterly Fee:

First \$2 Million at 0.50%	=	\$2,500.00
Next \$3 Million at 0.40%	=	\$3,000.00
Next \$5 Million at 0.35%	=	\$245.53

Total Fee:		\$5,746

Allocate bill to individuals within group:

Name	Acct. Number	Portfolio Value	Bill Amount	
Washington Police Bonds			\$1,997,687.38	\$2,079
Washington Police Equity			\$3,383,046.63	\$3,667

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 09/30/2018 (\$100,124).

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

As of 09/30/2018
09/28/2018 Prices

[illegible]

Portfolio StatementAs of 09/30/2018
09/28/2018 Prices

Washington Police Pension Fund

<u>Weight</u>	<u>Symbol</u>	<u>CUSIP</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Description</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								
0.4%			02/01/2016	09/14/2020	American Express 09/14/2020 2.60%	20,160.20	98.738	19,747.54
					Accrued Income			24.56
0.9%			01/13/2017	02/28/2021	Cisco Systems 02/28/2021 2.20%	50,027.00	97.853	48,926.50
					Accrued Income			94.72
1.4%			09/08/2016	04/21/2021	Morgan Stanley 04/21/2021 2.50%	75,995.50	97.624	73,217.63
					Accrued Income			835.04
0.9%			10/12/2016	05/14/2021	AbbVie 05/14/2021 2.30%	50,320.50	97.308	48,654.00
					Accrued Income			437.64
0.9%			07/13/2017	07/13/2021	Toronto Dominion 07/13/2021 1.80%	49,151.00	96.191	48,095.45
					Accrued Income			195.00
0.9%			07/22/2016	07/26/2021	Wells Fargo 07/26/2021 2.10%	50,107.14	96.324	48,162.05
					Accrued Income			191.17
0.9%			01/13/2017	02/06/2022	Procter & Gamble 02/06/2022 2.30%	50,366.90	97.115	48,557.60
					Accrued Income			175.69
1.8%			05/10/2017	03/07/2022	Bank Of Nova Scotia 03/07/2022 2.70%	101,107.50	97.509	97,509.10
					Accrued Income			180.00
0.9%			06/16/2017	03/15/2022	Medtronic 03/15/2022 3.125%	51,876.50	99.348	49,674.05
					Accrued Income			69.44
1.9%			03/29/2017	05/20/2022	Qualcomm Inc 05/20/2022 3.00%	101,441.00	98.453	98,452.70
					Accrued Income			1,091.67
0.8%			08/07/2017	06/12/2022	Sysco Corporation 06/12/2022 2.60%	45,496.00	96.984	43,642.98
					Accrued Income			354.25
0.9%			05/23/2017	07/13/2022	Toyota Motor Credit 07/13/2022 2.80%	50,792.00	98.076	49,038.15
					Accrued Income			303.33
0.9%			05/23/2017	07/15/2022	Anheuser-Busch 07/15/2022 2.50%	50,088.00	96.494	48,246.80
					Accrued Income			263.89
0.9%			07/18/2017	08/09/2022	Altria Group Inc 08/09/2022 2.85%	51,234.00	97.723	48,861.35
					Accrued Income			205.83
1.8%			08/29/2018	09/11/2022	Bank Of Montreal 09/11/2022 2.35%	96,342.30	95.742	95,741.70
					Accrued Income			130.56
0.4%			07/19/2018	10/15/2022	John Deere 10/15/2022 2.75%	19,620.00	96.482	19,296.38
					Accrued Income			253.61
1.4%			06/26/2018	01/11/2023	Bank Of America 01/11/2023 3.30%	74,045.50	98.603	73,951.95
					Accrued Income			550.00

Portfolio StatementAs of 09/30/2018
09/28/2018 Prices

Washington Police Pension Fund

<u>Weight</u>	<u>Symbol</u>	<u>CUSIP</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Description</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								
0.9%			10/06/2017	01/15/2023	Brown Forman 01/15/2023 2.25%	49,338.00	95.116	47,557.90
					Accrued Income			237.50
0.9%			07/13/2017	01/17/2023	Anheuser-Busch 01/17/2023 2.625%	50,012.50	96.090	48,044.95
					Accrued Income			269.79
0.5%			06/26/2018	01/27/2023	John Deere Capital 01/27/2023 2.80%	24,467.00	97.229	24,307.23
					Accrued Income			124.44
0.4%			03/09/2018	02/06/2023	IBM Credit 02/06/2023 3.00%	19,856.51	98.172	19,634.40
					Accrued Income			91.30
0.9%			10/06/2017	03/03/2023	Bnp Paribas 03/03/2023 3.25%	51,533.00	98.075	49,037.25
					Accrued Income			126.39
0.8%			12/04/2017	03/06/2023	Philip Morris 03/06/2023 2.625%	44,781.40	95.977	43,189.65
					Accrued Income			82.03
0.5%			06/26/2018	04/28/2023	Bank Of NY Mellon 04/28/2023 3.50%	25,076.00	99.684	24,920.95
					Accrued Income			371.88
0.9%			10/06/2017	05/02/2023	Altria Group Inc 05/02/2023 2.95%	50,951.77	96.961	48,480.55
					Accrued Income			610.49
0.9%			07/19/2018	05/15/2023	State Street Corp 05/15/2023 3.10%	49,402.50	97.782	48,891.15
					Accrued Income			585.56
1.5%			08/28/2018	08/11/2023	Bank Of NY Mellon 08/11/2023 3.45%	80,168.80	99.374	79,498.88
					Accrued Income			383.33
0.9%			10/06/2017	08/16/2023	Bank of NY Mellon Corp 08/16/2023 2.20%	49,064.00	93.728	46,864.05
					Accrued Income			137.50
29.9%						1,655,071.92		1,610,158.69
Bank Certificates								
1.9%			01/08/2016	06/17/2019	Goldman Sachs Bank 06/17/2019 1.85%	0.00	99.692	99,692.10
					Accrued Income			431.74
37.1%						1,943,925.18		1,997,687.38
37.1%						1,943,925.18		1,997,687.38
Washington Police Equity 2084-2258 Mutual Funds								
Fixed Income								
Money Funds								
Money Funds								
0.0%	SNVXX		05/02/2018		Schwab Government Money	2,244.33	1.000	2,244.33
0.0%	MMF				Schwab Money Market	(25.00)		(25.00)

Portfolio StatementAs of 09/30/2018
09/28/2018 Prices

Washington Police Pension Fund

<u>Weight</u>	<u>Symbol</u>	<u>CUSIP</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Description</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Current Value</u>
Washington Police Equity Mutual Funds								
Fixed Income								
Money Funds								
Money Funds								
0.0%	SWGXX				Schwab U. S. Treasury	195.91		195.91
0.0%						2,415.24		2,415.24
Domestic Equities								
Domestic Index Fund								
16.6%	VTSAX		01/20/2016		Vanguard Total Stock Admiral	611,187.27	72.840	890,692.55
Large Growth								
2.5%	VGIAX		02/17/2016		Vanguard Growth & Income	101,064.34	85.160	135,030.38
Large Value								
6.0%	VDIGX		01/20/2016		Vanguard Dividend Growth Fu	253,364.50	28.680	322,718.80
Mid Cap Growth								
2.3%	BMDIX		01/20/2016		Baird Midcap Institutional	84,348.34	22.320	124,995.04
Small Growth								
1.9%	TQAI		09/06/2018		T Rowe Price Qm US Small Gr	67,040.07	40.390	104,262.42
Small/MidCap								
4.8%	DHMX		01/20/2016		Diamond Hill Small Mid Cap In	203,424.31	23.030	259,309.92
34.1%						1,320,428.83		1,837,009.11
Alternatives								
Technology								
3.0%	USSCX		10/20/2016		USAA Science And Technolog	131,312.12	30.410	162,421.60
Health Care								
3.4%	THISX		09/06/2018		T Rowe Price Health	135,957.77	84.640	183,254.83
Infrastructure								
0.6%	GLIFX		05/01/2018		Lazard Global Listed Infrastruc	31,284.56	15.360	30,177.48
Real Estate								
1.4%	CSRIX		07/15/2016		Cohen & Steers Institutional	85,393.24	42.980	76,635.92
8.4%						383,947.69		452,489.83
42.5%						1,704,376.52		2,289,498.94

Portfolio StatementAs of 09/30/2018
09/28/2018 Prices

Washington Police Pension Fund

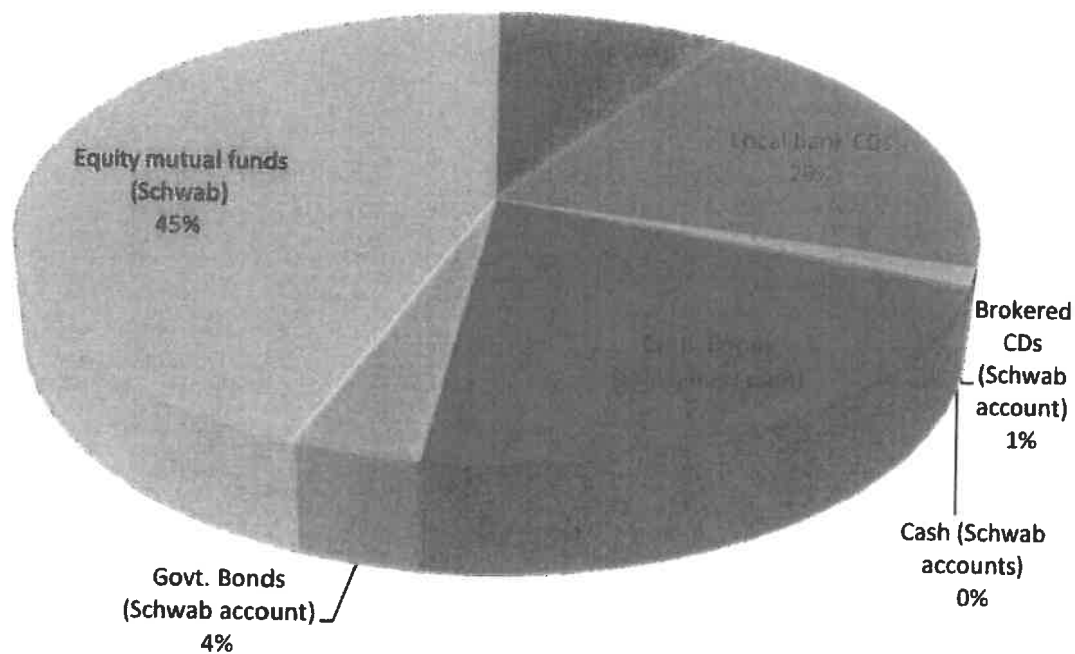
<u>Weight</u>	<u>Symbol</u>	<u>CUSIP</u>	<u>Trade Date</u>	<u>Maturity Date</u>	<u>Description</u>	<u>Cost Basis</u>	<u>Current Price</u>	<u>Current Value</u>
Washington Police Equity [REDACTED] Mutual Funds								
International Equities								
Large Growth								
2.1%	APDIX		08/03/2017		Artisan International Fund	110,434.13	33.450	112,781.36
Large Value								
1.9%	GCIIX	[REDACTED]	07/31/2018		Goldman International Insights	103,803.69	13.430	102,822.32
7.8%	OANIX	OANIX	11/16/2017		Oakmark International Fund In	312,161.99	26.190	419,659.66
9.7%						415,965.68		522,481.98
Small Cap								
5.0%	OSMYX	[REDACTED]	01/20/2016		Oppenheimer Intl Smid Cap In	182,075.25	53.650	270,758.83
Emerging Markets								
3.4%	ODVYX	[REDACTED]	01/20/2016		Oppenheimer Developing Mark	137,571.02	41.010	185,110.28
20.3%						846,046.08		1,091,132.45
62.9%						2,552,837.84		3,383,046.63
99.8%						4,496,763.02		5,370,258.97
100.0%					Total Accrued Income			10,475.04
								5,380,734.01

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.

Washington Police Pension Fund
Total Asset Allocation
As of September 30, 2018

<u>Asset Class</u>	<u>Value</u>	<u>% of assets</u>	<u>Sector</u>
Local bank Cash	\$709,347	9.3%	
Local bank CDs	\$1,535,617	20.1%	
Brokered CDs (Schwab account)	\$100,124	1.3%	
Cash (Schwab accounts)	\$13,023	0.2%	30.9% total cash and CD
Corp. Bonds (Schwab account)	\$1,610,159	21.1%	21.1% total corp.
Govt. Bonds (Schwab account)	\$276,796	3.6%	3.6% total govt.
Equity mutual funds (Schwab)	\$3,380,631	44.3%	44.3% total mutual funds
Total	\$7,625,697		

Total Asset Allocation




CITY OF WASHINGTON
POLICE PENSION FUND
ACTUARIAL VALUATION
AS OF MAY 1, 2018
CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING APRIL 30, 2020
GASB 67/68 DISCLOSURE INFORMATION
AS OF APRIL 30, 2018

Foster & Foster, Inc. act as a member of the Board of Trustees of the Board of Trustees of the City of Washington Police Pension Fund. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 630-620-0200.

Respectfully submitted,

Foster & Foster, Inc.

By: 
Jason L. Franken, FSA, EA, MAAA

By: 
Tyler A. Koftan

JLF/lke
Enclosures

SUMMARY OF REPORT

The regular annual actuarial valuation of the City of Washington Police Pension Fund, performed as of May 1, 2018, has been completed and the results are presented in this Report. The contribution amounts set forth herein are applicable to the plan/fiscal year ended April 30, 2020.

The contribution requirements, compared with those set forth in the May 1, 2017 actuarial report, are as follows:

Valuation Date	5/1/2018	5/1/2017
Applicable to Fiscal Year Ending	<u>4/30/2020</u>	<u>4/30/2019</u>
Total Recommended Contribution	\$685,910	\$683,157
% of Projected Annual Payroll	50.1%	51.1%
Member Contributions (Est.)	135,679	132,466
% of Projected Annual Payroll	9.9%	9.9%
City Recommended Contribution	550,231	550,691
% of Projected Annual Payroll	40.2%	41.2%

As you can see, the Total Recommended Contribution shows a slight increase when compared to the results determined in the May 1, 2017 actuarial valuation report. However, due to changes in the estimated member contributions, the City Recommended Contribution shows a small decrease. The increase in Total Recommended Contribution is primarily attributable to a natural increase in the plan's amortization payment due to the prior year payroll growth assumption of 4.00% and lower than expected investment returns. The plan experienced an investment return of 4.43% (Actuarial Asset basis) that fell short of the 6.75% assumption. The increase was mostly offset by a decrease associated with a change of assumptions.

Plan experience was favorable overall on the basis of the plan's actuarial assumptions. The primary sources of favorable experience were more turnover than expected and average salary increases that were less than assumed. These gains were offset by losses associated with no inactive mortality.

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Assump <u>5/1/2018</u>	Old Assump <u>5/1/2018</u>	<u>5/1/2017</u>
A. Participant Data			
Number Included			
Actives	20	20	20
Service Retirees	10	10	10
Beneficiaries	1	1	1
Disability Retirees	1	1	1
Terminated Vested	<u>3</u>	<u>3</u>	<u>3</u>
Total	35	35	35
Total Annual Payroll	\$1,369,110	\$1,369,110	\$1,336,695
Payroll Under Assumed Ret. Age	1,369,110	1,369,110	1,336,695
Annual Rate of Payments to:			
Service Retirees	521,477	521,477	509,740
Beneficiaries	35,587	35,587	35,587
Disability Retirees	33,882	33,882	33,330
Terminated Vested	0	0	0
B. Assets			
Actuarial Value	7,923,297	7,923,297	7,548,916
Market Value	7,647,347	7,647,347	7,205,268
C. Liabilities			
Present Value of Benefits			
Actives			
Retirement Benefits	5,936,326	5,945,335	5,712,348
Disability Benefits	655,377	788,038	799,005
Death Benefits	154,677	129,312	131,952
Vested Benefits	502,620	693,434	724,761
Service Retirees	8,292,886	8,292,886	8,391,630
Beneficiaries	279,300	279,300	287,580
Disability Retirees	401,122	401,122	401,260
Terminated Vested	<u>11,539</u>	<u>11,539</u>	<u>11,539</u>
Total	16,233,847	16,540,966	16,460,075

	New Assump <u>5/1/2018</u>	Old Assump <u>5/1/2018</u>	<u>5/1/2017</u>
D. Actuarial Present Value of Accrued Benefits			
Vested Accrued Benefits			
Inactives	8,984,847	8,984,847	9,092,009
Actives	406,638	460,291	325,171
Member Contributions	<u>938,185</u>	<u>938,185</u>	<u>859,684</u>
Total	10,329,670	10,383,323	10,276,864
Non-vested Accrued Benefits	<u>509,624</u>	<u>523,805</u>	<u>415,845</u>
Total Present Value Accrued Benefits	10,839,294	10,907,128	10,692,709
Funded Ratio (MVA / PVAB)	70.6%	70.1%	67.4%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:			
Plan Amendments	0	0	
Assumption Changes	(67,834)	0	
New Accrued Benefits	0	153,442	
Benefits Paid	0	(639,208)	
Interest	0	700,185	
Other	<u>0</u>	<u>0</u>	
Total	(67,834)	214,419	

H. Schedule Illustrating the Amortization of the Total Unfunded Actuarial Accrued Liability as of:

<u>Year</u>	<u>Projected Unfunded Accrued Liability</u>
2018	4,922,892
2019	4,930,974
2020	4,928,254
2025	4,709,912
2030	4,008,995
2035	2,564,362
2040	0

I. (i) 3 Year Comparison of Actual and Assumed Salary Increases

		<u>Actual</u>	<u>Assumed</u>
Year Ended	4/30/2018	3.86%	6.45%
Year Ended	4/30/2017	5.39%	7.34%
Year Ended	4/30/2016	7.80%	5.00%

(ii) 3 Year Comparison of Investment Return on Actuarial Value

		<u>Actual</u>	<u>Assumed</u>
Year Ended	4/30/2018	4.43%	6.75%
Year Ended	4/30/2017	4.19%	6.75%
Year Ended	4/30/2016	3.38%	7.00%

DETAILED ACTUARIAL (GAIN)/LOSS ANALYSIS

(1) Unfunded Actuarial Accrued Liability (UAAL) as of May 1, 2017	\$5,146,793
(2) Expected UAAL as of May 1, 2018	5,161,282
(3) Summary of Actuarial (Gain)/Loss, by component:	
Investment Return (Actuarial Asset Basis)	175,513
Salary Increases	(62,436)
Active Decrements	(192,210)
Inactive Mortality	59,748
Other	<u>(107,615)</u>
Change in UAAL due to (Gain)/Loss	(127,000)
Assumption Changes	<u>(111,390)</u>
(4) Actual UAAL as of May 1, 2018	\$4,922,892

STATUTORY MINIMUM REQUIRED CONTRIBUTION

Contribution requirements shown on this page are calculated according to statutory minimum funding requirements of the Illinois Pension Code. We do not believe this method is sufficient to fund future benefits; as such, we recommend funding according to the contributions developed in Section E of this report.

	New Assump	Old Assump	
Valuation Date	5/1/2018	5/1/2018	5/1/2017
Applicable to Fiscal Year Ending	<u>4/30/2020</u>	<u>4/30/2020</u>	<u>4/30/2019</u>
Actuarial Accrued Liability (PUC)	12,439,887	12,662,378	12,388,132
Actuarial Value of Assets	<u>7,923,297</u>	<u>7,923,297</u>	<u>7,548,916</u>
Unfunded Actuarial Accrued Liability (UAAL)	4,516,590	4,739,081	4,839,216
UAAL Subject to Amortization	3,272,601	3,472,843	3,600,403
Normal Cost ¹	\$351,283	\$375,092	\$369,219
% of Total Annual Payroll ¹	25.7	27.4	27.6
Administrative Expenses ¹	9,894	9,894	6,220
% of Total Annual Payroll ¹	0.7	0.7	0.5
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 22 years (as of 5/1/2018) ¹	215,528	218,628	219,373
% of Total Annual Payroll ¹	15.7	16.0	16.4
Total Required Contribution	576,705	603,614	594,812
% of Total Annual Payroll ¹	42.1	44.1	44.5
Expected Member Contributions ¹	135,679	135,679	132,466
% of Total Annual Payroll ¹	9.9	9.9	9.9
Expected City Contribution	441,026	467,935	462,346
% of Total Annual Payroll ¹	32.2	34.2	34.6

Assumptions and Methods:

Actuarial Cost Method	Projected Unit Credit
Amortization Method	90% Funding by 2040

All other assumptions and methods are as described in the Actuarial Assumptions and Methods section.

¹ Contributions developed as of 5/1/2018 displayed above have been adjusted to account for assumed interest.

ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rate	6.75% per year compounded annually, net of investment related expenses.
Mortality Rate	RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date with Scale BB.
Disabled Mortality Rate	RP-2000 Disabled Retiree Mortality, projected to the valuation date with Scale BB.
Retirement Age	See table on following page. This is based on an experience study performed in 2017.
Disability Rate	See table on following page. 60% of the disabilities are assumed to be in the line of duty. This is based on an experience study performed in 2017.
Termination Rate	See table on following page. This is based on an experience study performed in 2017.
Salary Increases	Graded schedule based on service. This is based on an experience study performed in 2017.

Salary Scale	
Service	Rate
0	11.00%
1	10.75%
2	8.75%
3	8.50%
4	7.00%
5	6.25%
6	5.25%
7	4.25%
8 - 16	4.00%
17 - 32	3.75%
32+	3.50%

Inflation	2.50%.
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GLOSSARY

Total Annual Payroll is the projected annual rate of pay for the fiscal year following the valuation date of all covered members.

Present Value of Benefits is the single sum value on the valuation date of all future benefits to be paid to current Members, Retirees, Beneficiaries, Disability Retirees and Vested Terminations.

Normal (Current Year's) Cost is the current year's cost for benefits yet to be funded.

Unfunded Accrued Liability is a liability which arises when a pension plan is initially established or improved and such establishment or improvement is applicable to all years of past service.

Total Recommended Contribution is equal to the Normal Cost plus an amount sufficient to amortize the Unfunded Accrued Liability over a period ending in 2040. The recommended amount is adjusted for interest according to the timing of contributions during the year.

Entry Age Normal Cost Method - Under this method, the normal cost is the sum of the individual normal costs for all active participants. For an active participant, the normal cost is the participant's normal cost accrual rate, multiplied by the participant's current compensation.

(a) The normal cost accrual rate equals:

(i) the present value of future benefits for the participant, determined as of the participant's entry age, divided by

(ii) the present value of the compensation expected to be paid to the participant for each year of the participant's anticipated future service, determined as of the participant's entry age.

(b) In calculating the present value of future compensation, the salary scale is applied both retrospectively and prospectively to estimate compensation in years prior to and subsequent to the valuation year based on the compensation used for the valuation.

(c) The accrued liability is the sum of the individual accrued liabilities for all participants and beneficiaries. A participant's accrued liability equals the present value, at the participant's attained age, of future benefits less the present value at the participant's attained age of the individual normal costs payable in the future. A beneficiary's accrued liability equals the present value, at the beneficiary's attained age, of future benefits. The unfunded accrued liability equals the total accrued liability less the actuarial value of assets.

(d) Under this method, the entry age used for each active participant is the participant's age at the time he or she would have commenced participation if the plan had always been in existence under current terms, or the age as of which he or she first earns service credits for purposes of benefit accrual under the current terms of the plan.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED April 30, 2018
Market Value Basis

ADDITIONS

Contributions:

Member	135,723
City	551,778

Total Contributions	687,501
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Investment Income:

Miscellaneous Income	1,931	
Net Realized Gain (Loss)	83,510	
Unrealized Gain (Loss)	161,027	
Net Increase in Fair Value of Investments		246,468
Interest & Dividends		178,380
Less Investment Expense ¹		(21,794)

Net Investment Income	403,054
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Total Additions	1,090,555
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DEDUCTIONS

Distributions to Members:

Benefit Payments	581,986
Refund of Contributions/Transfers	57,222

Total Distributions	639,208
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Administrative Expenses	9,268
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Total Deductions	648,476
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Net Increase in Net Position	442,079
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NET POSITION RESTRICTED FOR PENSIONS

Beginning of the Year	7,205,268
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End of the Year	7,647,347
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¹ Investment Related expenses include investment advisory, custodial and performance monitoring fees.

CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
April 30, 2018
Actuarial Asset Basis

INCOME		
Contributions:		
Member	135,723	
City	551,778	
Total Contributions		687,501
Earnings from Investments		
Interest & Dividends	178,380	
Miscellaneous Income	1,931	
Net Realized Gain (Loss)	83,510	
Change in Actuarial Value	93,329	
Total Earnings and Investment Gains		357,150
EXPENSES		
Administrative Expenses:		
Investment Related ¹	21,794	
Other	9,268	
Total Administrative Expenses		31,062
Distributions to Members:		
Benefit Payments	581,986	
Refund of Contributions/Transfers	57,222	
Total Distributions		639,208
Change in Net Assets for the Year		374,381
Net Assets Beginning of the Year		7,548,916
Net Assets End of the Year ²		7,923,297

¹ Investment Related expenses include investment advisory, custodial and performance monitoring fees.

² Net Assets may be limited for actuarial consideration.

AGE AND SERVICE DISTRIBUTION

PAST SERVICE

AGE	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30+	Total
15 - 19	0	0	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	0	0	0	0	1
25 - 29	0	0	0	0	0	1	0	0	0	0	0	1
30 - 34	0	0	1	0	0	6	0	0	0	0	0	7
35 - 39	0	0	1	0	0	2	1	0	0	0	0	4
40 - 44	0	0	0	2	1	0	0	0	0	0	0	3
45 - 49	0	0	0	0	0	0	0	3	0	0	0	3
50 - 54	0	0	0	0	0	0	0	0	0	0	0	0
55 - 59	0	0	0	0	0	0	0	1	0	0	0	1
60 - 64	0	0	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0	0	0
Total	1	0	2	2	1	9	1	4	0	0	0	20

SUMMARY OF CURRENT PLAN

Article 3 Pension Fund

The Plan is established and administered as prescribed by “Article 3. Police Pension Fund – Municipalities 500,000 and Under” of the Illinois Pension Code.

Plan Administration

The Plan is administered by a Board of Trustees comprised of:

- a) Two members appointed by the Municipality,
- b) Two active Members of the Police Department elected by the Membership, and
- c) One retired Member of the Police Department elected by the Membership.

Credited Service

Complete years of service as a sworn police officer employed by the Municipality.

Normal Retirement

Date

Tier 1: Age 50 and 20 years of Credited Service.

Tier 2: Age 55 with 10 years of Credited Service.

Benefit

Tier 1: 50% of annual salary attached to rank on last day of service plus 2.50% of annual salary for each year of service over 20 years, up to a maximum of 75% of salary. The minimum monthly benefit is \$1,000 per month.

Tier 2: 2.50% per year of service times the average salary for the eight consecutive years prior to retirement times the number of years of service, up to a maximum of 75% of average salary. The minimum monthly benefit is \$1,000 per month.

Form of Benefit

Tier 1: For married retirees, an annuity payable for the life of the Member; upon the death of the member, 100% of the Member's benefit payable to the spouse until death. For unmarried retirees, the normal form is a Single Life Annuity.

Tier 2: Same as above, but with 66 2/3% of benefit continued to spouse.

Early Retirement

Date

Tier 1: Age 60 and 8 years of Credited Service.

Tier 2: Age 50 with 10 years of Credited Service.

Benefit

Tier 1: Normal Retirement benefit with no minimum.

Tier 2: Normal Retirement benefit, reduced 6% each year before age 55, with no minimum benefit.

Form of Benefit

Same as Normal Retirement.

Vesting (Termination)

Vesting Service Requirement	Tier 1: 8 years. Tier 2: 10 years.
Non-Vested Benefit	Refund of Member Contributions.
Vested Benefit	Either the termination benefit, payable upon reaching age 60 (55 for Tier 2), provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

Contributions

Employee	9.91% of Salary.
Municipality	Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

Vesting (Termination):

Vesting Service Requirement: Tier 1: 8 years.

Vesting Service Requirement: Tier 2: 10 years.

Non-Vested Benefit: Refund of Member Contributions.

Vested Benefit: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

Contributions

Employee: 9.91% of Salary.

City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

InvestmentsInvestment Policy:

The following was the Board's adopted asset allocation policy as of April 30, 2018:

<u>Asset Class</u>	<u>Target Allocation</u>
Fixed Income	5.00%
Corporate Investment Grade	20.00%
Domestic Equities	33.75%
International Developed	11.25%
Cash and Equivalents	30.00%
Total	100.00%

Concentrations:

The Plan did not hold investments in any one organization that represent 5 percent or more of the Pension Plan's Fiduciary Net Position.

Rate of Return:

For the year ended April 30, 2018 the annual money-weighted rate of return on Pension Plan investments, net of pension plan investment expense, was 7.83 percent.

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
Last 2 Fiscal Years

	04/30/2018	04/30/2017
Total Pension Liability		
Service Cost	342,439	324,331
Interest	850,614	807,141
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(299,557)	99,029
Changes of Assumptions	(107,650)	-
Benefit Payments, Including Refunds of Employee Contributions	(639,208)	(569,929)
Net Change in Total Pension Liability	146,638	660,572
Total Pension Liability - Beginning	12,578,857	11,918,285
Total Pension Liability - Ending (a)	<u>\$ 12,725,495</u>	<u>\$ 12,578,857</u>
Plan Fiduciary Net Position		
Contributions - Employer	551,778	514,605
Contributions - Employee	135,723	130,676
Net Investment Income	403,054	504,132
Benefit Payments, Including Refunds of Employee Contributions	(639,208)	(569,929)
Administrative Expense	(9,268)	(5,827)
Net Change in Plan Fiduciary Net Position	442,079	573,657
Plan Fiduciary Net Position - Beginning	7,205,268	6,631,611
Plan Fiduciary Net Position - Ending (b)	<u>\$ 7,647,347</u>	<u>\$ 7,205,268</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 5,078,148</u>	<u>\$ 5,373,589</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.09%	57.28%
Covered Employee Payroll	\$ 1,369,110	\$ 1,336,695
Net Pension Liability as a Percentage of covered Employee Payroll	370.91%	402.01%

Notes to Schedule:*Changes of assumptions:*

For measurement date 04/30/2018, amounts reported as changes of assumptions reflected the results of the 2017 Department of Insurance experience study, the following assumption changes were made:

- Updated retirement, termination and disability rate tables.
- Updated assumed salary increase rates.
- Updated the percentage of disabilities assumed to be in the line of duty from 70% to 60%.
- Updated the percentage of deaths assumed to be in the line of duty from 5% to 10%.

SCHEDULE OF CONTRIBUTIONS

Last 2 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a percentage of Covered Employee Payroll
04/30/2018	\$ 513,651	\$ 551,778	\$ (38,127)	\$ 1,369,110	40.30%
04/30/2017	\$ 378,061	\$ 514,605	\$ (136,544)	\$ 1,336,695	38.50%

Notes to Schedule:

Valuation Date: 05/01/2016

Actuarially Determined Contribution is calculated as of May 1, two years prior year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Mortality Rate: RP-2000 Combined Healthy Mortality with a blue collar adjustment projected to the valuation date using Scale BB.

Disabled Mortality Rate: RP-2000 Disabled Retiree Mortality projected to the valuation date using Scale BB.

Interest Rate: 6.75% per year compounded annually, net of investment related expenses.

Retirement Age: See table on following page. This is based on an experience study performed in 2012.

Disability Rate: See table on following page. 70% of the disabilities are assumed to be in the line of duty. This is based on an experience study performed in 2012.

Termination Rate: See table on following page. This is based on an experience study performed in 2012.

Salary Increases: Graded schedule based on service. This is based on an experience study performed in 2012.

Service	Increase
0	11.00%
1	10.00%
2	9.00%
3	8.00%
4	8.00%
5	7.00%
6	6.00%
7	5.50%
8-14	5.00%
15-29	4.50%
30	4.00%

Payroll Growth: 4.00% per year.

Cost-of-Living Adjustment: Tier 1: 3.00% per year after age 55. Those that retire prior to age 55 receive an increase of 1/12 of 3.00% for each full month since benefit commencement upon reaching age 55.

Tier 2: 1.25% per year after the later of attainment of age 60 or first anniversary of retirement.

Marital Status: 80% of Members are assumed to be married.

Spouse's Age: Males are assumed to be three years older than females.

Funding Method: Entry Age Normal Cost Method.

Actuarial Asset Method: Investment gains and losses are smoothed over a 5-year period.

Amortization Method: 100% of the UAAL is amortized according to a Level Percentage of Payroll method over a period ending in 2041.

SCHEDULE OF INVESTMENT RETURNS
Last 2 Fiscal Years

Fiscal Year Ended	Annual Money-Weighted Rate of Return Net of Investment Expense
04/30/2018	7.83%
04/30/2017	6.97%

Vesting (Termination):

Vesting Service Requirement: Tier 1: 8 years.

Vesting Service Requirement: Tier 2: 10 years.

Non-Vested Benefit: Refund of Member Contributions.

Vested Benefit: Either the termination benefit, payable upon reaching age 60, provided contributions are not withdrawn, or a refund of member contributions. The termination benefit is 2.50% of annual salary held in the year prior to termination (8-year final average salary for Tier 2) times creditable service.

Contributions

Employee: 9.91% of Salary.

City: Remaining amount necessary for payment of Normal (current year's) Cost and amortization of the accrued past service liability.

Net Pension Liability

The measurement date is April 30, 2018.

The measurement period for the pension expense was May 1, 2017 to April 30, 2018.

The reporting period is May 1, 2018 through April 30, 2019.

The Sponsor's Net Pension Liability was measured as of April 30, 2018.

The Total Pension Liability used to calculate the Net Pension Liability was determined as of that date.

Actuarial Assumptions:

The Total Pension Liability was determined by an actuarial valuation as of May 1, 2018 using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	Service based
Discount Rate	6.75%
Investment Rate of Return	6.75%

Mortality Rate: RP-2000 Combined Healthy Mortality with a blue collar adjustment, projected to the valuation date using Scale BB.

Disability Mortality Rate: RP-2000 Disabled Retiree Mortality, projected to the valuation date using Scale BB.

The other significant assumptions are based upon the most recent actuarial experience study performed by the State of Illinois Department of Insurance dated October 5, 2017.

The Long-Term Expected Rate of Return on Pension Plan investments can be determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

CHANGES IN NET PENSION LIABILITY

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(a)-(b)
Reporting Period Ending April 30, 2018	\$ 12,578,857	\$ 7,205,268	\$ 5,373,589
Changes for a Year:			
Service Cost	342,439	-	342,439
Interest	850,614	-	850,614
Differences Between Expected and Actual Experience	(299,557)	-	(299,557)
Changes of Assumptions	(107,650)	-	(107,650)
Changes of Benefit Terms	-	-	-
Contributions - Employer	-	551,778	(551,778)
Contributions - Employee	-	135,723	(135,723)
Net Investment Income	-	403,054	(403,054)
Benefit Payments, Including Refunds of Employee Contributions	(639,208)	(639,208)	-
Administrative Expense	-	(9,268)	9,268
New Changes	146,638	442,079	(295,441)
Reporting Period Ending April 30, 2019	\$ 12,725,495	\$ 7,647,347	\$ 5,078,148

Sensitivity of the Net Pension Liability to changes in the Discount Rate.

	Current Discount		
	1% Decrease	Rate	1% Increase
	5.75%	6.75%	7.75%
Sponsor's Net Pension Liability	\$ 6,928,202	\$ 5,078,148	\$ 3,572,959

Pension Plan Fiduciary Net Position.

Detailed information about the Pension Plan's Fiduciary Net Position is available in a separately issued Plan financial report.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 2 Fiscal Years

Reporting Date	04/30/2019	04/30/2018
Measurement Date	04/30/2018	04/30/2017
Total Pension Liability		
Service Cost	342,439	324,331
Interest	850,614	807,141
Changes of Benefit Terms	-	-
Differences Between Expected and Actual Experience	(299,557)	99,029
Changes of Assumptions	(107,650)	-
Benefit Payments, Including Refunds of Employee Contributions	(639,208)	(569,929)
Net Change in Total Pension Liability	146,638	660,572
Total Pension Liability - Beginning	12,578,857	11,918,285
Total Pension Liability - Ending (a)	<u>\$ 12,725,495</u>	<u>\$ 12,578,857</u>
Plan Fiduciary Net Position		
Contributions - Employer	551,778	514,605
Contributions - Employee	135,723	130,676
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Benefit Payments, Including Refunds of Employee Contributions	(639,208)	(569,929)
Administrative Expense	(9,268)	(5,827)
Net Change in Plan Fiduciary Net Position	442,079	573,657
Plan Fiduciary Net Position - Beginning	7,205,268	6,631,611
Plan Fiduciary Net Position - Ending (b)	<u>\$ 7,647,347</u>	<u>\$ 7,205,268</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 5,078,148</u>	<u>\$ 5,373,589</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	60.09%	57.28%
Covered Employee Payroll	\$ 1,369,110	\$ 1,336,695
Net Pension Liability as a Percentage of covered Employee Payroll	370.91%	402.01%

Notes to Schedule:*Changes of assumptions:*

For measurement date 04/30/2018, amounts reported as changes of assumptions reflected the results of the 2017 Department of Insurance experience study, the following assumption changes were made:

- Updated retirement, termination and disability rate tables.
- Updated assumed salary increase rates.
- Updated the percentage of disabilities assumed to be in the line of duty from 70% to 60%.
- Updated the percentage of deaths assumed to be in the line of duty from 5% to 10%.

GASB 68

Decrement Tables:

% Terminating During the Year		% Becoming Disabled During the Year	
Age	Rate	Age	Rate
15-24	10.00%	20	0.05%
25	7.50%	25	0.05%
26-27	6.25%	30	0.22%
28-31	5.00%	35	0.26%
32-34	4.00%	40	0.40%
35-37	3.00%	45	0.65%
38-49	2.00%	50	0.95%
>=50	3.50%	55	1.30%
		60	1.65%
		65	2.00%

% Retiring During the Year	
Age	Rate
<=49	0%
50-54	20%
55-59	25%
60-62	33%
63-69	50%
>=70	100%

AMORTIZATION SCHEDULE - EXPERIENCE

Increase (Decrease) in Pension Expense Arising from the Recognition of the Effects of Differences between Expected and Actual Experience

Year Base Established	Differences Between Expected and Actual Experience	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
2018	\$ (299,557)	8	\$ (37,442)	\$ (37,445)	\$ (37,445)	\$ (37,445)	\$ (37,445)	\$ (37,445)	\$ (37,445)	\$ (37,445)	\$ -	\$ -
2017	\$ 99,029	8	\$ 12,379	\$ 12,379	\$ 12,379	\$ 12,379	\$ 12,379	\$ 12,379	\$ 12,379	\$ -	\$ -	\$ -
2016	\$ (92,933)	8	\$ (11,617)	\$ (11,617)	\$ (11,617)	\$ (11,616)	\$ (11,616)	\$ (11,616)	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ (36,680)	\$ (36,683)	\$ (36,683)	\$ (36,682)	\$ (36,682)	\$ (36,682)	\$ (25,066)	\$ (37,445)	\$ -	\$ -

AMORTIZATION SCHEDULE - INVESTMENTS

Increase (Decrease) in Pension Expense Arising from the Recognition of the of Differences Between Projected and Actual Earnings on Pension Plan Investments													
Year Base Established	Differences Between Projected and Actual Earnings	Recognition Period (Years)	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
2018	\$ 84,619	5	\$ 16,923	\$ 16,924	\$ 16,924	\$ 16,924	\$ 16,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2017	\$ (54,152)	5	\$ (10,830)	\$ (10,830)	\$ (10,830)	\$ (10,830)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016	\$ 518,254	5	\$ 103,651	\$ 103,651	\$ 103,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Increase (Decrease) in Pension Expense			\$ 109,744	\$ 109,745	\$ 109,745	\$ 6,094	\$ 16,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**WASHINGTON POLICE PENSION FUND
CASH AND INVESTMENTS
09/30/18**

Heartland Bank Money Market	\$	703,852.13
Cefcu Savings	\$	6,494.62
Charles Schwab Money Market - Fixed Income	\$	9,857.82
Charles Schwab Money Market - Fixed Income Non-Sweep	\$	-
Charles Schwab Money Market - Equity Sweep	\$	170.91
Charles Schwab Money Market - Equity Non-Sweep	\$	2,244.33

Certificates of Deposit:

CEFCU

470118-200	1.79% due 1/10/22	\$	100,000.00	\$	100,000.00
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Heartland Bank

No CD's at this time.

IPAVA State Bank

10829	1.50% due 08/23/20	\$	133,944.09		
10873	2.00% due 08/31/20	\$	102,010.00	\$	235,954.09

Washington State Bank

706712-1	1.50% due 7/25/19	\$	208,162.64		
706712-2	1.50% due 2/22/20	\$	134,127.23	\$	342,289.87

Morton Community Bank

564839	1.60% due 9/27/19	\$	108,849.83		
560083	2.11% due 12/23/18	\$	108,153.13		
569321	2.70% due 9/05/21	\$	180,000.00		
559439	2.09% due 11/20/18	\$	108,338.94	\$	505,341.90

Busey Bank

6130001357	2.00% due 4/9/19 (Soaring CD)	\$	139,626.21		
70842	2.76% due 8/30/23	\$	105,000.00		
6130001363	2.00% due 4/24/19 (Soaring CD)	\$	107,404.85	\$	352,031.06

Mitchell, Vaught, & Taylor

38148JWE7	CD 1.85% due 6/17/19 - Goldman Sachs	\$	100,000.00	\$	100,000.00
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Total Certificates of Deposits

\$ 1,635,616.92

**WASHINGTON POLICE PENSION FUND
REVENUE AND EXPENSE REPORT
MAY 1, 2018 THROUGH SEPTEMBER 30, 2018**

REVENUES:

Property Taxes	502,264.41	
Property Replacement Taxes	7,460.33	
Interest	35,149.84	
Dividends <i>(Cash/Reinvested)</i>	36,414.73	
Employee Contributions	59,314.96	
Miscellaneous Income	0.00	
TOTAL		640,604.27

EXPENSES:

Pensions	248,064.90	
Insurance	3,122.00	
Legal	200.00	
Compliance Fee	1,441.43	
Training	0.00	
Membership Dues	0.00	
Subscriptions	0.00	
Postage	0.00	
Contributions Refund	0.00	
Investment Expense	5,616.00	
Miscellaneous	320.50	
TOTAL		258,764.83

REVENUES LESS EXPENSES

381,839.44

* 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	7,109.29	
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>49,983.90</u>

MONTHLY PENSIONS PAID (GROSS): DISABILITY

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

POLICE PENSION - ACTIVE OFFICERS' CONTRIBUTIONS AS OF 09/30/18

	Contributions	Years
Danton Althiser	\$ 306.87	0
Lyle Baele	\$ 122,668.91	19
Zachary Bean	\$ 44,630.01	8
Michael Brown	\$ 23,543.82	3
Jacob Cernek	\$ 38,507.26	7
Ashley Clare	\$ 12,517.31	2
Daniel Foster	\$ 43,706.67	8
Greg Gordon	\$ 109,056.69	20
Frank Grossman	\$ 35,542.74	6
Steve Hinken	\$ 47,572.73	8
Ryan Hunsunger	\$ 69,651.38	12
Ramadan Moore	\$ 2,131.68	0
Brian Simpson	\$ 29,025.55	5
Keegan Smith	\$ 38,644.17	6
Steven Smith	\$ 61,866.35	9
Stuart Stevens	\$ 110,725.87	18
Joshua Sutter	\$ 12,834.05	2
Dramane Taylor	\$ 22,407.43	3
Derek Thomas	\$ 84,656.84	15
Troi Westbrook	\$ 29,733.03	4
Tyler Willi	\$ 57,770.88	9
TOTAL ACTIVE CONTRIBUTIONS	\$ <u>997,500.24</u>	

POLICE PENSION -INACTIVE OFFICERS' CONTRIBUTIONS AS OF 09/30/18

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

TOTAL CONTRIBUTIONS **1,009,039.65**

**WASHINGTON POLICE PENSION FUND
CERTIFICATES OF DEPOSIT**

<u>BANK</u>	<u>CD#</u>	<u>AMOUNT</u>	<u>RATE</u>	<u>MATURITY</u>		
MORTON COMMUNITY BANK		\$100,000.00	2.09%	11/20/2018		
MORTON COMMUNITY BANK		\$100,000.00	2.11%	12/23/2018		
					2018 TOTALS:	\$200,000.00
SOUTH SIDE BANK & TRUST		\$130,000.00	2.00%	4/9/2019		
	CD	.30%	1.30%	2.00%	2.70%	3.72%
SOUTH SIDE BANK & TRUST		\$100,000.00	2.00%	4/24/2019		
	CD	.30%	1.30%	2.00%	2.70%	3.72%
M V & T (Goldman Sachs)		\$100,000.00	1.85%	6/17/2019		
WASHINGTON STATE BANK		\$200,000.00	1.50%	7/25/2019		
MORTON COMMUNITY BANK		\$105,000.00	1.60%	9/27/2019		
					2019 TOTALS:	\$635,000.00
WASHINGTON STATE BANK		\$130,000.00	1.50%	2/22/2020		
IPAVA STATE BANK		\$130,000.00	1.50%	8/23/2020		
IPAVA STATE BANK		\$100,000.00	2.00%	8/31/2020		
					2019 TOTALS:	\$360,000.00
MORTON COMMUNITY BANK		\$180,000.00	2.70%	9/5/2021		
					2021 TOTALS:	\$180,000.00
CEFCU		\$100,000.00	1.79%	1/10/2022		
					2022 TOTALS:	\$100,000.00
BUSEY BANK		\$105,000.00	2.76%	8/30/2023		
					2022 TOTALS:	\$105,000.00
						\$1,580,000.00

**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: 09/30/18
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>
Heartland Bank	07/03/18	20.50	New checks charge
Foster & Foster	07/23/18	300.00	Sutter Military Purchase Calculator
Mesirow Insurance Services	09/10/18	3,122.00	Fiduciary Liability Insurance Policy Renewal
Atwell & Atwell	09/18/18	200.00	Review of Investment Policy
	TOTAL	<u>\$3,642.50</u>	



Transaction Detail
From 07/01/2018 to 09/30/2018

Washington Police Pension Fund

Portfolio Account Number	Trade Date	Activity	Security Symbol	Description	Quantity	Net Amount
	07/11/2018	Interest	06051GEU9	Bank Of America 01/11/2023 3.30%		1,237.50
	07/12/2018	Interest	637432LR4	National Rural Electric 11/01/2018 10.375%		40.92
	07/12/2018	Sell	637432LR4	National Rural Electric 11/01/2018 10.375%	(2,000)	2,047.33
	07/13/2018	Interest	89114QBL1	Toronto Dominion 07/13/2021 1.80%		450.00
	07/13/2018	Interest	89236TCQ6	Toyota Motor Credit 07/13/2022 2.80%		700.00
	07/13/2018	Sell	SNVXX	Schwab Government Money	(3,750)	3,750.00
	07/15/2018	Interest	03523TBP2	Anheuser-Busch 07/15/2022 2.50%		625.00
	07/15/2018	Interest	115637AM2	Brown Forman 01/15/2023 2.25%		562.50
	07/15/2018	Interest	912828WU0	Treasury Inflation-Indexed 07/15/2024 0.125%		66.07
	07/15/2018	Interest	912828PP9	Treasury Inflation-Indexed 01/15/2021 1.125%		645.46
	07/16/2018	Interest	24424CBS9	Deere & Company 01/15/2020 2.50%		137.50
	07/16/2018	Dividend	SNVXX	Schwab Government Money		42.45
	07/16/2018	Dividend	SWGXX	Schwab U. S. Treasury		205.81
	07/17/2018	Interest	035242AA4	Anheuser-Busch 01/17/2023 2.625%		656.25
	07/17/2018	Management Fee		Schwab U. S. Treasury		(2,105.00)
	07/17/2018	Management Fee		Schwab U. S. Treasury		(3,511.00)
	07/19/2018	Buy	24424CBT7	John Deere 10/15/2022 2.75%	20,000	(19,769.72)
	07/19/2018	Buy	857477AL7	State Street Corp 05/15/2023 3.10%	50,000	(49,695.28)
	07/26/2018	Interest	949746SA0	Wells Fargo 07/26/2021 2.10%		525.00
	07/27/2018	Interest	24422ERT8	John Deere Capital 01/27/2023 2.80%		350.00
	07/30/2018	Buy	APDIX	Artisan International Fund	296.346	(10,000.00)
	07/30/2018	Buy	PRHSX	T Rowe Price Health Scienc	128.535	(10,000.00)
	07/30/2018	Buy	USSCX	USAA Science And Technol	343.171	(10,000.00)

Transaction Detail
From 07/01/2018 to 09/30/2018

Washington Police Pension Fund

Portfolio Account Number	Trade Date	Activity	Security Symbol	Description	Quantity	Net Amount
	07/30/2018	Sell	OANIX	Oakmark International Fund I	(1,980.452)	53,803.69
	07/30/2018	Sell	VGIAX	Vanguard Growth & Income	(553.574)	44,975.00
	07/31/2018	Buy	GCIIX	Goldman International Insign	3,954.315	(53,803.69)
	08/03/2018	Sell	SNVXX	Schwab Government Money	(35,000)	35,000.00
	08/06/2018	Interest	44932HAH6	IBM Credit		300.00
				02/06/2023 3.00%		
	08/06/2018	Interest	742718DY2	Procter & Gamble		575.00
				02/06/2022 2.30%		
	08/07/2018	Buy	GCIIX	Goldman International Insign	3,701.852	(50,000.00)
	08/09/2018	Interest	02209SAN3	Altria Group Inc		712.50
				08/09/2022 2.85%		
	08/15/2018	Interest	36966RW28	General Electric Capital		714.00
				02/15/2019 5.10%		
	08/15/2018	Dividend	SWGXX	Schwab U. S. Treasury		201.32
	08/15/2018	Dividend	SWGXX	Schwab U. S. Treasury		5.23
	08/15/2018	Interest	907818DD7	Union Pacific		918.75
				02/15/2020 6.125%		
	08/16/2018	Interest	06406FAD5	Bank of NY Mellon Corp		550.00
				08/16/2023 2.20%		
	08/27/2018	Interest	140420UR9	Capital One Bank		1,605.59
				08/27/2018 1.75%		
	08/27/2018	Sell	140420UR9	Capital One Bank	(184,000)	184,000.00
				08/27/2018 1.75%		
	08/28/2018	Buy	06406RAJ6	Bank Of NY Mellon	80,000	(80,299.14)
				08/11/2023 3.45%		
	08/28/2018	Interest	17275RBD3	Cisco Systems		550.00
				02/28/2021 2.20%		
	08/29/2018	Buy	06367TG38	Bank Of Montreal	100,000	(97,452.02)
				09/11/2022 2.35%		
	09/04/2018	Interest	05574LFY9	Brp Paribas		812.50
				03/03/2023 3.25%		
	09/05/2018	Withdrawal	SWGXX	Schwab U. S. Treasury		(100,000.00)
	09/05/2018	Withdrawal	SWGXX	Schwab U. S. Treasury		(85,605.59)
	09/06/2018	Interest	718172AV1	Philip Morris		590.63
				03/06/2023 2.625%		
	09/06/2018	Other Expense	THISX	T Rowe Price Health		(25.00)
	09/06/2018	Other Expense	TQAIX	T Rowe Price Qm US Small		(25.00)
	09/07/2018	Interest	064159JG2	Bank Of Nova Scotia		1,350.00
				03/07/2022 2.70%		
	09/11/2018	Interest	06367TG38	Bank Of Montreal		1,175.00
				09/11/2022 2.35%		
	09/14/2018	Interest	0258M0DX4	American Express		260.00
				09/14/2020 2.60%		
	09/15/2018	Interest	585055AX4	Medtronic		781.25
				03/15/2022 3.125%		
	09/17/2018	Dividend	SWGXX	Schwab U. S. Treasury		159.48
	09/17/2018	Dividend	SWGXX	Schwab U. S. Treasury		0.28

Transaction Detail
From 07/01/2018 to 09/30/2018

Washington Police Pension Fund

<u>Portfolio Account Number</u>	<u>Trade Date</u>	<u>Activity</u>	<u>Security Symbol</u>	<u>Description</u>	<u>Quantity</u>	<u>Net Amount</u>
	09/25/2018	Interest	46625HHQ6	JP Morgan Chase 03/25/2020 4.95%		1,237.50
	09/30/2018	Interest	9128284D9	US Treasury Note 03/31/2023 2.50%		750.00
						(229,221.93)

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.

**City of Washington, Illinois
Police Pension Fund**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report
For the Fiscal Year Ending April 30, 2018**

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Assets of the Fund	<u>7,696,663</u>	<u>7,207,160</u>
Estimated Revenues - Next Succeeding Fiscal Year		
Employee Contribution	145,000	
Municipal Contributions	545,000	
Investment Earnings	<u>200,000</u>	
	<u>890,000</u>	
Estimated Expenses - Next Succeeding Fiscal Year		
Pay all Pensions and Other Obligations	<u>709,400</u>	
Annual Required Contribution - per Foster & Foster, Actuaries	<u>550,231</u>	
Total Net Income/(Loss) From Investments	<u>429,951</u>	<u>499,445</u>
Assumed Investment Return	<u>6.75%</u>	<u>6.75%</u>
Actual Investment Return (Smoothed Actuarial Basis)	<u>4.43%</u>	<u>4.19%</u>
Total Number of Active Members Contributing to Fund	<u>20</u>	
Total Amount Disbursed for Each Type of Pension Benefit		
Regular Retirement Pension	10	509,740
Disability Pension	1	33,330
Survivor Pension	1	<u>35,587</u>
Total Pensions		<u>578,657</u>
Funded Ratio	<u>61.70%</u>	<u>59.50%</u>
Infunded Liability	<u>4,922,892</u>	
Investment Policy	attached	

**Certification of Municipal Police
Pension Fund Compliance Report**

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge,
hereby certify pursuant to §3-143 of the Illinois Pension Code 40 ILCS 5/3-143, that the preceding report is true and accurate.

Adopted this 22nd day of Oct. 2018.

President 

Date 10/22/18

Secretary 

Date 10-22-18

Illinois Department of Insurance - Pension Division
Benefit Calculator Report

Participant Summary

Fund Name:	Washington Police Pension Fund	Participant Name:	James Kuchenbecker
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Benefit Summary

Fund Type:	Police		
Benefit Type:	Retirement		
Reciprocity:	No		
Birth Date:	6/22/1963		
Hire Date:	6/10/1986	Unpaid Break Days:	0
Retired Date:	6/30/2013	Effective Date of Benefit:	7/1/2013
Annual Salary:	\$109,902.00		
Creditable Service:	27 Year(s) 0 Month(s) 21 Day(s)		

Initial Benefit Summary

Initial Benefit Date:	7/1/2013
Initial Annual Benefit:	\$74,183.85 = 67.50% of \$109,902.00 (Annual Salary)

Prorated Benefit Summary

Prorated Date Range:	7/1/2013 - 7/31/2013
Prorated Benefit:	\$6,181.99 = 31 Prorated Day(s) x \$6,181.99 (Monthly Benefit)/31 Days in the Month
Total Prorated Benefit:	\$6,181.99

Benefit Schedule

Benefit Type	Benefit Date	Monthly Increase	Monthly Benefit	Annual Benefit	Increase Rate
Initial Annual Benefit	7/1/2013	\$0.00	\$6,181.99	\$74,183.85	
First Increase	7/1/2018	\$927.30	\$7,109.29	\$85,311.48	15.00%
Annual Increase	1/1/2019	\$213.28	\$7,322.57	\$87,870.84	3.00%
Annual Increase	1/1/2020	\$219.68	\$7,542.25	\$90,507.00	3.00%
Annual Increase	1/1/2021	\$226.27	\$7,768.52	\$93,222.24	3.00%
Annual Increase	1/1/2022	\$233.06	\$8,001.58	\$96,018.96	3.00%
Annual Increase	1/1/2023	\$240.05	\$8,241.63	\$98,899.56	3.00%
Annual Increase	1/1/2024	\$247.25	\$8,488.88	\$101,866.56	3.00%
Annual Increase	1/1/2025	\$254.67	\$8,743.55	\$104,922.60	3.00%
Annual Increase	1/1/2026	\$262.31	\$9,005.86	\$108,070.32	3.00%
Annual Increase	1/1/2027	\$270.18	\$9,276.04	\$111,312.48	3.00%
Annual Increase	1/1/2028	\$278.28	\$9,554.32	\$114,651.84	3.00%
Annual Increase	1/1/2029	\$286.63	\$9,840.95	\$118,091.40	3.00%
Annual Increase	1/1/2030	\$295.23	\$10,136.18	\$121,634.16	3.00%
Annual Increase	1/1/2031	\$304.09	\$10,440.27	\$125,283.24	3.00%

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
30 day of AUGUST, 2018, and
have served in the said department since that date.

Respectfully submitted,


Signature

DANTON T. ALTHISER
Print

AUGUST 30, 2018
Date

TRUSTEE ACCEPTANCE:

The foregoing application having been duly presented and considered, is hereby (circle one)
Approved Rejected this 22 day of October, 2018.

By:


Secretary


President

301 WALNUT STREET
WASHINGTON, IL 61571

INFORMATION BLANK

Each member of the Police Pension Fund is required to file the following statement. This sheet is to be a permanent record, so please complete all of the following information in full.

Name: DANTON T. ALTHISER

Rank: POLICE OFFICER Badge #: 418

Full Address: [REDACTED]

Place of Birth: [REDACTED] Date of Birth: [REDACTED]

Father's Name: [REDACTED]

Mother's Maiden Name: [REDACTED]

Marital Status: ☐ Single ☒ Married ☐ Widow ☐ Widower

If Single:

Beneficiary's Name: [REDACTED]

Beneficiary's Address: [REDACTED]

Relationship: [REDACTED]

If Married:

Date of Marriage: [REDACTED] Place of Marriage: [REDACTED]

Spouse's Maiden Name: [REDACTED]

Place of Birth: [REDACTED] Date of Birth: [REDACTED]

Spouse's Father's Name: [REDACTED]

Spouse's Mother's Maiden Name: [REDACTED]

Attach some record of evidence by which your statement regarding your spouse's date of birth may be verified, or give names, relationship, and addresses of two people who can testify as to their age.

Name: [REDACTED]

Address: [REDACTED] Relationship: [REDACTED]

Name: [REDACTED]

Address: [REDACTED] Relationship: [REDACTED]

How many living children of your own issue under the age of 18 years? 0

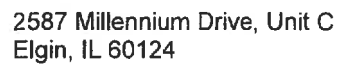
Name:

Date of Birth:

Place of Birth:

Signature: [REDACTED]

Date: [REDACTED]



Date	Invoice #
9/5/2018	2094

Washington Police Pension Fund
301 Walnut St
Washington, IL 61571

Item	Description	Amount
2019	IPPFA Membership Dues - Jan. 1 - Dec. 31.	795.00

Total	\$795.00
Payments/Credits	\$0.00
Balance Due	\$795.00

**ANNUAL STATEMENT
WASHINGTON POLICE PENSION FUND**

Fiscal Year 5/1/2017 Through 4/30/2018

State of Illinois, City of Washington, County of Tazewell

Established 1/1/1963

Pension Fund Number - 3300 Federal Employer Identification Number (FEIN) - 37-1093493

Organized under the Laws of the State of Illinois,
made to the Department of Insurance of the State of Illinois Pursuant to the Laws Thereof.

Fund Subtype: Village or Township

Fund Mailing Address

Street Address 1: 301 Walnut St.
Street Address 2:
City, State, Zip: Washington, IL 61571
Fax Number: (309)444-9779
Email Address:

Location of Member

Name (Last, First MI): Glueck, Jeanette S
Job Title: Clerk
Street Address 1: 301 Walnut St.
Street Address 2:
City, State, Zip: Washington, IL 61571
Phone Number: (309)444-1132

Annual Statement Contact Person

Name (Last, First MI): Baxter, Joan E
Job Title: Controller
Phone Number: (309)444-1124
Fax Number: (309)444-9779
Email Address: jbxter@ci.washington.il.us

Location of Financial Records

Name (Last, First MI): Baxter, Joan E
Job Title: Controller
Street Address 1: 301 Walnut St.
Street Address 2:
City, State, Zip: Washington, IL 61571
Phone Number: (309)444-1124

Fiscal Year End Board Members

Pension Board Role: Assistant Secretary

Name:	Westbrook, Troi	Occupation:	Police Officer
Reason On Board:	Elected Active	Phone Number:	[REDACTED]
Term Expires:	05/14/2019	Email:	[REDACTED]

Pension Board Role: President

Name:	Hillary, Michael T	Occupation:	Accountant
Reason On Board:	Appointed by Officials	Phone Number:	[REDACTED]
Term Expires:	05/14/2019	Email:	[REDACTED]

Pension Board Role: Trustee

Name:	Fussner, James	Occupation:	Retired
Reason On Board:	Elected Retired	Phone Number:	[REDACTED]
Term Expires:	05/14/2019	Email:	[REDACTED]

Pension Board Role: Secretary

Name:	Gordon, Gregory P	Occupation:	Police Officer
Reason On Board:	Elected Active	Phone Number:	[REDACTED]
Term Expires:	05/14/2019	Email:	[REDACTED]

Pension Board Role: Treasurer

Name:	Dingledine, Ellen L	Occupation:	Accountant
Reason On Board:	ExOfficio Treasurer	Phone Number:	[REDACTED]
Term Expires:		Email:	[REDACTED]

Pension Board Role: Vice President

Name:	Wetzel, James	Occupation:	Retired
Reason On Board:	Appointed by Officials	Phone Number:	[REDACTED]
Term Expires:	05/10/2018	Email:	[REDACTED]

From Investments

6.7	Income from Investment Pools (Total Earnings Credited to Account from Schedule G):	\$0.00	
6.8	Gain/Loss from Sales of Securities (Sum of Total Profit or Loss on Sale from Schedule C2, Total Profit or Loss on Sale from Schedule D2, Total Profit or Loss on Sale from Schedule J2, and Total Profit or Loss on Sale From Schedule K2):	\$83,510.46	
6.9	Income from Other Investment Assets (from detail):	\$0.00	
6.10	Unrealized Gains/Losses:	\$161,026.60	
6.11	Income/Dividends from Mutual Funds (Sum of Total Income/Dividends from Schedule K2 and Total Income/Dividends from Schedule K3):	\$110,130.36	
6.12	Income/Dividends from Common and Preferred Stocks (Sum of Total Income/Dividends from Schedule J2 and Total Income/Dividends from Schedule J3):	\$0.00	
7.0	Total Income from Investments (Sum of Lines 6.1 through 6.12):		\$422,917.00

From Other Sources

8.0	Donations:	\$0.00	
9.0	Other Income (from detail):	\$1,931.05	
	<u>Detail Text:</u>	<u>Detail Amount:</u>	
9.0.1	Reversal of PPRT not due back to State	\$1,520.10	
9.0.2	Interest on property taxes	\$407.82	
9.0.3	Miscellaneous	\$3.13	
10.0	Total Income (Sum of Lines 3.0, 5.0, 7.0, 8.0, and 9.0):		\$1,112,348.97
11.0	Amount Carried Forward (Sum of the Beginning of Year Balance and Line 10.0):		\$8,317,617.00

Professional Services

18.1	Actuarial:	\$0.00	
18.2	Auditing:	\$0.00	
18.3	Accounting and Bookkeeping:	\$0.00	
18.4	Medical:	\$0.00	
18.5	Legal Expense:	\$0.00	
18.6	Public Stenographer/Court Reporter:	\$0.00	
19.0	Total Professional Services (Sum of Lines 18.1 through 18.6):		\$0.00

Investment Expense

20.1	Investment Manager/Adviser Fee:	\$21,037.00	
20.2	Custodial:	\$0.00	
20.3	Investment Research:	\$0.00	
20.4	Safe Deposit and Bank Charges:	\$0.00	
20.5	Broker Commissions:	\$0.00	
20.6	Investment Expense (from detail):	\$0.00	
20.7	Indirect Expenses (from detail):	\$0.00	
21.0	Total Investment Expense (Sum of Lines 20.1 through 20.7):		\$21,037.00

Electronic Data Processing (EDP)

22.1	Equipment Purchases:	\$0.00	
22.2	Supplies:	\$0.00	
22.3	Professional Services:	\$0.00	
22.4	Repairs and Maintenance:	\$0.00	
22.5	Depreciation:	\$0.00	
23.0	Total Electronic Data Processing (Sum of Lines 22.1 through 22.5):		\$0.00

Equipment

24.1	Equipment Purchases:	\$0.00	
24.2	Equipment Repairs, Rental and Maintenance:	\$0.00	
24.3	Depreciation:	\$0.00	
25.0	Total Equipment Expense (Sum of Lines 24.1 through 24.3):		\$0.00

Assets Statement

31.1	Cash on Hand:	\$0.00
31.2	Deposits in Money Market, Checking, N.O.W., IL Fund, Repurchase Agreements, etc. (Total Balance End of Year from Schedule A):	\$546,169.35

Investments

		<u>Actuarial Funding Value:</u>	<u>Market Value:</u>
32.1	Certificates of Deposit (Total Balance End of Year from Schedule B):	\$1,874,879.48	\$1,874,879.48
32.2	State, Local and Corporate Obligations (Total Value from Schedule C3):	\$1,279,397.99	\$1,236,287.54
32.3	U.S. Government and Agency Obligations (Total Value from Schedule D3):	\$278,255.44	\$276,402.28
32.4	Insurance Company Contracts – General Accounts (Total Balance End of Year from Schedule E):	\$0.00	\$0.00
32.5	Insurance Company Contracts – Separate Accounts (Total Balance End of Year from Schedule F):	\$0.00	\$0.00
32.6	Pooled Investment Accounts (Total Balance End of Year from Schedule G):	\$0.00	\$0.00
32.7	Common and Preferred Stocks (Total Balance End of Year from Schedule J3):	\$0.00	\$0.00
32.8	Mutual Funds (Total Balance End of Year from Schedule K3):	\$3,205,972.57	\$3,205,972.57
33.0	Total Investments (Sum of Lines 32.1 through 32.8):	\$6,638,505.48	\$6,593,541.87

Receivables

34.1	Taxes Receivable:	\$539,746.96	
34.2	Accrued Past Due Interest:	\$13,121.62	
34.3	Salary Deductions:	\$0.00	
34.4	Taxes Received – Not Distributed:	\$0.00	
34.5	Due from Members for Prior Services:	\$0.00	
34.6	Other Receivables (from detail):	\$3,939.29	
	<u>Detail Text:</u>	<u>Detail Amount:</u>	
34.6.1	Due from General Fund	\$3,939.29	
35.0	Total Receivables (Sum of Lines 34.1 through 34.6):		\$556,807.87
36.0	Equipment:	\$0.00	
37.0	Other Assets (from detail):	\$143.64	
	<u>Detail Text:</u>	<u>Detail Amount:</u>	
37.0.1	Purchased Interest	\$143.64	

Schedule A

Deposits in Checking, Savings, Money Market, N.O.W., IL Fund, etc. Accounts

Name of Institution	Account Number	Date Acquired	Var. Rate	Rate	Beginning Balance	Balance End of Year	Interest Received and Accrued
10103 Savings							
CEFCU		1/12/1996	Y	0.000 %	10,020.29	5,490.51	3,093.42
				Totals:	\$10,020.29	\$5,490.51	\$3,093.42
10104 Bank Money Market Accounts							
Heartland Bank & Trust Company		2/9/1983	Y	0.000 %	358,542.51	420,692.74	485.44
				Totals:	\$358,542.51	\$420,692.74	\$485.44
10105 Money Market Mutual Funds							
Schwab Govt Money Fund - Non-Sweep		11/16/2017	Y	0.000 %	0.00	450.04	84.39
Schwab Govt Money Fund - Non-Sweep		11/16/2017	Y	0.000 %	0.00	112,190.85	190.85
Schwab Govt Money Fund - Sweep		1/27/2016	Y	0.000 %	107,620.44	6,884.83	381.36
Schwab Govt Money Fund - Sweep		1/20/2016	Y	0.000 %	147,266.97	460.38	192.60
				Totals:	\$254,887.41	\$119,986.10	\$849.20
					Beginning Balance	Balance End of Year	Interest Received and Accrued
Totals:					\$623,450.21	\$546,169.35	\$4,428.06

Schedule C - Part 1

Investments in State, Local and Corporate Obligations - Acquired

Security Description	CUSIP Number	Date Acquired	Maturity Date	Var. Rate	Rate	Par Value of Security	Cost Excluding Interest and Charges	Investment Handling Charges	Accrued Interest Purchased
10500 Corporate Bonds									
Altria Group Inc.		7/18/2017	8/9/2022	N	2.850 %	50,000.00	51,234.00	0.00	641.25
Altria Group Inc.		10/6/2017	5/2/2023	N	2.950 %	50,000.00	50,941.75	10.02	651.45
Anheuser-Busch		7/13/2017	1/17/2023	N	2.625 %	50,000.00	50,012.50	0.00	3.65
Anheuser-Busch		5/23/2017	7/15/2022	N	2.500 %	50,000.00	50,078.00	10.00	454.86
Bank of Nova Scotia		5/10/2017	3/7/2022	N	2.700 %	50,000.00	50,427.00	10.00	255.00
Bank of Nova Scotia		8/7/2017	3/7/2022	N	2.700 %	50,000.00	50,660.50	10.00	573.75
Bank of NY Mellon Corp		10/6/2017	8/16/2023	N	2.200 %	50,000.00	49,054.00	10.00	168.06
Bnp Paribas		10/6/2017	3/3/2023	N	3.250 %	50,000.00	51,523.00	10.00	171.53
Brown Forman		10/6/2017	1/15/2023	N	2.250 %	50,000.00	49,328.00	10.00	268.75
IBM Credit		3/9/2018	2/6/2023	N	3.000 %	20,000.00	19,846.50	10.01	61.67
Medtronic		6/16/2017	3/15/2022	N	3.125 %	50,000.00	51,866.50	10.00	416.67
Philip Morris		12/4/2017	3/6/2023	N	2.625 %	45,000.00	44,781.40	0.00	295.31
Sysco Corporation		8/7/2017	6/12/2022	N	2.600 %	45,000.00	45,486.00	10.00	188.50
Toronto Dominion		7/13/2017	7/13/2021	N	1.800 %	50,000.00	49,151.00	0.00	12.50
Toyota Motor Credit		5/23/2017	7/13/2022	N	2.800 %	50,000.00	50,782.00	10.00	517.22
Totals:						\$710,000.00	\$715,172.15	\$110.03	\$4,680.17
						Par Value of Security	Cost Excluding Interest and Charges	Investment Handling Charges	Accrued Interest Purchased
Totals:						\$710,000.00	\$715,172.15	\$110.03	\$4,680.17

Schedule C - Part 3

Investments in State, Local and Corporate Obligations Held at End of Year

Security Description	CUSIP Number	Date Acquired	Maturity Date	Var. Rate	Rate	Par Value of Security	Cost Excluding Interest and Charges	Rating Agency	Rating	Market Value End of Year	Interest Received and Accrued	Accrual of Discount	Amortizati of Premium	Book Value
10500 Corporate Bonds														
Abbvie, Inc.		10/12/2016	5/14/2021	N	2.300 %	50,000.00	50,320.50	Moody's	Baa2	48,562.70	1,150.00	0.00	67.60	50,248.29
Altria Group Inc.		10/6/2017	5/2/2023	N	2.950 %	50,000.00	50,951.77	Moody's	A3	48,382.80	819.45	0.00	8.82	50,942.95
Altria Group Inc.		7/18/2017	8/9/2022	N	2.850 %	50,000.00	51,234.00	Moody's	A3	48,712.55	1,108.33	0.00	127.17	51,106.83
American Express		2/4/2016	9/14/2020	N	2.600 %	20,000.00	20,160.20	Moody's	A2	19,776.02	520.00	0.00	34.21	20,089.20
Anheuser-Busch		5/23/2017	7/15/2022	N	2.500 %	50,000.00	50,088.00	Moody's	A3	48,281.00	1,163.20	0.00	9.64	50,078.36
Anheuser-Busch		7/13/2017	1/17/2023	N	2.625 %	50,000.00	50,012.50	Moody's	A3	48,127.65	1,031.77	0.00	1.03	50,011.47
Bank of Nova Scotia		5/10/2017	3/7/2022	N	2.700 %	100,000.00	101,107.50	Moody's	A1	97,409.10	2,276.25	0.00	149.10	100,958.40
Bank of NY Mellon Corp		10/6/2017	8/16/2023	N	2.200 %	50,000.00	49,064.00	Moody's	A1	46,852.40	611.11	0.00	0.00	49,064.00
Bnp Paribas		10/6/2017	3/3/2023	N	3.250 %	50,000.00	51,533.00	Moody's	Aa3	49,570.15	902.78	0.00	104.08	51,428.92
Brown Forman		10/6/2017	1/15/2023	N	2.250 %	50,000.00	49,338.00	Moody's	A1	47,385.80	625.00	0.00	0.00	49,338.00
Cisco Systems		1/13/2017	2/28/2021	N	2.200 %	50,000.00	50,027.00	Moody's	A1	49,098.55	1,100.00	0.00	6.49	50,020.32
General Electric		2/4/2016	2/15/2019	N	5.100 %	28,000.00	30,513.84	Moody's	A2	28,393.96	1,428.00	0.00	829.71	28,846.64
IBM Credit		3/9/2018	2/6/2023	N	3.000 %	20,000.00	19,586.51	Moody's	A1	19,655.78	141.67	0.00	0.00	19,856.51
John Deere Capital		2/4/2016	1/15/2020	N	2.500 %	11,000.00	11,114.40	Moody's	A2	10,792.06	275.00	0.00	28.66	11,059.24
JP Morgan Chase		2/4/2016	3/25/2020	N	4.950 %	50,000.00	54,614.00	Moody's	A3	51,760.45	2,475.00	0.00	1,101.73	52,290.20
Medtronic		6/16/2017	3/15/2022	N	3.125 %	50,000.00	51,876.50	Moody's	A3	49,766.35	1,345.48	0.00	276.75	51,599.75
Morgan Stanley		9/8/2016	4/21/2021	N	2.500 %	75,000.00	75,995.50	Moody's	A3	73,204.58	1,875.00	0.00	210.67	75,660.33
National Rural		2/8/2016	11/1/2018	N	10.375 %	10,000.00	12,248.60	Moody's	A1	10,370.98	1,037.50	0.00	821.56	10,837.13
Philip Morris		12/4/2017	3/6/2023	N	2.625 %	45,000.00	44,781.40	Moody's	A2	43,115.00	475.79	0.00	0.00	44,781.40
Potash Corp. Sask		2/4/2016	5/15/2019	N	6.500 %	30,000.00	34,215.00	Moody's	Baa2	30,970.71	1,950.00	0.00	1,275.62	31,962.83
Procter & Gamble		1/13/2017	2/6/2022	N	2.300 %	50,000.00	50,366.90	Moody's	Aa3	48,704.00	1,150.00	0.00	69.75	50,294.27
Qualcomm, Inc.		3/29/2017	5/20/2022	N	3.000 %	100,000.00	101,441.00	Moody's	A1	97,521.20	1,891.67	0.00	164.90	101,276.10

Schedule D - Part 1

Investments in US Government & Agency Obligations - Acquired

Security Description	CUSIP Number	Date Acquired	Maturity Date	Var. Rate	Rate	Par Value of Security	Cost Excluding Interest and Charges	Investment Handling Charges	Accrued Interest Purchased
10252 Treasury Notes									
US Treasury Note		6/15/2017	5/31/2022	N	1.750 %	50,000.00	49,998.20	10.01	38.25
US Treasury Note		4/19/2018	3/31/2023	N	2.500 %	60,000.00	59,292.36	10.03	81.97
Totals:						\$110,000.00	\$109,290.56	\$20.04	\$120.22
						Par Value of Security	Cost Excluding Interest and Charges	Investment Handling Charges	Accrued Interest Purchased
Totals:						\$110,000.00	\$109,290.56	\$20.04	\$120.22

Schedule D - Part 3

Investments in US Government & Agency Obligations Held at End of Year

Security Description	CUSIP Number	Date Acquired	Maturity Date	Var. Rate	Rate	Par Value of Security	Cost Excluding Interest and Charges	Market Value End of Year	Interest Received and Accrued	Accrual of Discount	Amortization of Premium	Book Value (Amortized Cost)
10252 Treasury Notes												
US Treasury Note		4/19/2018	3/31/2023	N	2.500 %	60,000.00	59,302.39	59,193.75	127.05	\$0.00	0.00	59,302.39
Totals:						\$60,000.00	\$59,302.39	\$59,193.75	\$127.05	\$0.00	\$0.00	\$59,302.39
10259 Other U.S. Government Securities												
UST INFL IDX .125% 7/24		11/8/2016	7/15/2024	N	0.125 %	100,000.00	102,553.19	101,553.18	130.29	\$0.00	0.00	102,512.85
UST INFL IDX 1.125% 01/21		8/3/2016	1/15/2021	N	1.125 %	100,000.00	116,497.37	115,655.35	1,273.90	\$0.00	0.00	116,440.20
Totals:						\$200,000.00	\$219,050.56	\$217,208.53	\$1,404.19	\$0.00	\$0.00	\$218,953.05
						Par Value of Security	Cost Excluding Interest and Charges	Market Value End of Year	Interest Received and Accrued	Accrual of Discount	Amortization of Premium	Book Value (Amortized Cost)
Totals:						\$260,000.00	\$278,352.95	\$276,402.28	\$1,531.24	\$0.00	\$0.00	\$278,255.44

Schedule F

Investments in Insurance Company Contracts - Separate Accounts

Insurance Company	Title of Annuity	Name of Sep Acct	Contract Number	Date Acquired	Maturity Date	Cost of Separate Account	Market Value Beginning of Year	Earnings Credited to Account	Additions or Withdrawls	Surrender Charges Paid	Market Value End of Year
						Cost of Separate Account	Market Value Beginning of Year	Earnings Credited to Account	Additions or Withdrawls	Surrender Charges Paid	Market Value End of Year
Totals:						\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Schedule J - Part 1

Investments in Common and Preferred Stock - Acquired

Security Description	CUSIP Number	Shares	Trade Date	Unit Cost at Time of Purchase	Cost	Settle Date	Commissions / Fees
					<hr/>		
					<hr/>		
					Cost	Commissions / Fees	
Totals:					\$0.00	\$0.00	

Schedule J - Part 3

Investments in Common and Preferred Stock Held at End of Year

Security Description	CUSIP Number	Shares	Trade Date	Market Price End of Year	Cost	Unit Cost at Time of Purchase	Market Value End of Year	Dividends / Income	Unrealized Gains / Losses
					Cost		Market Value End of Year	Dividends / Income	Unrealized Gains / Losses
Totals:					\$0.00		\$0.00	\$0.00	\$0.00

Schedule K - Part 2

Investments in Mutual Funds - Sold

Security Description	CUSIP Number	Shares	Trade Date	Unit Cost at Time of Sale	Commissions / Fees	Date Sold	Profit or Loss on Sale	Total Proceeds	Market Value Beginning of Year	Dividends / Income
10550 Mutual Funds										
Oakmark Intl Fund		17473.249	1/20/2016	28.46	0.00	11/17/2017	6.66	497,288.67	453,081.35	0.00
T Rowe Price QM		786.906	3/14/2016	31.77	0.00	8/4/2017	4,621.91	25,000.00	24,401.96	0.00
Vanguard Growth & Income		1014.336	1/20/2016	58.80	0.00	8/3/2017	15,332.04	74,975.00	72,687.32	0.00
Vanguard Total Stock		1946.156	1/19/2016	46.43	0.00	8/3/2017	29,612.54	119,975.00	116,146.59	0.00
Vanguard Total Stock		1423.082	1/19/2016	46.05	0.00	2/1/2018	34,441.09	99,975.00	84,929.53	0.00
Totals:					\$0.00		\$84,014.24	\$817,213.67	\$751,246.75	\$0.00
					Commissions / Fees	Profit or Loss on Sale	Total Proceeds	Market Value Beginning of Year	Dividends / Income	
Totals:					\$0.00	\$84,014.24	\$817,213.67	\$751,246.75	\$0.00	

Schedule P

Active - Member currently receiving a salary

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Bean, Zachary R		Active	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
9/13/2010	7 Yrs	\$41,482.49	\$75,020.63

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Brown, Michael A		Active	2			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
2/17/2015	3 Yrs	\$20,628.92	\$67,977.54

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Cernek, Jacob G		Active	2			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
6/29/2011	6 Yrs	\$35,670.83	\$66,148.97

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Clare, Ashley N		Active	2			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
3/21/2016	2 Yrs	\$10,271.92	\$52,364.69

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Foster, Daniel C		Active	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
10/11/2010	7 Yrs	\$40,804.81	\$68,308.97

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Moore, Ramadan J		Active	2			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
4/19/2018	0 Yrs	\$0.00	\$49,713.32

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Simpson, Brian J		Active	2			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
3/18/2013	5 Yrs	\$26,222.97	\$65,373.75

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Smith, Keegan P		Active	2			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
2/20/2012	6 Yrs	\$35,427.33	\$75,020.63

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Smith, Steven C		Active	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
7/25/2008	9 Yrs	\$58,632.36	\$75,020.63

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Stevens, Stuart J		Active	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
12/9/1999	18 Yrs	\$106,752.36	\$92,695.00

Active - Police only - member currently receiving a salary (has transferred creditable service into the fund)

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Baele, Lyle E		Active	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
1/28/1999	19 Yrs	\$119,675.65	\$69,804.70

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Thomas, Derek A		Active	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary
1/2/2003	15 Yrs	\$81,727.66	\$67,977.54

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Stark, David W		Retirement	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary	Retirement Date	Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
6/9/1988	22 Yrs	\$79,681.30	\$63,904.73	10/13/2010	10/14/2010	\$63,904.73	\$35,147.60	\$44,524.08

Initial Increase Date	Amount	%
11/1/2011	\$87.87	3.000

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Volk, Donald J		Retirement	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary	Retirement Date	Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
4/26/1985	31 Yrs	\$143,648.91	\$97,850.00	4/30/2016	5/1/2016	\$97,850.00	\$73,387.50	\$77,856.84

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Williams, Michael D		Retirement	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary	Retirement Date	Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
5/5/1990	20 Yrs	\$70,759.85	\$56,537.63	6/2/2010	6/3/2010	\$56,537.63	\$28,268.62	\$35,810.28

Initial Increase Date	Amount	%
7/1/2011	\$70.67	3.000

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Witmer, William R		Retirement	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary	Retirement Date	Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
3/7/1991	13 Yrs	\$65,133.36	\$72,429.00	5/20/2004	5/21/2004	\$72,429.00	\$23,539.43	\$35,605.44

Initial Increase Date	Amount	%
6/1/2005	\$58.85	3.000

Retirement - Alternate payee under QILDRO (from active service)

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Densberger, David L	[REDACTED]	Retirement	1	[REDACTED]	[REDACTED]	[REDACTED]

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary	Retirement Date	Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
3/3/1982	30 Yrs	\$103,944.05	\$59,263.32	3/4/2012	3/5/2012	\$59,263.32	\$44,447.49	\$53,072.76

Initial Increase Date	Amount	%
4/1/2013	\$111.12	3.000

Participant QILDRO

Payee SSN	Payee Name (Last, First, MI)	Annual Benefit	Benefit Date	Relationship
	Densberger, Mary B	\$14,599.32	4/1/2013	ex-wife

Surviving Spouse - Member died in retirement

Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Marshall, Gwendolyn J		Surviving Spouse	1			

Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
6/22/2002		\$35,587.44	\$35,587.44

Terminated - Terminated active service, withdrew accumulated contributions


Name (Last, First, MI)	SSN	Status	Plan Tier	Birth Date	Age	Gender
Patterson, Gregory S		Terminated	1			

Service Entry Date	Creditable Service	Accumulated Contributions	FYE Annual Salary	Unpaid Disability Days	Benefit Date	Salary Used	Original Benefit	FYE Annual Benefit
3/30/2007	10 Yrs	\$56,962.21	\$68,028.02	95	4/4/2009	\$40,328.94	\$20,164.47	\$20,164.47

Unpaid Breaks		
Beginning Date	Return Date	Break Type
4/3/2009	6/9/2009	Disability
8/24/2015	9/21/2015	Disability

Termination Date	Refund Date	Refund Amount	Return Date	Repaid Amount	Repaid Date
3/15/2018	3/23/2018	\$56,962.21			

**CITY OF WASHINGTON
POLICE PENSION FUND**

TO: Police Pension Board
FROM: Joanie Baxter, Controller 
DATE: October 19, 2018
SUBJECT: Fiduciary Liability Insurance Renewal

Staff was given direction at the last meeting to proceed with the fiduciary liability insurance renewal if the quote was reasonable and to ratify at the next Board meeting. The renewal from Ullico was quoted at \$3,122 compared to \$3,058 in the prior year which represents a modest 2.1% increase. As such, the invoice was paid and coverage secured as of September 1, 2018.

Ratification is requested for the renewal of the fiduciary liability insurance policy with Ullico at a total of \$3,122.

Joanie Baxter

Subject: FW: Review of Investment Policy

From: Charles Atwell <Charles@atwellandatwelllaw.com>

Sent: Thursday, August 16, 2018 5:35 PM

To: Joanie Baxter <jbaxter@ci.washington.il.us>

Subject: RE: Review of Investment Policy

Joanie,

This shall provide you with my comments, after review of the "Investment Policy" draft, which I assume was assisted by the Board's investment management firm of Mitchell, Vaught & Taylor.

It would appear that the draft submitted basically "parrots" the Illinois Pension Statute, including Article 1. While I am not aware of the size of portfolio, I assume that the same shall comply with the limitations imposed under the Article 1 statutory guidelines for those funds identified in the respective breaks (i.e. 2.5 million to 5 million; 5 million to 10 million and over 10 million).

I have a few minor comments, as follows:

- Page 9 – Paragraph P (Frequency of Reporting). I note that it refers to Section 4-134. Article 4, of course, is the Firefighters' Pension Code. I believe that this should reference the respective provision of Article 3.
- Page 9 – Paragraph P (Frequency of Reporting). I note in the 3rd line that the word "yearend" is probably two words, as opposed to one word (a non-issue).

Changed to 3-141

changed to year-end

Finally, as long as the Board and investment manager/advisor are comfortable with the minimum/ maximum targets, then I have no issue with respect to the same.

Thus, since the Policy would appear to conform with the Statute, once the same is entered, a copy should be provided to the Illinois Department of Insurance and I recommend that the same be mailed, certified return receipt, or e-mailed.

If I may be of any further assistance, please do not hesitate to contact me. Thank you for your patience in this matter.

Charles H. Atwell
Atwell & Atwell Law Offices
70 S. Constitution Drive, Suite 100
Aurora, IL 60506
(630) 892-4341
(630) 892-4399 (Fax)

Please note my e-mail address has been changed to: charles@atwellandatwelllaw.com

This electronic mail transmission may contain confidential or privileged information. If you believe that you have received this message in error, please notify the sender by reply transmission and delete the message without copying or disclosing it. Thank you.

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:

*Contributions
began 9/21/18*

- 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: 9/24/1967
 Date of Membership: 3/21/2016
 Benefit Tier: Tier 2
 Salary as of Date of Membership: \$47,088.15
 Payment Date: 9/21/2018
 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 - 4/30/2017	6.50%	1.072267
5/1/2017 - 9/21/2018	6.25%	1.087797

Total Normal Cost Plus Interest = \$19,350.40 X 1.072267 X 1.087797 = \$22,570.48

8

C) Alternative Payment Schedules

Interest: 6.00%
26 payments per year

<u>Years</u>	<u>Payments</u>	<u>Payment Amount</u>
1	26	\$893.34
2	52	\$460.05
3	78	<u>\$315.79</u> <i>beg. 9/21/18 thru Sept. 2021</i>
4	104	\$243.79
5	130	\$200.70 <i>*24,631.62 max</i>

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.

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

**MEETING SCHEDULE
2019**

The Washington Police Pension Board meets on a quarterly basis on the fourth (4th) Monday of that month, unless that day is a legal holiday. The meetings are held in the City of Washington Conference Room, 301 Walnut Street, Washington, Illinois at 8:30 a.m. Following is the meeting schedule for the Washington Police Pension Board for 2018.

January 28, 2019

April 22, 2019

July 22, 2019

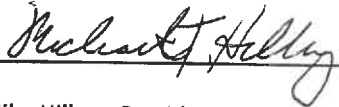
October 28, 2019

**WASHINGTON POLICE PENSION FUND
ANNUAL TRAINING RECORDS**

August 14, 2017 - August 13, 2018

Date	(Originally elected/appointed to the Board)	Mike Hillary	James Wetzel	James Fussner	Greg Gordon	Troi Westbrook	CERTIFICATE
		May-09	Jul-12	Nov-14	May-13	Oct-14	
May 1 - 4, 2018	IPPFA Illinois Pension Conference	16					Received
May 1 - 4, 2018	IPPFA Illinois Pension Conference		16				Received
May 1 - 4, 2018	IPPFA Illinois Pension Conference			16			Received
May 1 - 4, 2018	IPPFA Illinois Pension Conference				16		Received
May 1 - 4, 2018	IPPFA Illinois Pension Conference					16	Received
Hours		16	16	16	16	16	
Hours Required:		16	16	16	16	16	
Hours Remaining		0	0	0	0	0	

This is to certify that all trustees of the Washington Police Pension Board have met the annual training requirements for the period ended August 13, 2018.


Mike Hillary, President


Date

WASHINGTON POLICE PENSION FUND

BOARD MEETING

July 23, 2018

The meeting was called to order by President Michael Hillary at 8:30 a.m. on Monday, July 23, 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, Treasurer Ellen Dingleline, Accountant Jeanette Glueck and Dwight Ower from Mitchell Vaught & Taylor.

The agenda was reviewed and accepted as presented.

Dwight Ower from Mitchell, Vaught and Taylor (MVT) provided an overview of the last two fiscal years since MVT starting managing the funds. For FY 16-17, 30% of funds were outside of MVT but the funds managed by MVT realized a 10.77% yield. For FY 17-18, 28% of funds were outside of MVT and the funds managed by MVT realized a 7.67% yield. Despite decreased yields, the economy is still strong. The Fed raised rates in June and another increase is expected. Inflation is close to 3% but TIPS are performing well – better than the overall bond market. Real estate had a good 2nd quarter along with health care and technology. Longer maturity bonds didn't perform as well but still positive. U.S. Treasury Notes are averaging 2.7% for 5-7 years and 2.9% for 10 years. Corporate bonds are averaging 3.25 to 3.3%. A fund the Board may want to consider during a volatile equity market is Goldman Sachs – International Insights which uses a unique investment strategy.

Wetzel made a motion, seconded by Hillary to approve the April 23, 2018 regular meeting minutes. Motion carried and minutes approved.

There were no public comments.

Financial reports as of June 30, 2018 were reviewed by Controller Baxter. Inactive contributions were discussed and the Board directed Staff to send letters to the last known address return receipt requested. It was noted these contributions remain in the fund until claimed and are not subject to abandoned property rules. Wetzel made a motion to approve the reports, seconded by Hillary. Motion carried.

A CD with Morton Community Bank in the amount of \$105,199.03 matured on 6/5/18. It was redeemed and a \$100,000 corporate bond was purchased from MVT at their discretion in the 3-5 year range with a yield no less than 3.24%. Wetzel made a motion, seconded by Hillary to ratify the investment. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

A CD with CEFCU in the amount of \$140,000 matured on 6/19/18. It was redeemed and a \$140,000 corporate bond was purchased from MVT at their discretion in the 3-5 year range with a yield no less than 3.2%. Gordon made a motion, seconded by Wetzel to ratify the investment. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

There are two CDs maturing before the next meeting of which trustees will be contacted with alternative investment options. Funds in the Schwab account the Board would like MVT to send quotes and not just automatically reinvest.

Police pension expenses since the last meeting were as follows:

- Illinois State Treasurer paid 5/21/18 in the amount of \$1,441.43 for the Compliance Fee.

Gordon 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 2nd quarter 2018 were reviewed. Gordon made a motion, seconded by Hillary to approve these transactions. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

The Investment Policy was discussed. The Board will review the allocations each meeting and determine comfort level. The Acknowledgement of Fiduciary name was changed from Bill Yocious to John Mitchell as Bill is no longer with the firm. A motion was made by Hillary, seconded by Gordon to approve the Investment Policy, subject to review by Board Attorney Charlie Atwell for any required changes from a legal standpoint. Motion carried.

The potential military buy-back for Joshua Sutter was discussed. Gordon made a motion, seconded by Wetzel that the buy-back be approved with a September 1 deadline for payments to begin and any cost incurred for an updated calculation past that point would be borne by Sutter. On roll call the vote was, Hillary – yes; Wetzel – yes; Gordon – yes. Motion carried.

The Annual Report per 40 ILCS 5/3-141 was submitted and approved by the City Council on May 16, 2018. Wetzel made a motion, seconded by Hillary to accept the Annual Report. Motion carried.

All trustees attended the IPPFA Pension Conference in May and thus all have satisfied the training requirements for the period ended August 13, 2018.

The City Council reappointed James Wetzel to another 2-year term with the Police Pension Board during its meeting of May 7, 2018.

The Ullico quote for renewal of the Errors and Omissions Insurance Policy was not received in time for the meeting. The renewal will be ratified at the October meeting.

There being no further business to come before the Board, Wetzel made a motion to adjourn the meeting, seconded by Gordon. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes. The meeting was adjourned at 9:45 a.m.

Respectfully Submitted,

Greg Gordon, Secretary