

**WASHINGTON POLICE PENSION FUND
QUARTERLY BOARD MEETING
Monday, August 7, 2017 - 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 April 24, 2017 Quarterly Meeting Minutes
6. Public comment
7. Financial Reports
8. 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> |
|--|----------------------|----------------------|----------------------|--|
| Mitchell, Vaught, & Taylor Discover Bank | 1.85% | 4/18/17 | \$ 97,000.00 | Combined with MCB Maturing CD to purchase a Corporate bond with MVT totaling \$225K at a rate of 2.25% or higher with a 5 year term. |
| Morton Community Bank | 1.07% | 4/30/17 | \$ 118,756.64 | See above |
| | | | | |
| | | | | |
| | | | <u>\$ 215,756.64</u> | |

B. Investments Maturing before next quarterly meeting:

| <u>Bank Name</u> | <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Amount</u> |
|--|----------------------|----------------------|---------------------|
| Mitchell, Vaught, & Taylor GE Capital Bank | 1.35% | 8/29/17 | \$ 97,000.00 |
| Mitchell, Vaught, & Taylor Sallie Mae Bank | 1.45% | 10/02/17 | \$ 225,000.00 |
| | | | |
| | | | |
| | | TOTAL | <u>\$322,000.00</u> |

- C. Ratification of Police Pension Fund Expenses (roll call vote)
- D. Ratification of Quarterly Investment Transactions – MVT (roll call vote)
- E. Election of Police Pension Board Officers
- F. Acceptance of Annual Report per 40 ILCS 5/3-141 (Unaudited) 4/30/16

9. Discussion Items:
 - A. Hillary reappointment to the Police Pension Board
 - B. Training requirements and opportunities

10. Adjournment (roll call vote)

Next meeting Monday, October 23, 2017 @ 8:30 a.m.

**WASHINGTON POLICE PENSION FUND
CASH AND INVESTMENTS
06/30/17**

| | | |
|-----------------------------|----|------------|
| Heartland Bank Money Market | \$ | 278,887.85 |
|-----------------------------|----|------------|

| | | |
|---------------|----|-----------|
| Cefcu Savings | \$ | 10,024.05 |
|---------------|----|-----------|

| | | |
|--|----|-----------|
| Charles Schwab Money Market - Fixed Income | \$ | 90,310.12 |
|--|----|-----------|

| | | |
|--------------------------------------|----|-----------|
| Charles Schwab Money Market - Equity | \$ | 92,287.98 |
|--------------------------------------|----|-----------|

Certificates of Deposit:

CEFCU

| | | | | |
|--|-------------------|----|------------|---------------|
| | 1.79% due 1/10/22 | \$ | 100,742.69 | |
| | 1.98% due 6/19/18 | \$ | 150,034.00 | \$ 250,776.69 |

Heartland Bank
No CD's at this time.

IPAVA State Bank

| | | | | |
|--|--------------------|----|------------|---------------|
| | 1.50% due 08/23/20 | \$ | 130,983.01 | \$ 130,983.01 |
|--|--------------------|----|------------|---------------|

Washington State Bank

| | | | | |
|--|-------------------|----|------------|---------------|
| | 1.50% due 7/25/19 | \$ | 204,292.05 | |
| | 1.50% due 2/22/20 | \$ | 131,633.26 | \$ 335,925.31 |

Morton Community Bank

| | | | | |
|--|--------------------|----|------------|---------------|
| | 1.60% due 9/27/19 | \$ | 106,692.37 | |
| | 1.60% due 3/5/18 | \$ | 103,671.04 | |
| | 2.11% due 12/23/18 | \$ | 105,362.10 | |
| | 1.60% due 8/21/18 | \$ | 103,394.39 | |
| | 2.09% due 11/20/18 | \$ | 105,543.11 | \$ 524,663.01 |

South Side Bank and Trust

| | | | | |
|--|--------------------------------|----|------------|---------------|
| | 2.00% due 4/9/19 (Soaring CD) | \$ | 134,726.85 | |
| | 2.00% due 4/24/19 (Soaring CD) | \$ | 103,636.11 | \$ 238,362.96 |

Mitchell, Vaught, & Taylor

| | | | | |
|--|---|----|------------|---------------|
| | CD 1.45% due 10/02/17 - Sallie Mae Bank | \$ | 225,000.00 | |
| | CD 1.85% due 6/17/19 - Goldman Sachs | \$ | 100,000.00 | |
| | CD 1.35% due 08/29/17 - GE Capital Bank | \$ | 97,000.00 | |
| | CD 1.75% due 8/27/18 - Capital One Bank | \$ | 184,000.00 | \$ 606,000.00 |

| | | |
|--------------------------------|----|--------------|
| Total Certificates of Deposits | \$ | 2,086,710.98 |
|--------------------------------|----|--------------|

WASHINGTON POLICE PENSION FUND
REVENUE AND EXPENSE REPORT
MAY 1, 2016 TO APRIL 30, 2017
(unaudited)

REVENUES:

| | |
|----------------------------|------------------|
| Property Taxes | 360,251.02 |
| Property Replacement Taxes | 18,832.47 |
| Interest | 58,434.78 |
| Dividend Income | 75,744.30 |
| Employee Contributions | 130,676.49 |
| Miscellaneous Income | <u>27,335.52</u> |

TOTAL 671,274.58

EXPENSES:

| | |
|----------------------|---------------|
| Pensions | 569,928.92 |
| Insurance | 3,058.00 |
| Legal | 0.00 |
| Compliance Fee | 1,335.47 |
| Training | 425.00 |
| Membership Dues | 795.00 |
| Subscriptions | 0.00 |
| Postage | 0.00 |
| Contributions Refund | 0.00 |
| Investment Expense | 18,518.00 |
| Miscellaneous | <u>213.45</u> |

TOTAL 594,273.84

REVENUES LESS EXPENSES

77,000.74

* Note - Dividend income or unrealized gain/loss are not recorded here.

**WASHINGTON POLICE PENSION FUND
REVENUE AND EXPENSE REPORT
MAY 1, 2017 THROUGH June 30, 2017**

REVENUES:

| | | |
|-----------------------------|-----------|------------------|
| Property Taxes | 0.00 | |
| Property Replacement Taxes | 3,433.69 | |
| Interest | 8,151.47 | |
| Dividends (Cash/Reinvested) | 10,075.60 | |
| Employee Contributions | 25,690.09 | |
| Miscellaneous Income | 0.00 | |
| TOTAL | | 47,350.85 |

EXPENSES:

| | | |
|----------------------|-----------|------------------|
| Pensions | 96,439.92 | |
| Insurance | 0.00 | |
| Legal | 0.00 | |
| Compliance Fee | 1,334.85 | |
| Training | 1,804.26 | |
| Membership Dues | 0.00 | |
| Subscriptions | 0.00 | |
| Postage | 0.00 | |
| Contributions Refund | 0.00 | |
| Investment Expense | 0.00 | |
| Miscellaneous | 0.00 | |
| TOTAL | | 99,579.03 |

REVENUES LESS EXPENSES (52,228.18)

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

MONTHLY PENSIONS PAID (GROSS): RETIREMENT

| | | |
|--------------------|----------|--------------------------------|
| Britt Beard | 2,777.50 | |
| David Densberger | 3,077.30 | |
| Mary Densberger | 1,216.61 | |
| James Fussner | 3,642.67 | |
| Rosalie Gerkin | 4,377.60 | |
| James Kuchenbecker | 6,181.99 | |
| Thomas Libotte | 4,359.88 | |
| Gwendolyn Marshall | 2,965.62 | |
| David Stark | 3,602.27 | |
| Donald Volk | 6,299.10 | |
| Michael Williams | 2,897.27 | |
| William Witmer | 2,880.70 | |
| Charles Woolley | 3,941.45 | |
| TOTAL | | <u><u>48,219.96</u></u> |

MONTHLY PENSIONS PAID (GROSS): DISABILITY

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

POLICE PENSION - ACTIVE OFFICERS' CONTRIBUTIONS AS OF 06/30/17

| | Contributions | Years |
|-----------------------------------|------------------------------------|--------------|
| Lyle Baele | \$ 114,095.47 | 18 |
| Zachary Bean | \$ 35,477.75 | 6 |
| Michael Brown | \$ 15,199.34 | 2 |
| Jacob Cernek | \$ 30,350.83 | 6 |
| Ashley Clare | \$ 6,153.95 | 1 |
| Daniel Foster | \$ 35,319.65 | 7 |
| Greg Gordon | \$ 99,233.06 | 19 |
| Frank Grossman | \$ 27,326.00 | 5 |
| Steve Hinken | \$ 39,363.44 | 7 |
| Ryan Hunsunger | \$ 61,294.54 | 11 |
| Gregory Patterson | \$ 52,424.25 | 10 |
| Brian Simpson | \$ 21,268.10 | 4 |
| Keegan Smith | \$ 29,506.75 | 5 |
| Steven Smith | \$ 52,627.62 | 7 |
| Stuart Stevens | \$ 99,332.85 | 17 |
| Joshua Sutter | \$ 6,153.95 | 1 |
| Dramane Taylor | \$ 14,251.06 | 2 |
| Derek Thomas | \$ 76,260.03 | 14 |
| Troi Westbrook | \$ 21,425.66 | 3 |
| Tyler Willi | \$ 48,463.52 | 8 |
| TOTAL ACTIVE CONTRIBUTIONS | <u><u>\$ 885,527.82</u></u> | |

POLICE PENSION -INACTIVE OFFICERS' CONTRIBUTIONS AS OF 06/30/17

| | 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><u>11,539.41</u></u> | |

TOTAL CONTRIBUTIONS 897,067.23

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

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

July 7, 2017
Statement for Third Quarter 2017
For Services Rendered

To: Washington Police Pension Fund

Investment Management Fee
Third Quarter 2017
July 1 through September 30, 2017

June 30, 2017 Portfolio Value: \$4,332,104.07*

Quarterly Fee

| | | |
|----------------------------|---|------------|
| First \$2 Million at 0.50% | = | \$2,500.00 |
| Next \$3 Million at 0.40% | = | \$2,332.10 |
| | | ----- |
| Total Fee: | | \$4,832 |

Allocate bill to individuals within group:

| Name | Acct. Number | Portfolio Value | Bill Amount |
|--------------------------|--------------|-----------------|-------------|
| Washington Police Bonds | 5994-4800 | \$1,841,021.56 | \$1,416 |
| Washington Police Equity | 2084-2258 | \$3,102,284.01 | \$3,416 |

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 06/30/2017 (\$611,201.50).

July 6, 2017



Portfolio Statement
As of 06/30/2017

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 | | | | | | | |
| 3.7% | SWGXX | | Schwab U. S. Treasury | | 182,310.12 | | 182,310.12 |
| TIPS | | | | | | | |
| 2.0% | | 1/08/2016 | Treasury Inflation-Indexed 07/15/2024 0.125% Par 102,971.00 (1.02971) Accrued Income | 100,000 | 102,512.85 | 98.203 | 101,120.71 5.72 |
| Treasury Inflation-Indexed | | | | | | | |
| 2.3% | | 08/03/2016 | Treasury Inflation-Indexed 01/15/2021 1.125% Par 111,770.00 (1.1177) Accrued Income | 100,000 | 116,430.20 | 103.781 | 115,996.25 55.89 |
| 4.4% | | | | | 218,943.05 | | 217,178.57 |
| Corporate Bonds | | | | | | | |
| Corporate Bond | | | | | | | |
| 0.2% | | 02/03/2016 | National Rural Electric 11/01/2018 10.375% Accrued Income | 10,000 | 12,248.60 | 111.118 | 11,111.82 172.92 |
| 0.6% | | 02/01/2016 | General Electric 02/15/2019 5.10% Accrued Income | 28,000 | 30,513.84 | 104.741 | 29,327.51 539.47 |
| 0.6% | | 02/01/2016 | Potash Saskatchewan 05/15/2019 6.50% Accrued Income | 30,000 | 34,215.00 | 106.203 | 31,860.90 249.17 |
| 0.2% | | 02/01/2016 | John Deere Capital 01/15/2020 2.50% Accrued Income | 11,000 | 11,114.40 | 100.075 | 11,008.29 126.81 |
| 0.7% | | 02/01/2016 | Union Pacific 02/15/2020 6.125% Accrued Income | 30,000 | 34,443.00 | 110.031 | 33,009.21 694.17 |
| 1.1% | | 02/01/2016 | JP Morgan Chase & Co 03/25/2020 4.95% Accrued Income | 50,000 | 54,614.00 | 107.221 | 53,610.25 660.00 |
| 0.4% | | 02/01/2016 | American Express 09/14/2020 2.60% Accrued Income | 20,000 | 20,160.20 | 101.444 | 20,288.70 154.56 |
| 1.0% | | 01/13/2017 | Cisco Systems Inc 02/28/2021 2.20% Accrued Income | 50,000 | 50,027.00 | 100.506 | 50,252.95 369.72 |

Portfolio Statement

As of 06/30/2017

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 | | | | | | | |
| 1.1% | | 09/22/2016 | Conocophillips Co 03/15/2021 4.20% | 50,000 | 54,239.00 | 106.290 | 53,144.75 |
| | | | Accrued Income | | | | 618.33 |
| 1.5% | | 09/08/2016 | Morgan Stanley 04/21/2021 2.50% | 75,000 | 75,995.50 | 99.507 | 74,630.03 |
| | | | Accrued Income | | | | 363.73 |
| 1.0% | | 10/12/2016 | Abbvie Inc 05/14/2021 2.30% | 50,000 | 50,320.50 | 99.638 | 49,819.20 |
| | | | Accrued Income | | | | 150.14 |
| 1.0% | | 07/22/2016 | Wells Fargo 07/26/2021 2.10% | 50,000 | 50,107.14 | 98.515 | 49,257.55 |
| | | | Accrued Income | | | | 452.49 |
| 1.0% | | 01/13/2017 | Procter & Gamble 02/06/2022 2.30% | 50,000 | 50,366.90 | 101.007 | 50,503.55 |
| | | | Accrued Income | | | | 463.19 |
| 1.0% | | 05/10/2017 | Bank Of Nova Scotia 03/07/2022 2.70% | 50,000 | 50,437.00 | 100.713 | 50,356.50 |
| | | | Accrued Income | | | | 427.50 |
| 1.1% | | 06/16/2017 | Medtronic Inc 03/15/2022 3.125% | 50,000 | 51,876.50 | 102.980 | 51,489.80 |
| | | | Accrued Income | | | | 460.07 |
| 2.1% | | 03/29/2017 | Qualcomm Inc 05/20/2022 3.00% | 100,000 | 101,441.00 | 102.425 | 102,424.70 |
| | | | Accrued Income | | | | 341.67 |
| 1.0% | | 05/23/2017 | Toyota Motor Credit 07/13/2022 2.80% | 50,000 | 50,792.00 | 101.657 | 50,828.70 |
| | | | Accrued Income | | | | 653.33 |
| 1.0% | | 05/23/2017 | Anheuser-Busch Inc 07/15/2022 2.50% | 50,000 | 50,088.00 | 99.867 | 49,933.30 |
| | | | Accrued Income | | | | 576.39 |
| 16.8% | | | | | 832,999.58 | | 830,331.37 |
| Bank Certificates | | | | | | | |
| 2.0% | | 01/08/2016 | GE Capital Bank 08/29/2017 1.35% | 97,000 | 0.00 | 100.067 | 97,064.99 |
| | | | Accrued Income | | | | 626.26 |
| 4.6% | | 01/08/2016 | Sallie Mae Bank 10/02/2017 1.45% | 225,000 | 0.00 | 100.100 | 225,225.90 |
| | | | Accrued Income | | | | 1,560.63 |
| 3.8% | | 01/08/2016 | Capital One Bank 08/27/2018 1.75% | 184,000 | 0.00 | 100.169 | 184,310.22 |
| | | | Accrued Income | | | | 1,541.40 |

Portfolio Statement

As of 06/30/2017

Washington Police Pension Fund Group

| Weight | Symbol | Trade Date | Description | Quantity | Cost Basis | Current Price | Current Value |
|--|---------------|-------------------|--|-----------------|-------------------|----------------------|----------------------|
| Washington Police Bonds | | | | | | | |
| Fixed Income | | | | | | | |
| Bank Certificates | | | | | | | |
| 2.0% | | 01/08/2016 | Goldman Sachs Bank 06/17/2019 1.85% Accrued Income | 100,000 | 0.00 | 99.986 | 99,986.30 |
| | | | | | | | 885.80 |
| 12.4% | | | | | 0.00 | | 611,201.50 |
| 37.2% | | | | | 1,234,252.75 | | 1,841,021.56 |
| 37.2% | | | | | 1,234,252.75 | | 1,841,021.56 |
| Washington Police Equity 2084-2258 Mutual Funds | | | | | | | |
| Fixed Income | | | | | | | |
| Money Funds | | | | | | | |
| 0.0% | SWGXX | | Schwab U. S. Treasury | | 287.98 | | 287.98 |
| Domestic Equities | | | | | | | |
| Domestic Index Fund | | | | | | | |
| 20.0% | VTSAX | 01/19/2016 | Vanguard Total Stock Admiral | 16,357.23 | 795,586.17 | 60.570 | 990,757.42 |
| Large Growth | | | | | | | |
| 5.4% | VGIAX | 01/20/2016 | Vanguard Growth & Income | 3,655.046 | 221,602.15 | 72.390 | 264,588.78 |
| Large Value | | | | | | | |
| 5.5% | VDIGX | 01/20/2016 | Vanguard Dividend Growth Fund | 10,646.301 | 237,316.68 | 25.370 | 270,096.66 |
| Mid Cap Growth | | | | | | | |
| 2.0% | BMDIX | 01/20/2016 | Baird Midcap Institutional | 5,352.139 | 79,596.71 | 18.340 | 98,158.23 |
| Small Growth | | | | | | | |
| 2.2% | PRDSX | 06/22/2016 | T Rowe Price Small Cap Growth | 3,374.713 | 87,393.16 | 31.660 | 106,843.41 |
| Small/MidCap | | | | | | | |
| 4.9% | DHMX | 01/20/2016 | Diamond Hill Small Mid Cap Inst | 10,878.333 | 194,941.62 | 22.150 | 240,955.08 |
| 39.9% | | | | | 1,616,436.49 | | 1,971,399.58 |
| Alternatives | | | | | | | |
| Technology | | | | | | | |
| 1.4% | USSCX | 10/20/2016 | USAA Science And Technology | 2,739.959 | 61,161.63 | 25.760 | 70,581.34 |
| Health Care | | | | | | | |
| 2.7% | PRHSX | 01/20/2016 | T Rowe Price Health Sciences Fu | 1,896.819 | 116,012.40 | 70.630 | 133,972.33 |

Portfolio Statement

As of 06/30/2017

Washington Police Pension Fund Group

| Weight | Symbol | Trade Date | Description | Quantity | Cost Basis | Current Price | Current Value |
|--|---------------|-------------------|--------------------------------|-----------------|-------------------|----------------------|----------------------|
| Washington Police Equity Mutual Funds | | | | | | | |
| Domestic Equities | | | | | | | |
| Alternatives | | | | | | | |
| Real Estate | | | | | | | |
| 1.9% | CSRIX | 07/15/2016 | Cohen & Steers Institutional | 2,096.692 | 102,342.93 | 44.280 | 92,841.52 |
| 6.0% | | | | | 279,516.96 | | 297,395.19 |
| 45.9% | | | | | 1,895,953.45 | | 2,268,794.77 |
| International Equities | | | | | | | |
| International Large Value | | | | | | | |
| 9.3% | OAKIX | 01/20/2016 | Oakmark International | 17,473.249 | 334,118.32 | 26.370 | 460,769.58 |
| Small Cap | | | | | | | |
| 4.1% | OSMYX | 01/20/2016 | Oppenheimer Intl Smid Cap Inst | 4,499.911 | 154,773.87 | 44.910 | 202,091.00 |
| Emerging Markets | | | | | | | |
| 3.4% | ODVYX | 01/20/2016 | Oppenheimer Developing Markets | 4,487.373 | 136,471.25 | 37.960 | 170,340.68 |
| 16.9% | | | | | 625,363.44 | | 833,201.26 |
| 62.8% | | | | | 2,521,604.87 | | 3,102,284.01 |
| 99.8% | | | | | 3,755,857.62 | | 4,931,156.21 |
| Total Accrued Income | | | | | | | 12,149.36 |
| 100.0% | | | | | | | 4,943,305.57 |

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.

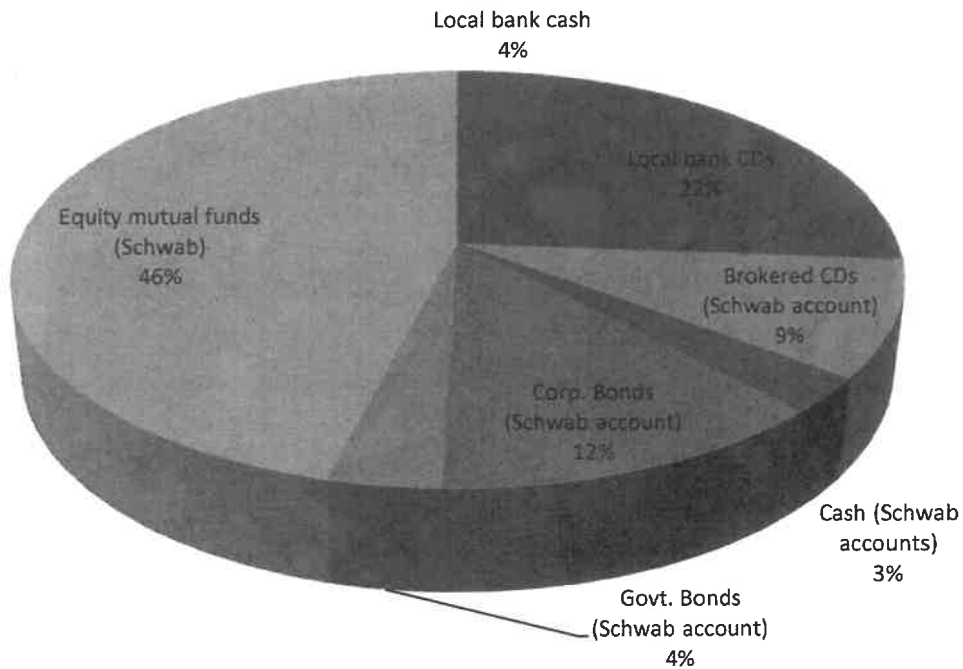
Washington Police Pension Fund

Total Asset Allocation

As of June 30, 2017

| <u>Asset Class</u> | <u>Value</u> | <u>% of assets</u> | <u>Sector</u> |
|-------------------------------|--------------------|--------------------|--------------------------|
| Local bank cash | \$288,912 | 4.3% | |
| Local bank CDs | \$1,480,711 | 22.0% | |
| Brokered CDs (Schwab account) | \$611,256 | 9.1% | |
| Cash (Schwab accounts) | \$182,597 | 2.7% | 38.1% total cash and CD |
| Corp. Bonds (Schwab account) | \$831,888 | 12.4% | 12.4% total corp. |
| Govt. Bonds (Schwab account) | \$233,943 | 3.5% | 3.5% total govt. |
| Equity mutual funds (Schwab) | \$3,098,892 | 46.1% | 46.1% total mutual funds |
| Total | \$6,728,199 | | |


Total Asset Allocation



Income Report
From 03/31/2017 to 06/30/2017

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> |
|---|---------------------------|----------------------|---------------|-------------------|---------------------------|-------------------------|-----------------------------------|---------------------|
|  | 06/30/2017 | Cohen & Steers In | CSRIX | Qualified Dividen | | 1,778.27 | | 1,778.27 |
| | 06/15/2017 | Schwab U. S. Trea | SWGXX | Dividend | 67.54 | | | 67.54 |
| | 06/22/2017 | Vanguard Dividen | VDIGX | Qualified Dividen | | 2,614.58 | | 2,614.58 |
| | 06/22/2017 | Vanguard Growth | VGIAX | Qualified Dividen | | 2,171.49 | | 2,171.49 |
| | 06/20/2017 | Vanguard Total St | VT SAX | Qualified Dividen | | 4,559.02 | | 4,559.02 |
| Total dividends: tax free | | | | | 67.54 | 11,123.36 | | 11,190.90 |
| Total accrued paid | | | | | (1,146.58) | | | (1,146.58) |
| Total Income | | | | | 6,916.67 | 11,123.36 | | 18,040.03 |

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.

July 10, 2017

Income Report
From 03/31/2017 to 06/30/2017

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> |
|--------------------------|-----------------------------------|----------------------|---------------|-----------------|---------------------------|-------------------------|-----------------------------------|---------------------|
| | 05/14/2017 | Abbvie Inc | 00287YAU3 | Interest | 575.00 | | | 575.00 |
| | | 05/14/2021 2.30% | | | | | | |
| | 04/18/2017 | Discover Bank | 2546706U1 | Interest | 894.79 | | | 894.79 |
| | | 04/18/2017 1.85% | | | | | | |
| | 06/17/2017 | Goldman Sachs B | 38148JWE7 | Interest | 922.47 | | | 922.47 |
| | | 06/17/2019 1.85% | | | | | | |
| | 04/21/2017 | Morgan Stanley | 61746BEA0 | Interest | 937.50 | | | 937.50 |
| | | 04/21/2021 2.50% | | | | | | |
| | 05/01/2017 | National Rural Ele | 637432LR4 | Interest | 518.75 | | | 518.75 |
| | | 11/01/2018 10.37 | | | | | | |
| | 05/15/2017 | Potash Saskatche | 73755LAF4 | Interest | 975.00 | | | 975.00 |
| | | 05/15/2019 6.50% | | | | | | |
| | 05/20/2017 | Qualcomm Inc | 747525AE3 | Interest | 1,500.00 | | | 1,500.00 |
| | | 05/20/2022 3.00% | | | | | | |
| | Interest paid at purchase | | | | (1,108.33) | | | (1,108.33) |
| | 04/01/2017 | Sallie Mae Bank | 795450TP0 | Interest | 1,626.78 | | | 1,626.78 |
| | | 10/02/2017 1.45% | | | | | | |
| | 06/16/2017 | US Treasury | 912828XR6 | Sell | 45.42 | | | 45.42 |
| | | 05/31/2022 1.75% | | | | | | |
| | Accrued interest paid at purchase | | | | (38.25) | | | (38.25) |
| | Accrued paid | | | | (1,146.58) | | | (1,146.58) |
| Total interest: tax free | | | | | 6,849.13 | | | 6,849.13 |

**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: 3/31/17
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> |
|--------------------------------|--------------|--------------------------|---|
| Illinois State Treasurer | 05/17/17 | \$1,334.85 | FY2018 Compliance Fee |
| Morton Community Bank IPPFA | 05/11/17 | \$830.00 | IPPFA Illinois Pension Conference – Fussner/Westbrook |
| Eaglewood Resort & Spa | 05/01/17 | \$743.84 | Lodging for IPPFA IL Pension Conference – Fussner/Westbrook |
| James Fussner | 05/11/17 | \$230.42 | Reimb Training Expenses / Mileage |
| | | | |
| | TOTAL | <u>\$3,139.11</u> | |

**CITY OF WASHINGTON
WASHINGTON, ILLINOIS**

TO: Mayor Manier and City Council
FROM: Joanie Baxter, Controller *JB*
DATE: May 10, 2017
SUBJECT: Police Pension Fund Annual Report per 40 ILCS 5/3-141

*Approved
5-15-17*

Attached is the Police Pension Fund Annual Report for the fiscal year ending April 30, 2017. This report is required by 40 ILCS 5/3-141 and is due to be presented to the Council as a sworn statement from the Treasurer. If any monies belonging to the Police Pension Fund have been retained by the City during the year, they are due to be remitted to the Fund at this time. The City deposits all monies attributed to the Police Pension Fund directly into its accounts and thus there are no funds due to be paid back at this time. Please note that investment earnings such as dividends and unrealized gains and losses are not reflected on the report.

This report needs to be accepted by the City Council and will also be submitted to the Pension Board at its July meeting.

Please contact me if you have any questions.

Washington Police Pension Fund
Annual Report per 40 ILCS 5/3-141 (Unaudited)
For year ending April 30, 2017

Revenues:

| | | | |
|------------------------|----|-------------------|----------------------|
| Interest Revenue | \$ | 58,150.69 | |
| Dividend Revenue | | 43,780.86 | |
| Miscellaneous Revenue | | 27,335.51 | |
| Employee Contributions | | 131,049.45 | |
| Employer Contribution | | <u>373,751.67</u> | |
| Total Revenue | | | \$ 634,068.18 |

Expenses:

| | | | |
|-----------------------|----|---------------|----------------------|
| Pensions | \$ | 569,928.92 | |
| Insurance | | 3,058.00 | |
| Contribution Refunds | | - | |
| Compliance Fee | | 1,335.47 | |
| Legal Fees | | - | |
| Membership Dues | | 795.00 | |
| Training | | 425.00 | |
| Investment Expense | | 18,518.00 | |
| Miscellaneous | | <u>213.45</u> | |
| Total Expenses | | | \$ 594,273.84 |

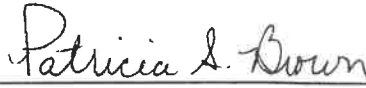
**Deficiency of Revenues
under Expenses**

\$ 39,794.34

Subscribed and sworn to this 15th day of May, 2017


Ellen L. Dingledine, Treasurer

I, Patricia S. Brown, Clerk of City of Washington, Tazewell County, Illinois do hereby certify that the above is a true copy of the Annual Police Pension Fund Report per 40 ILCS 5/3-141 for the fiscal year ending April 30, 2017.


Patricia S. Brown, City Clerk

**CITY OF WASHINGTON
WASHINGTON, ILLINOIS**

TO: City Council
FROM: Gary W. Manier, Mayor
DATE: April 28, 2017
SUBJECT: Board Reappointments

*Approved
5-1-17*

Mike Hillary was appointed to the Police Pension Board in July 2009. I would like to reappoint Mike to the Police Pension Board for another 2-year term.

Tom Berlett was appointed to the Glendale Cemetery Board of Managers in May 2016 to fill a remaining term vacancy. I would like to reappoint Tom to the Glendale Cemetery Board of Managers for a 3-year term.

This matter will come before the City Council during its meeting of May 1, 2017.

WASHINGTON POLICE PENSION FUND
BOARD MEETING
April 24, 2017

The meeting was called to order by President Michael Hillary at 8:30 a.m. on Monday, April 24, 2017 in the Conference Room at City Hall.

Roll Call

Present

Michael Hillary, President
Jim Wetzel, Vice President
Greg Gordon, Secretary
James Fussner, Representative

Absent

Troi Westbrook, Assistant Secretary

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

The agenda was reviewed with no changes made.

David Vaught from Mitchell, Vaught and Taylor (MVT) provided a summary of investment activity for the quarter. He indicated that the investments were up 4.33% for the quarter with equities up 6.4% and fixed income up .37%. Currently equities make up 65.3% of the portfolio, with fixed income making up 34.7%. The target for the portfolio is 60% equities and 40% fixed so very close to that. The domestic economy is strong with the Fed. gradually raising interest rates.

Gordon made a motion, seconded by Wetzel to approve the November 7, 2016 regular meeting minutes. Motion carried and minutes approved.

There were no public comments.

Financial reports as of March 31, 2017, were reviewed by Baxter. Wetzel made a motion to approve the reports, seconded by Fussner. Motion carried.

A CD with MVT – Ally Bank in the amount of \$100,000 maturing on 3/20/17 was redeemed and a bond was purchased from MVT with a comparable yield of 2.712% and maturity of 2022. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

There are two CD's maturing before the next quarterly board meeting. Gordon made a motion, seconded by Fussner to give MVT approval to select another CD or bond assuming the net after expenses would be 2.0% to 2.25% and not going out more than 5 years. On roll call, the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

Police pension expenses since the last meeting were as follows:

- IPPFA – paid \$250.00 on March 17, 2017 for the IPPFA online registration fee for Wetzel..

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

Wetzel made a motion, seconded by Gordon to ratify the investment transactions by MVT for the quarter ended March 31, 2017. On roll call the vote was, Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

The first increase for Donald Volk's annual pension is due May 1, 2017. The increase is in the amount of \$183.47 per month and will increase his pension from a monthly benefit of \$6,115.63 to \$6,299.10. Gordon made a motion, seconded by Hillary to approve the increase. On roll call, the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

Membership in the IL Public Pension Advisory Committee (IPPAC) was discussed. This would provide another option for training opportunities. Because the training is still open to non-members at a slightly higher cost, it was decided to not join the IPPAC until seen whether trustees will take advantage of the training.

Travel expenses for training were discussed. It was agreed that policies should be developed to indicate costs that will be covered by the Board. In the meantime, Gordon made a motion, seconded by Hillary to adopt the same reimbursement rate policy as the City of Washington which is \$40 per day. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

Wetzel attended a Mitchell Vaught Taylor training seminar and requested approval by the Board. Gordon made a motion, seconded by Fussner to authorize the training. Motion carried.

The retiree/beneficiary election was held and Jim Fussner was re-elected for another term. Both Troi Westbrook and Greg Gordon were re-elected as active officer representatives.

Accountant Glueck reminded the trustees that annual training requirements must be met by August 13 in order for the Fund to be in compliance with State Statute.

Accountant Glueck indicated that CEFCU has submitted their Predatory Lending Law Compliance Certificate and thus all lending institutions are now in compliance.

There being no further business to come before the Board, Gordon made a motion to adjourn the meeting, seconded by Wetzel. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. The meeting was adjourned at 9:32 a.m.

Respectfully Submitted,

Greg Gordon, Secretary