

**WASHINGTON POLICE PENSION FUND
 QUARTERLY BOARD MEETING
 Monday, January 28, 2019 - 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 October 22, 2018 Quarterly Meeting Minutes
6. Public comment
7. Financial Reports
9. Action Items:

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

<u>Bank Name</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Amount</u>	<u>Action Taken</u>
Morton Community Bank	2.09%	11/20/18	108,717.69	Redeemed and Purchased Corp Bond with MVT – Schlumberger 3.65% maturing in 12/2023
Morton Community Bank	2.11%	12/23/18	108,717.67	Redeemed 1/03/19 and Purchased a 5 year CD with Busey Bank at 2.90% for \$100,000
			<u>\$ 217,435.36</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>
				<u>\$0.00</u>

- C. Ratification of Police Pension Fund Expenses (roll call vote)
- D. Ratification of 4th Quarter 2018 Investment Transactions – MVT (roll call vote)
- E. Ratification of annual pension increases
- F. Designation of FOI and Open Meetings Act Officer – City Clerk Brown

10. Discussion Items:
 - A. Spin-off Propel Advisors from MVT
 - B. Cash Flow Analysis
 - C. Predatory Lending Law Compliance
 - D. Training requirements and opportunities
11. Adjournment (roll call vote)

Next meeting Monday, April 29, 2019 @ 8:30 a.m.

Quarterly Report

Prepared by

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

**Washington Police
Pension Fund**

4th Quarter 2018

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Washington Police Pension Fund

Mitchell,
& Vaught
Taylor Inc.
Investment Advisors

4Q2018

3rd Quarter GDP came in at 3.5%. Consumer and government spending boosted the growth while net exports detracted. GDP has been slowing but is still respectable while many fundamentals remain strong with low unemployment and solid retail spending in December.

The Russell 3000 entered correction territory (a decline of 10% from its peak) in late October. The tech heavy NASDAQ had previously declined there. Major indices gave up gains for the year and turned to red numbers. After a relatively quiet summer, October saw 8 trading days closing up or down by more than 1%.

Morningstar published a report on fund fees paid by investors. Those dropped 8% in 2017 to an average of 0.52%, the lowest ever. Investors will save \$4 billion in expenses.

In December the short end of the Treasury curve inverted. The 2 year and 3 year yield moved above the 5 year yield. Often times when this happens, short term yields will soon move above the 10 year. An inverted yield curve is an indicator of a looming recession and the past 3 times this happened a recession hit on average 26 months later.

The Fed raised rates again in December for the 4th increase in 2018. Some political displeasure has been expressed with the Fed Chairman and markets dived. The Fed did indicate that fewer rate increases will be in store for 2019.

Portfolio Manager Rezo Kanovich moved from Oppenheimer International Small-cap fund to Artisan Funds. Frank Jennings Ph.D took over as the PM at Oppenheimer. He has a 23 year record of analysis and development of models for international funds. Anytime that we see a manager change in funds that we use, we start a new round of evaluation and due diligence.

On Christmas Eve stock markets hit Bear Market territory, off 20% from their highs. December has seen the worst returns for this month since the Great Recession of the 30's and the 4th quarter performance has not been this bad since 2008.

3Q2018

2nd quarter GDP was very strong at 4.2%. The tax reforms helped as business retained more net profits. Some of the gain might be temporary as foreign trading partners stocked up on inventories of US goods before tariffs take effect. Unemployment has been hovering at or below 4% and inflation CPI has increased to 2.9%

Wednesday 8/22 marked the longest bull market in US history at 3,453 days since March 9, 2009. A bull market is the period between bear markets, or declines of 20% in equity markets. Every day will mark a new record until we do see a market decline of 20%.

We met with T Rowe Price reps to arrange access to lower cost institutional share class funds. We were able to swap the share class in three funds for clients.

**Washington Police Pension Fund
Executive Summary
4th Quarter 2018**



Activity Summary this Quarter

Beginning Value:	\$ 5,380,734
Contribute & Withdraw:	\$ 100,000
Net Investment Gain:	\$ (419,786)
Ending Value:	\$ 5,060,948

Income	\$ 35,394
Management fee:	\$ (5,746)

Since First Month: 01/31/2016

Annualized net return	6.37%
Cumulative Return:	19.73%
Net Investment Gain:	\$ 747,357

Net Performance this Quarter

Fixed Income	0.71%	\$ 14,828
Equities	-13.82%	\$ (434,614)
Total Fund	-7.72%	\$ (419,786)

Portfolio Strengths

Fixed income

The yield on the 10 Yr UST fell during the quarter as investors fled to safety of bonds and pushed prices up. Any longer maturity treasuries showed returns in the 2.5 to 3.7% range. The short end of the yield curve moved up during the quarter so any new bonds that we bought in the 2 to 3 year maturities will provide good income for the fund.

Equities

Income producing stocks in real estate and dividends felt the least harm from market panic around the world. Your dividend fund performed 240 bps better than the market. Also emerging markets that have been weak with lower valuations fared better than other sectors.

Weaknesses

Fixed income

The short end of the yield curve inverted in December, meaning 2 year and 3 year Treasuries paid a higher yield than 5 year notes. That move put downward pressure on shorter maturity bonds in your account such as corporates, but those still had positive returns of better than 0.5% for the period.

Equities

Stocks with higher valuations saw the steepest drops, such as technology and growth. Worldwide, investors sold stocks and moved to securities with perceived safety. Trade pressure from tariffs hurt any global companies that export goods and services.

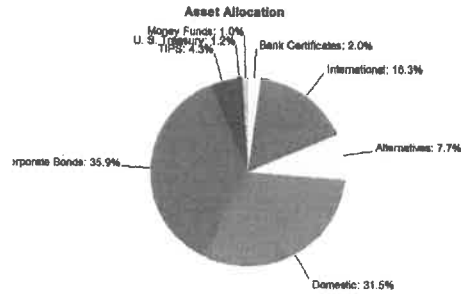
Strategies

In spite of market volatility and investor fears, the US economy is still fundamentally strong with better growth than previous years. Higher bond yields are enticing to investors especially in times of uncertainty. We will continue to buy bonds on the shorter end of the curve where spreads are close to the 10 year UST. In stocks, market declines have re-balanced your assets. We do anticipate some recovery next year and will cautiously invest cash in funds that are now at discounted prices. We are not in a hurry to spend the cash, instead waiting for unsettling issues such as the government shutdown and trade wars to be resolved. In the meantime, income producing stocks in real estate and dividends appear to be the choice.

We urge our clients to compare MVT statements with those from custodians.

Past performance is no guarantee of future returns. Indices are not available for direct investment. Investments which attempt to mimic the performance of an index will incur expenses such as fees and transaction costs which reduce returns.

MVT2



Fixed/cash: 46.5%
Equities 55.5%
*assets managed at MVT

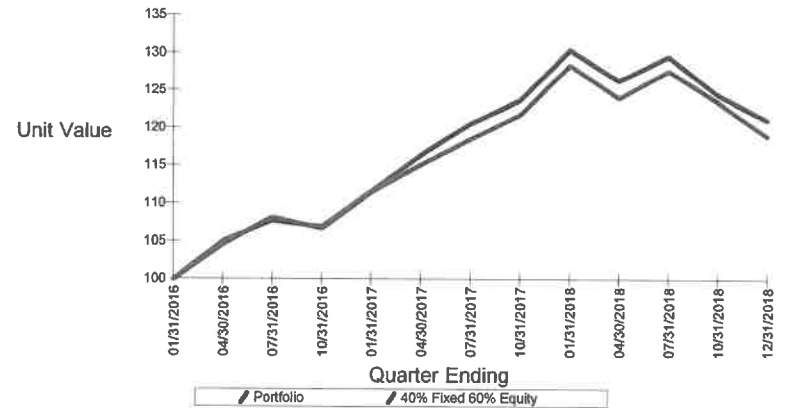
January 10, 2019



Graphical Comparative Performance
From 01/31/2016 to 12/31/2018

Washington Police Pension Fund

Gross of Fees vs. Target



Period Ending	Returns	Growth of \$100.00	40% Fixed 60% Equity	Portfolio Cumulative Return
01/31/2016		100.00	100.00	
04/30/2016	4.99%	104.99	104.65	4.99%
07/31/2016	2.62%	107.74	108.23	7.74%
10/31/2016	-0.76%	106.92	106.71	6.92%
01/31/2017	4.34%	111.56	111.47	11.56%
04/30/2017	4.29%	116.34	115.13	16.34%
07/31/2017	3.61%	120.54	118.49	20.54%
10/31/2017	2.62%	123.70	121.80	23.70%
01/31/2018	5.47%	130.46	128.48	30.46%
04/30/2018	-3.17%	126.32	124.01	26.32%
07/31/2018	2.62%	129.63	127.74	29.63%
10/31/2018	-4.01%	124.43	123.53	24.43%
12/31/2018	-2.71%	121.06	118.92	21.06%

Actual Return 21.06%

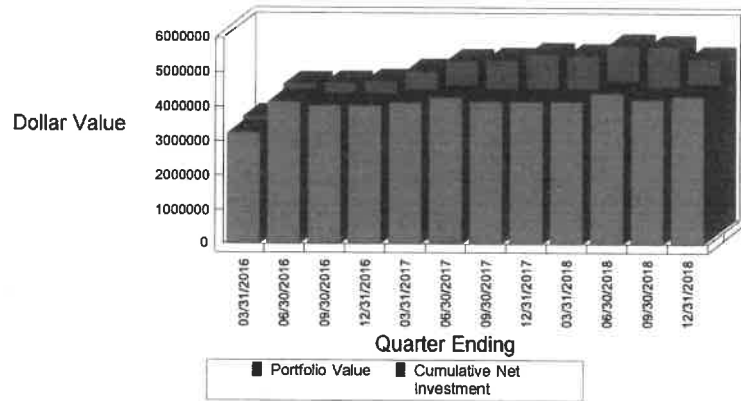
Annualized Ret 6.78%

MVT3



Portfolio Value vs. Cumulative Net Investment
From 01/07/2016 to 12/31/2018

Washington Police Pension Fund



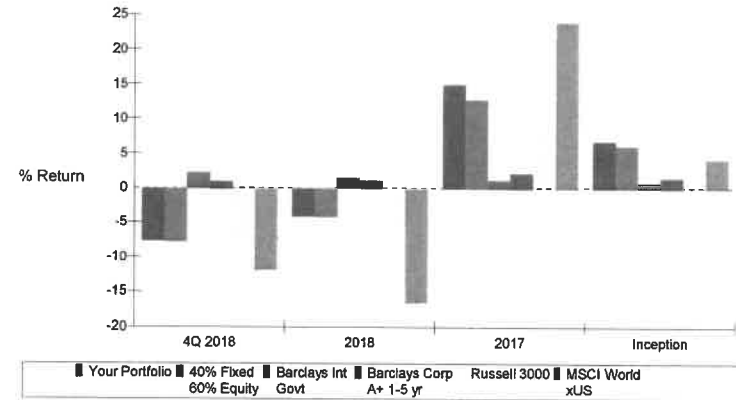
Period Ending	Contributions and Withdraw	Cumulative Net investment	Portfolio Value	Investment Gain
03/31/2016	2,117,002	3,228,889	3,365,476	136,587
06/30/2016	912,773	4,141,662	4,310,695	169,033
09/30/2016	-110,000	4,031,662	4,328,354	296,692
12/31/2016	0	4,031,662	4,381,260	349,598
03/31/2017	100,000	4,131,662	4,674,859	543,197
06/30/2017	128,000	4,259,662	4,959,594	699,931
09/30/2017	-100,466	4,159,197	5,003,496	844,299
12/31/2017	0	4,159,197	5,150,281	991,084
03/31/2018	0	4,159,197	5,127,067	967,870
06/30/2018	240,000	4,399,197	5,418,835	1,019,638
09/30/2018	-185,606	4,213,591	5,380,734	1,167,143
12/31/2018	100,000	4,313,591	5,060,948	747,357

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Performance vs. Benchmarks

Washington Police Pension Fund



Total Portfolio	4Q 2018	2018	2017	Inception
Time Weighted (gross)	-7.62	-4.13	14.98	6.78
40% Fixed 60% Equity	-7.73	-4.26	12.86	6.12
Barclays Int Govt	2.22	1.43	1.14	0.70
Barclays Corp A+ 1-5 yr	0.94	1.05	2.19	1.57
Russell 3000	-14.30	-5.24	21.11	11.44
MSCI World xUS	-11.81	-16.45	24.06	4.32

All returns prior to fees

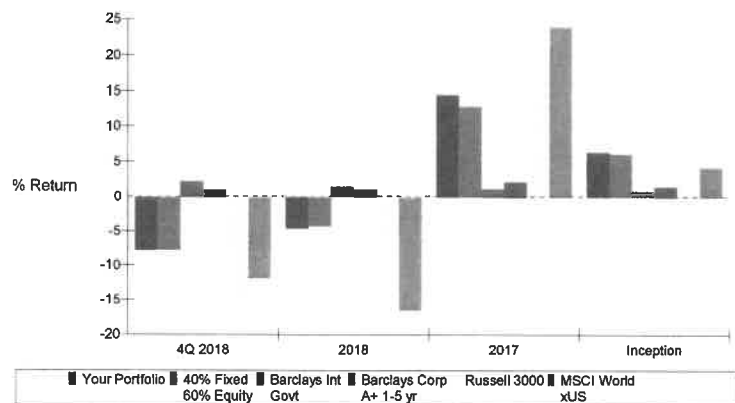
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Performance vs. Benchmarks

Washington Police Pension Fund



Total Portfolio	4Q 2018	2018	2017	Inception
Time Weighted (net)	-7.72	-4.53	14.53	6.37
40% Fixed 60% Equity	-7.73	-4.26	12.86	6.12
Barclays Int Govt	2.22	1.43	1.14	0.70
Barclays Corp A+ 1-5 yr	0.94	1.05	2.19	1.57
Russell 3000	-14.30	-5.24	21.11	11.44
MSCI World xUS	-11.81	-16.45	24.06	4.32

All returns net of fees

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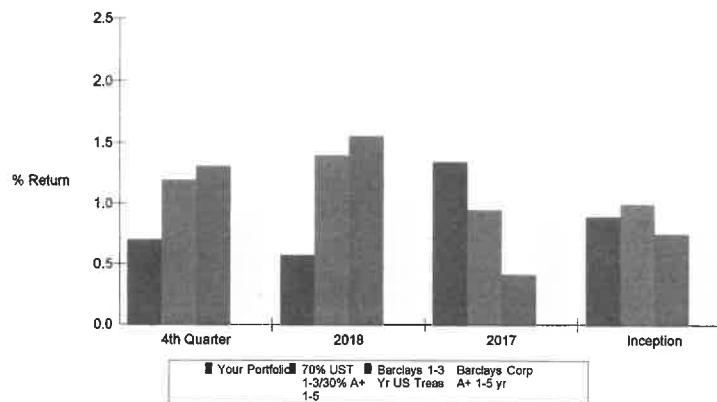
MVT6

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Performance vs. Benchmarks

Washington Police Bonds Fixed Income Acct #: 5994-4800



Total Portfolio	4th Quart	2018	2017	Inception
Time Weighted (net)	0.71	0.58	1.35	0.90
70% UST 1-3/30% A+ 1-5	1.20	1.41	0.95	1.01
Barclays 1-3 Yr US Treas	1.31	1.56	0.42	0.76
Barclays Corp A+ 1-5 yr	0.94	1.05	2.19	1.57

All returns net of fees

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MVT7

January 10, 2019



Fixed Income Summary
Before 12/31/2018

Washington Police Pension Fund

Summary

Totals		Weighted Averages	
Total Number of Issues	39.00	Average Years to Redemption	3.36
Face Value	2,189,000.00	Average Interest Rate	2.73
Current Value	2,188,012.48	Average S&P Rating	A
Cost Basis	2,125,777.20	Average Yield to Maturity	3.48
Unrealized Gain/Loss	44,887.82	Average Duration	3.22

Weight	Description	Quantity	Current Value	Years to Redemption	Interest Rate	Modified Duration Cost	Modified Duration Market
Fixed Income and Equivalents by Maturity Date							
7.3%	2019	158,000	159,730	0.4	3.32	2.87	0.25
5.2%	2020	111,000	114,422	1.3	4.62	3.76	1.21
17.6%	2021	375,000	385,104	2.3	1.88	4.09	2.28
27.6%	2022	615,000	604,021	3.4	2.69	4.41	3.21
37.6%	2023	830,000	822,560	4.4	3.10	4.68	4.04
4.7%	2024	100,000	102,176	5.5	0.13		N/A
100.0%		2,189,000	2,188,012	3.4	2.73	4.38	3.22

Weight	Description	Quantity	Current Value	Years to Redemption	Interest Rate	Modified Duration Cost	Modified Duration Market
Fixed Income and Equivalents by Interest Rate							
63.7%	Less than 3%	1,401,000	1,394,684	3.2	2.15	4.48	3.15
32.1%	3-5%	700,000	702,501	4	3.47	4.45	3.68
4.2%	5-7%	88,000	90,827	0.6	5.93	3.10	0.53
100.0%		2,189,000	2,188,012	3.4	2.73	4.38	3.22

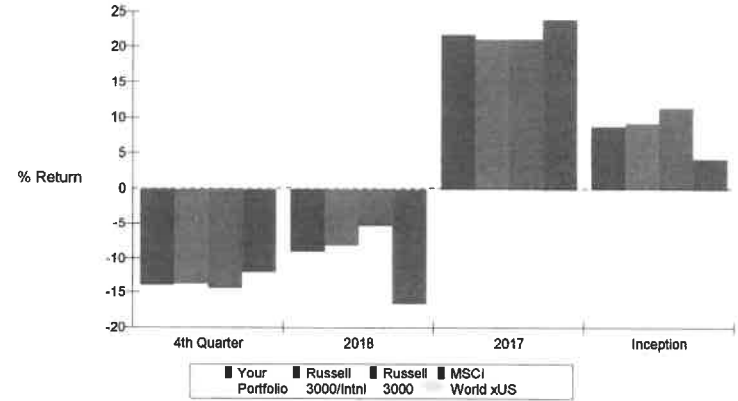
MVT8

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Performance vs. Benchmarks

Washington Police Equity Mutual Funds Acct #: 2084-2258



Total Portfolio	4th Quarter	2018	2017	Inception
Time Weighted (net)	-13.82	-8.86	21.85	8.79
Russell 3000/Intl	-13.68	-8.04	21.15	9.30
Russell 3000	-14.30	-5.24	21.11	11.44
MSCI World xUS	-11.81	-16.45	24.06	4.32

All returns net of fees

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MVT9



Bond Analysis
As of 12/31/2018

Washington Police Bonds

Description	CUSIP	Quantity	Current Value	Yield to Maturity Market	Yield to Maturity Cost	Modified Duration Market	Modified Duration Cost
Fixed Income							
U. S. Treasury							
US Treasury							
US Treasury Note 03/31/2023 2.50%		60,000	\$60,000.00	2.50%	2.75%	3.98	4.61
Accrued Income			\$383.24				
Corporate Bonds							
Corporate Bond							
General Electric Capital 02/15/2019 5.10%		28,000	\$28,017.92	4.39%	2.03%	0.12	2.77
Accrued Income			\$539.47				
Potash Corp of Saskatch 05/15/2019 6.50%		30,000	\$30,312.27	3.61%	2.05%	0.37	2.96
Accrued Income			\$249.17				
Deere & Company 01/15/2020 2.50%		11,000	\$10,911.35	3.29%	2.22%	1.00	3.74
Accrued Income			\$126.81				
Union Pacific 02/15/2020 6.125%		30,000	\$31,014.09	3.03%	2.26%	1.06	3.53
Accrued Income			\$694.17				
JP Morgan Chase 03/25/2020 4.95%		50,000	\$51,093.65	3.12%	2.59%	1.18	3.71
Accrued Income			\$660.00				
American Express 09/14/2020 2.60%		20,000	\$19,767.30	3.31%	2.42%	1.64	4.28
Accrued Income			\$154.56				
Cisco Systems 02/28/2021 2.20%		50,000	\$49,254.25	2.91%	2.19%	2.08	3.88
Accrued Income			\$369.72				
Morgan Stanley 04/21/2021 2.50%		75,000	\$73,457.18	3.43%	2.20%	2.21	4.29
Accrued Income			\$370.88				

MVT10

Bond Analysis
As of 12/31/2018

Washington Police Bonds

Description	CUSIP	Quantity	Current Value	Yield to Maturity Market	Yield to Maturity Cost	Modified Duration Market	Modified Duration Cost
Fixed Income							
Corporate Bonds							
Corporate Bond							
AbbVie 05/14/2021 2.30%		50,000	\$48,760.90	3.40%	2.15%	2.27	4.28
Accrued Income			\$150.14				
Toronto Dominion 07/13/2021 1.80%		50,000	\$48,373.10	3.15%	2.25%	2.43	3.82
Accrued Income			\$420.00				
Wells Fargo 07/26/2021 2.10%		20,000	\$19,358.58	3.41%	1.99%	2.45	4.72
Accrued Income			\$181.47				
Wells Fargo 07/26/2021 2.10%		30,000	\$29,037.87	3.41%	2.10%	2.45	4.56
Accrued Income			\$272.20				
		50,000	\$48,850.12	3.41%	2.05%	2.45	4.63
Procter & Gamble 02/06/2022 2.30%		30,000	\$29,351.13	3.04%	2.19%	2.93	4.69
Accrued Income			\$277.92				
Procter & Gamble 02/06/2022 2.30%		20,000	\$19,567.42	3.04%	2.08%	2.93	4.70
Accrued Income			\$185.28				
		50,000	\$49,381.74	3.04%	2.15%	2.93	4.69
Bank Of Nova Scotia 03/07/2022 2.70%		50,000	\$48,911.85	3.43%	2.51%	2.99	4.47
Accrued Income			\$427.50				
Bank Of Nova Scotia 03/07/2022 2.70%		50,000	\$48,911.85	3.43%	2.39%	2.99	4.24
Accrued Income			\$427.50				
		100,000	\$98,678.70	3.43%	2.45%	2.99	4.35
Medtronic 03/15/2022 3.125%		50,000	\$49,483.45	3.47%	2.28%	3.00	4.36
Accrued Income			\$460.07				
Qualcomm Inc 05/20/2022 3.00%		100,000	\$98,392.10	3.51%	2.70%	3.18	4.68
Accrued Income			\$341.67				
Sysco Corporation 06/12/2022 2.60%		45,000	\$43,360.20	3.74%	2.36%	3.25	4.51
Accrued Income			\$61.75				
Toyota Motor Credit 07/13/2022 2.80%		50,000	\$49,152.80	3.31%	2.47%	3.29	4.71
Accrued Income			\$653.33				

MVT11

Bond Analysis
As of 12/31/2018

Washington Police Bonds

Description	CUSIP	Quantity	Current Value	Yield to Maturity Market	Yield to Maturity Cost	Modified Duration Market	Modified Duration Cost
Fixed Income							
Corporate Bonds							
Corporate Bond							
Anheuser-Busch 07/15/2022 2.50%		50,000	\$47,920.80	3.77%	2.46%	3.30	4.75
Accrued Income			\$576.39				
Altria Group Inc 08/09/2022 2.85%		50,000	\$48,011.15	4.05%	2.33%	3.34	4.63
Accrued Income			\$562.08				
Bank Of Montreal 09/11/2022 2.35%		100,000	\$96,460.90	3.38%	3.33%	3.47	3.76
Accrued Income			\$718.06				
John Deere 10/15/2022 2.75%		20,000	\$19,689.72	3.19%	3.23%	3.55	3.92
Accrued Income			\$116.11				
Bank Of America 01/11/2023 3.30%		50,000	\$49,253.65	3.70%	3.63%	3.68	4.11
Accrued Income			\$779.17				
Bank Of America 01/11/2023 3.30%		25,000	\$24,626.83	3.70%	3.56%	3.68	4.10
Accrued Income			\$389.58				
		75,000	\$75,049.23	3.70%	3.61%	3.68	4.11
Brown Forman 01/15/2023 2.25%		50,000	\$47,817.10	3.42%	2.52%	3.77	4.90
Accrued Income			\$518.75				
Anheuser-Busch 01/17/2023 2.625%		50,000	\$47,570.50	3.94%	2.62%	3.74	5.09
Accrued Income			\$597.92				
John Deere Capital 01/27/2023 2.80%		25,000	\$24,427.18	3.41%	3.31%	3.76	4.21
Accrued Income			\$299.44				
IBM Credit 02/06/2023 3.00%		20,000	\$19,548.46	3.60%	3.16%	3.77	4.51
Accrued Income			\$241.30				
Bnp Paribas 03/03/2023 3.25%		50,000	\$48,951.90	3.80%	2.64%	3.82	4.92
Accrued Income			\$532.64				
Philip Morris 03/06/2023 2.625%		45,000	\$42,978.78	3.80%	2.72%	3.87	4.84
Accrued Income			\$377.34				

MVT12

Bond Analysis
As of 12/31/2018

Washington Police Bonds

Description	CUSIP	Quantity	Current Value	Yield to Maturity Market	Yield to Maturity Cost	Modified Duration Market	Modified Duration Cost
Fixed Income							
Corporate Bonds							
Corporate Bond							
Bank Of NY Mellon 04/28/2023 3.50%		25,000	\$25,061.08	3.44%	3.43%	3.96	4.39
Accrued Income			\$153.13				
Altria Group Inc 05/02/2023 2.95%		50,000	\$47,437.00	4.26%	2.58%	3.99	5.04
Accrued Income			\$241.74				
State Street Corp 05/15/2023 3.10%		50,000	\$49,130.30	3.53%	3.37%	4.03	4.40
Accrued Income			\$198.06				
Bank Of NY Mellon 08/11/2023 3.45%		80,000	\$80,192.08	3.39%	3.40%	4.18	4.51
Accrued Income			\$1,073.33				
Bank of NY Mellon Corp 08/16/2023 2.20%		50,000	\$47,428.00	3.41%	2.55%	4.31	5.43
Accrued Income			\$412.50				
Royal Bank of Canada 10/05/2023 3.70%		100,000	\$100,135.20	3.67%	3.74%	4.29	4.36
Accrued Income			\$883.89				
Schlumberger Inc 12/01/2023 3.65%		100,000	\$100,615.40	3.51%	3.66%	4.46	4.48
Accrued Income			\$304.17				
			\$1,809,744.49	3.51%	2.75%	3.20	4.38
			\$1,870,127.73	3.48%	2.75%	3.22	4.38
			\$1,853,745.29	3.48%	2.75%	3.22	4.38
Total Accrued Income			\$16,382.44				
			\$1,870,127.73				

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MVT13



Portfolio Statement
As of 12/31/2018

Washington Police Pension Fund

Weight	Symbol	Trade Date	Description	Quantity	Cost Basis	Current Price	Current Value
Washington Police Bonds							
Fixed Income							
Money Funds							
0.0%	SNVXX						
0.9%	SWGXX	11/15/2018	Schwab Government Money	6.67	6.67	1.000	6.67
			Schwab U. S. Treasury		46,438.27		46,438.27
0.9%					46,444.94		46,444.94
U. S. Treasury							
1.2%		04/19/2018	US Treasury Note 03/31/2023 2.50% Accrued Income	60,000	59,302.39	100.000	60,000.00 383.24
TIPS							
2.3%		08/03/2016	Treasury Inflation-Indexed 01/15/2021 1.125% Par 115,600.00 (1.156) Accrued Income	100,000	116,430.20	99.516	115,040.03 57.80
2.0%		11/08/2016	Treasury Inflation-Indexed 07/15/2024 0.125% Par 106,496.00 (1.06496) Accrued Income	100,000	102,512.85	95.938	102,169.60 6.08
4.3%					218,943.05		217,273.51
Corporate							
0.6%		02/01/2016	General Electric Capital 02/15/2019 5.10% Accrued Income	28,000	30,513.84	100.064	28,017.92 539.47
0.6%		02/01/2016	Potash Corp of Saskatchewan 05/15/2019 6.50% Accrued Income	30,000	34,215.00	101.041	30,312.27 249.17
0.2%		02/01/2016	Deere & Company 01/15/2020 2.50% Accrued Income	11,000	11,114.40	99.194	10,911.35 126.81
0.6%		02/01/2016	Union Pacific 02/15/2020 6.125% Accrued Income	30,000	34,443.00	103.380	31,014.09 694.17
1.0%		02/01/2016	JP Morgan Chase 03/25/2020 4.95% Accrued Income	50,000	54,614.00	102.187	51,093.65 860.00
0.4%		02/01/2016	American Express 09/14/2020 2.60% Accrued Income	20,000	20,160.20	98.837	19,767.30 154.56
1.0%		01/13/2017	Cisco Systems 02/28/2021 2.20% Accrued Income	50,000	50,027.00	98.509	49,254.25 369.72
1.5%		09/08/2016	Morgan Stanley 04/21/2021 2.50% Accrued Income	75,000	75,995.50	97.943	73,457.18 370.88
1.0%		10/12/2016	AbbVie 05/14/2021 2.30% Accrued Income	50,000	50,320.50	97.522	48,760.90 150. MVT14

Portfolio Statement
As of 12/31/2018

Washington Police Pension Fund

Weight	Symbol	Trade Date	Description	Quantity	Cost Basis	Current Price	Current Value
Washington Police Bonds							
Fixed Income							
Corporate Bonds							
1.0%		07/13/2017	Toronto Dominion 07/13/2021 1.80% Accrued Income	50,000	49,151.00	96.746	48,373.10 420.00
1.0%		07/22/2016	Wells Fargo 07/26/2021 2.10% Accrued Income	50,000	50,107.14	96.793	48,396.45 453.67
1.0%		01/13/2017	Procter & Gamble 02/06/2022 2.30% Accrued Income	50,000	50,366.90	97.837	48,918.55 463.19
2.0%		05/10/2017	Bank Of Nova Scotia 03/07/2022 2.70% Accrued Income	100,000	101,107.50	97.824	97,823.70 855.00
1.0%		06/16/2017	Medtronic 03/15/2022 3.125% Accrued Income	50,000	51,876.50	98.967	49,483.45 460.07
2.0%		03/29/2017	Qualcomm Inc 05/20/2022 3.00% Accrued Income	100,000	101,441.00	98.392	98,392.10 341.67
0.9%		08/07/2017	Sysco Corporation 06/12/2022 2.60% Accrued Income	45,000	45,496.00	96.356	43,360.20 61.75
1.0%		05/23/2017	Toyota Motor Credit 07/13/2022 2.80% Accrued Income	50,000	50,792.00	98.306	49,152.80 653.33
1.0%		05/23/2017	Anheuser-Busch 07/15/2022 2.50% Accrued Income	50,000	50,088.00	95.842	47,920.80 576.39
1.0%		07/18/2017	Altria Group Inc 08/09/2022 2.85% Accrued Income	50,000	51,234.00	96.022	48,011.15 562.08
1.9%		06/29/2018	Bank Of Montreal 09/11/2022 2.35% Accrued Income	100,000	96,342.30	96.461	96,460.90 718.06
0.4%		07/19/2018	John Deere 10/15/2022 2.75% Accrued Income	20,000	19,620.00	98.449	19,689.72 116.11
1.5%		06/26/2018	Bank Of America 01/11/2023 3.30% Accrued Income	75,000	74,045.50	98.507	73,880.48 1,168.75
1.0%		10/06/2017	Brown Forman 01/15/2023 2.25% Accrued Income	50,000	49,338.00	95.634	47,817.10 518.75
1.0%		07/13/2017	Anheuser-Busch 01/17/2023 2.625% Accrued Income	50,000	50,012.50	95.141	47,570.50 597.92
0.5%		06/26/2018	John Deere Capital 01/27/2023 2.80% Accrued Income	25,000	24,467.00	97.709	24,427.18 299.44
0.4%		03/09/2018	IBM Credit 02/06/2023 3.00% Accrued Income	20,000	19,856.51	97.742	19,548.46 241.30
1.0%		10/06/2017	Bnp Paribas 03/03/2023 3.25% Accrued Income	50,000	51,533.00	97.904	48,951.90 532.64
0.9%		12/04/2017	Philip Morris 03/06/2023 2.625% Accrued Income	45,000	44,781.40	95.508	42,978.78 377.34

Portfolio Statement
As of 12/31/2018

Washington Police Pension Fund

Weight	Symbol	Trade Date	Description	Quantity	Cost Basis	Current Price	Current Value
Washington Police Bonds							
Fixed Income							
Corporate Bonds							
0.5%		06/26/2018	Bank Of NY Mellon 04/29/2023 3.50% Accrued Income	25,000	25,076.00	100.244	25,061.08
0.9%		10/06/2017	Altria Group Inc 05/02/2023 2.95% Accrued Income	50,000	50,951.77	94.874	47,437.00
1.0%		07/19/2018	State Street Corp 05/15/2023 3.10% Accrued Income	50,000	49,402.50	98.261	49,130.30
1.6%		08/28/2018	Bank Of NY Mellon 08/11/2023 3.45% Accrued Income	80,000	80,168.80	100.240	80,192.08
0.9%		10/06/2017	Bank of NY Mellon Corp 08/16/2023 2.20% Accrued Income	50,000	49,064.00	94.856	47,428.00
2.0%		11/30/2018	Royal Bank of Canada 10/05/2023 3.70% Accrued Income	100,000	99,840.00	100.135	100,135.20
2.0%		11/16/2018	Schlumberger Inc 12/01/2023 3.65% Accrued Income	100,000	99,969.00	100.615	100,615.40
							304.17
35.9%					1,847,531.76		1,809,744.49
Bank Certificates							
2.0%		01/08/2016	Goldman Sachs Bank 06/17/2019 1.85% Accrued Income	100,000	0.00	99.710	99,710.10
							901.14
44.4%					2,172,222.14		2,234,457.42
44.4%					2,172,222.14		2,234,457.42

Washington Police Equity 2084-2258 Mutual Funds

Weight	Symbol	Trade Date	Description	Quantity	Cost Basis	Current Price	Current Value
Fixed Income							
Money Funds							
0.1%	SWGXX		Schwab U. S. Treasury		4,215.88		4,215.88
Domestic Equities							
Domestic							
2.1%	BMDIX	01/20/2016	Baird Midcap Institutional	5,957.655	90,558.44	17.720	105,569.65
4.4%	DHMIX	01/20/2016	Diamond Hill Small Mid Cap In	11,781.751	213,678.26	18.760	221,025.65
2.4%	PNAIX	10/24/2018	T Rowe Price New America	2,782.224	140,229.61	43.460	120,915.46
1.6%	TQAIX	09/06/2018	T Rowe Price Qm US Small Gr	2,581.392	67,040.07	31.210	80,565.24
5.8%	VDIGX	01/20/2016	Vanguard Dividend Growth Fu	12,007.436	272,059.23	24.460	293,701.88
15.2%	VTSAX	01/20/2016	Vanguard Total Stock Admiral	12,298.897	615,420.63	62.090	763,636.51
31.5%					1,398,986.24		1,585,416.39
Alternatives							
1.4%	CSRIX	07/15/2016	Cohen & Steers Institutional	1,823.027	87,121.03	39.250	71,553.81
0.6%	GLIFX	05/01/2018	Lazard Global Listed Infrastruc	2,142.31	33,686.12	13.510	28,942.61
3.1%	THISX	09/06/2018	T Rowe Price Health	2,303.669	145,679.11	67.000	154,345.82

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Portfolio Statement
As of 12/31/2018

Washington Police Pension Fund

Weight	Symbol	Trade Date	Description	Quantity	Cost Basis	Current Price	Current Value
Washington Police Equity							
Domestic Equities							
Alternatives							
2.7%	USSCX	10/20/2016	USAA Science And Technolog	6,193.774	150,745.51	21.820	135,148.15
7.7%					417,231.77		389,990.39
39.2%					1,816,218.01		1,975,406.78
International Equities							
International							
2.0%	APDIX	08/03/2017	Artisan International Fund	3,698.869	119,540.93	27.070	100,128.38
1.7%	GCIIX	07/31/2018	Goldman International Insights	7,807.965	105,468.91	11.230	87,683.45
1.2%	GERIX	10/24/2018	Goldman Sachs Emerging Mar	6,800.062	60,300.15	8.800	59,840.55
7.0%	OANIX	11/16/2017	Oakmark International Fund In	17,185.015	318,020.71	20.440	351,261.71
2.2%	ODVYX	01/20/2016	Oppenheimer Developing Mark	2,951.182	96,308.35	37.590	110,934.93
2.2%	OSMYX	01/27/2016	Oppenheimer Intl Smid Cap In	2,805.08	108,440.93	40.100	112,483.71
16.3%					808,079.98		822,332.73
55.6%					2,628,513.87		2,801,955.39
99.7%					4,800,736.01		5,019,065.35
100.0%							17,347.46
							5,036,412.81
Total Accrued Income							17,347.46
							5,036,412.81

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

Definitions and Disclosures

Timing of Performance Information

It is quite common to have inaccurate information regarding index returns as well as pricing and transaction data from custodians at the end of a reporting period. Often, these inaccuracies are cleared up within the first week or two of the following period. Our pension clients should be aware that quarter-end data reported within the first two weeks of a new quarter has a higher likelihood of inaccuracy. We do our best to weed out these problems, but there may be times when we feel it necessary to leave out the performance for the final month of a quarter.

Index Returns

We often have to use initial performance data directly from the issuers of an index and then update those returns after the 10th of each month using Portfolio Center Data.

Each portfolio is presented with an index or blend of indexes for performance comparison. Detailed similarities and differences between a style and a particular index are available upon request. No single index will precisely reflect a particular investment style; thus, the performance results of the indices chosen should be used for informational purposes only. In addition, the periods shown are for comparative purposes, and it should not be assumed that performance was identical in other periods not shown. These indices are unmanaged and do not include potential commissions, fees, or other transaction costs. You cannot invest directly in an index.

Total Blend: 40% Bond Blend and 60% Equity Blend below since inception 12/31/2015.

Bond Blend: 70% Barclays 1 to 3 year US Treasury Bond Index and 30% Barclays A+ 1 to 5 year Corporate Bond Index.

Equity Blend: 75% Russell 3000, 20% MSCI EAFE, 5% US Wilshire REITS

Russell 3000: total return data including dividends

Morgan EAFE: gross returns reported

Wilshire REIT: non full cap data reported

Barclays Indices: are reported directly from Barclays

General Statement

It must be understood that market or economic conditions change often and that these changes, whether anticipated by the manager or having occurred unexpectedly, can have either a positive or a negative effect on the performance of a client's portfolio.

The performance results portrayed reflect the reinvestment of dividends when legal for the client to do so (otherwise, the dividends are paid out in cash), interest and all other cash present in the account for the time periods specified.

Gross of fee reports do not include advisory fees, trading costs, etc.

For Clients with Separate Managed Accounts, notify your advisor:

- 1) if your financial situation or investment objectives have changed,
- 2) any reasonable restrictions that need to be imposed or modified on the SMA account.

MVT18

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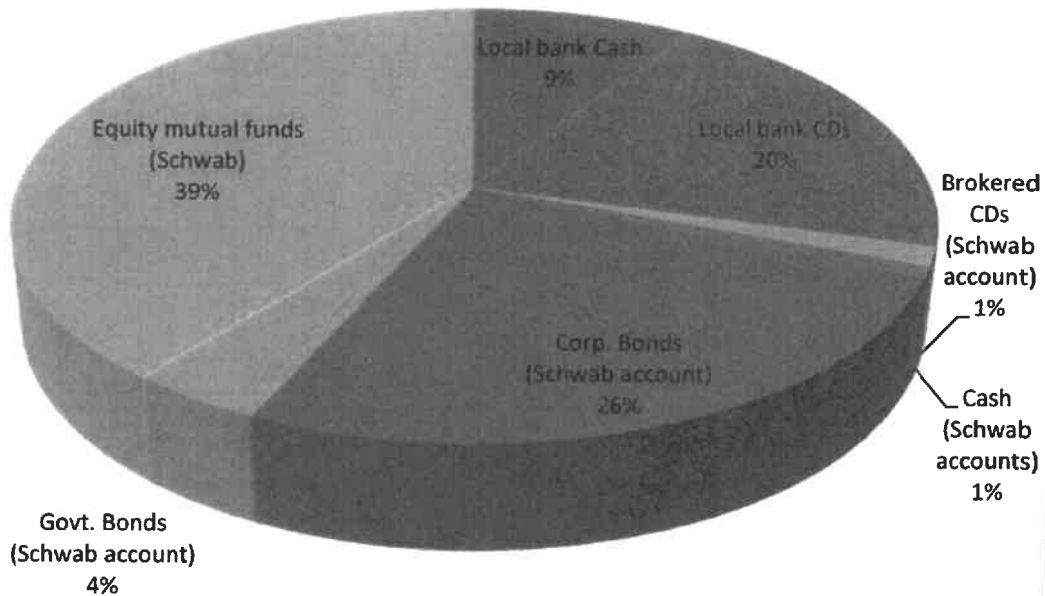
Washington Police Pension Fund

Total Asset Allocation

As of December 31, 2018

<u>Asset Class</u>	<u>Value</u>	<u>% of assets</u>	<u>Sector</u>
Local bank Cash	\$646,509	9.1%	
Local bank CDs	\$1,433,789	20.1%	
Brokered CDs (Schwab account)	\$100,611	1.4%	
Cash (Schwab accounts)	\$46,445	0.7%	31.3% total cash and CD
Corp. Bonds (Schwab account)	\$1,809,744	25.4%	25.4% total corp.
Govt. Bonds (Schwab account)	\$277,656	3.9%	3.9% total govt.
Equity mutual funds (Schwab)	\$2,801,956	39.4%	39.4% total mutual funds
Total	\$7,116,710		

Total Asset Allocation



**WASHINGTON POLICE PENSION FUND
CASH AND INVESTMENTS
12/31/18**

Heartland Bank Money Market			\$	638,631.74	
Cefcu Savings			\$	7,877.90	
Charles Schwab Money Market - Fixed Income			\$	45,438.27	
Charles Schwab Money Market - Fixed Income Non-Sweep			\$	6.67	
Charles Schwab Money Market - Equity Sweep			\$	4,215.88	
Charles Schwab Money Market - Equity Non-Sweep			\$	-	
Certificates of Deposit:					
CEFCU					
470118-200	1.79% due 1/10/22		\$	100,000.00	\$ 100,000.00
Heartland Bank <i>No CD's at this time.</i>					
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		\$	208,942.08	
706712-2	1.50% due 2/22/20		\$	134,629.46	\$ 343,571.54
Morton Community Bank					
564839	1.60% due 9/27/19		\$	109,284.61	
560083	2.11% due 12/23/18 Redeemed 1/3/19		\$	108,717.67	
569321	2.70% due 9/05/21		\$	181,214.39	\$ 399,216.67
Busey Bank					
6130001357	2.00% due 4/9/19 (Soaring CD)		\$	140,917.81	
70842	2.76% due 8/30/23		\$	105,730.45	
6130001363	2.00% due 4/24/19 (Soaring CD)		\$	108,398.39	\$ 355,046.65
Mitchell, Vaught, & Taylor					
38148JWE7	CD 1.85% due 6/17/19 - Goldman Sachs		\$	100,000.00	\$ 100,000.00
Total Certificates of Deposits				\$	1,533,788.95

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

REVENUES:

Property Taxes	532,890.89	
Property Replacement Taxes	10,984.17	
Interest	56,857.58	
Dividends <i>(Cash/Reinvested)</i>	185,640.04	
Employee Contributions	100,399.79	
Miscellaneous Income	0.00	
TOTAL	886,772.47	

EXPENSES:

Pensions	398,016.60	
Insurance	3,122.00	
Legal	200.00	
Compliance Fee	1,441.43	
Training	0.00	
Membership Dues	795.00	
Subscriptions	0.00	
Postage	0.00	
Contributions Refund	0.00	
Investment Expense	11,362.00	
Miscellaneous	320.50	
TOTAL	415,257.53	

REVENUES LESS EXPENSES

471,514.94

* 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	49,983.90	

MONTHLY PENSIONS PAID (GROSS): DISABILITY

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

POLICE PENSION - ACTIVE OFFICERS' CONTRIBUTIONS AS OF 12/31/18

	<u>Contributions</u>	<u>Years</u>
Danton Althiser	\$ 2,215.91	0
Lyle Baele	\$ 124,477.92	19
Zachary Bean	\$ 46,489.07	8
Michael Brown	\$ 25,352.83	3
Jacob Cernek	\$ 39,939.32	7
Ashley Clare	\$ 14,366.36	2
Daniel Foster	\$ 45,900.19	9
Greg Gordon	\$ 111,108.32	20
Frank Grossman	\$ 37,356.52	6
Steve Hinken	\$ 49,004.79	9
Ryan Hunsunger	\$ 71,510.44	12
Ramadan Moore	\$ 3,491.22	0
Brian Simpson	\$ 30,812.93	5
Keegan Smith	\$ 40,695.80	6
Steven Smith	\$ 63,941.99	9
Stuart Stevens	\$ 113,260.01	19
Joshua Sutter	\$ 16,476.64	2
Dramane Taylor	\$ 24,216.44	3
Derek Thomas	\$ 86,532.56	15
Troi Westbrook	\$ 31,575.43	4
Tyler Willi	\$ 59,860.38	9
TOTAL ACTIVE CONTRIBUTIONS	<u>\$ 1,038,585.07</u>	

POLICE PENSION -INACTIVE OFFICERS' CONTRIBUTIONS AS OF 12/31/18

	<u>Contributions</u>	<u>Years</u>
Lindsay Bond	Terminated 3/5/15 \$ 5,662.02	
Michael Heitz	Terminated 5/11/13 \$ 624.14	
April Schrementi	Terminated 7/21/10 \$ 5,253.25	
TOTAL INACTIVE CONTRIBUTIONS	<u>11,539.41</u>	
TOTAL CONTRIBUTIONS	<u>1,050,124.48</u>	



Transaction Detail
From 10/01/2018 to 12/31/2018

Washington Police Pension Fund

Portfolio Account Number	Trade Date	Activity	Security Symbol	Description	Quantity	Net Amount
	10/09/2018	Withdrawal	SWGXX	Schwab U. S. Treasury		(3,800.00)
	10/09/2018	Deposit	SWGXX	Schwab U. S. Treasury		3,800.00
	10/10/2018	Management Fee		Schwab U. S. Treasury		(2,079.00)
	10/10/2018	Management Fee		Schwab U. S. Treasury		(3,667.00)
	10/15/2018	Interest	24424CBT7	John Deere 10/15/2022 2.75%		275.00
	10/15/2018	Dividend	SNVXX	Schwab Government Money	3.03	3.03
	10/15/2018	Dividend	SWGXX	Schwab U. S. Treasury		9.90
	10/15/2018	Dividend	SWGXX	Schwab U. S. Treasury		0.42
	10/21/2018	Interest	61746BEA0	Morgan Stanley 04/21/2021 2.50%		937.50
	10/23/2018	Sell	ODVYX	Oppenheimer Developing Ma	(1,679,824)	58,981.44
	10/23/2018	Sell	OSMYX	Oppenheimer Intl Smid Cap I	(2,523,382)	123,494.52
	10/23/2018	Sell	VGIAX	Vanguard Growth & Income	(1,585,608)	126,474.81
	10/24/2018	Buy	GERIX	Goldman Sachs Emerging M	6,848,724	(58,981.44)
	10/24/2018	Buy	SNVXX	Schwab Government Money	123,494.52	(123,494.52)
	10/24/2018	Buy	PNAIX	T Rowe Price New America	2,482.816	(126,474.81)
	10/29/2018	Interest	06406RAG2	Bank Of NY Mellon 04/28/2023 3.50%		432.64
	11/01/2018	interest	637432LR4	National Rural Electric 11/01/2018 10.375%		415.00
	11/01/2018	Sell	637432LR4	National Rural Electric 11/01/2018 10.375%	(8,000)	8,000.00
	11/02/2018	interest	02209SAP8	Atria Group Inc 05/02/2023 2.95%		737.50
	11/14/2018	Receipt of Securitie	SNVXX	Schwab Government Money	125,741.88	
	11/14/2018	Interest	00287YAU3	Abbvie 05/14/2021 2.30%		575.00
	11/14/2018	Transfer of Securiti	SNVXX	Schwab Government Money	(125,741.88)	
	11/15/2018	Interest	73755LAF4	Potash Corp of Saskatchewan 05/15/2019 6.50%		975.00
	11/15/2018	Dividend	SNVXX	Schwab Government Money	6.67	6.67
	11/15/2018	Dividend	SNVXX	Schwab Government Money		137.92
	11/15/2018	Dividend	SWGXX	Schwab U. S. Treasury		13.77
	11/15/2018	Dividend	SWGXX	Schwab U. S. Treasury		0.35
	11/15/2018	Interest	857477AL7	State Street Corp 05/15/2023 3.10%		775.00
	11/15/2018	Sell	SNVXX	Schwab Government Money	(125,741.88)	125,741.88

Transaction Detail
From 10/01/2018 to 12/31/2018

Washington Police Pension Fund

Portfolio Account Number	Trade Date	Activity	Security Symbol	Description	Quantity	Net Amount
	11/16/2018	Buy	806854AH8	Schlumberger Inc 12/D1/2023 3.65%	100,000	(101,682.47)
	11/20/2018	Qualified Dividend	APDIX	Artisan International Fund	51.877	1,443.74
	11/20/2018	Long Gain	APDIX	Artisan International Fund	275.352	7,663.06
	11/20/2018	Interest	747525AE3	Qualcomm Inc 05/20/2022 3.00%		1,500.00
	11/29/2018	Deposit	SWGXX	Schwab U. S. Treasury		100,000.00
	11/30/2018	Buy	78013XW20	Royal Bank of Canada 10/05/2023 3.70%	100,000	(100,446.39)
	12/01/2018	Interest	806854AH8	Schlumberger Inc 12/01/2023 3.65%		1,825.00
	12/03/2018	Qualified Dividend	ODVYX	Oppenheimer Developing Ma	17.222	681.65
	12/06/2018	Qualified Dividend	CSRIX	Cohen & Steers Institutional	16.003	691.83
	12/06/2018	Long Gain	CSRIX	Cohen & Steers Institutional	23.964	1,035.96
	12/11/2018	Qualified Dividend	OSMYX	Oppenheimer Intl Smid Cap I	24.084	997.32
	12/11/2018	Short Gain	OSMYX	Oppenheimer Intl Smid Cap I	52.057	2,155.67
	12/11/2018	Long Gain	OSMYX	Oppenheimer Intl Smid Cap I	205.558	8,512.15
	12/11/2018	Short Gain	USSCX	USAA Science And Technol	70.677	1,610.74
	12/11/2018	Long Gain	USSCX	USAA Science And Technol	782.038	17,822.65
	12/12/2018	Interest	871829AQ0	Sysco Corporation 06/12/2022 2.60%		585.00
	12/13/2018	Long Gain	DHMIX	Diamond Hill Small Mid Cap	457.445	9,048.26
	12/13/2018	Qualified Dividend	OANIX	Oakmark International Fund I	382.564	8,075.92
	12/13/2018	Long Gain	OANIX	Oakmark International Fund I	778.791	16,440.28
	12/13/2018	Qualified Dividend	PNAIX	T Rowe Price New America	9.188	422.08
	12/13/2018	Short Gain	PNAIX	T Rowe Price New America	17.294	794.50
	12/13/2018	Long Gain	PNAIX	T Rowe Price New America	272.926	12,538.22
	12/13/2018	Short Gain	TQAIX	T Rowe Price Qm US Small		645.35
	12/13/2018	Long Gain	TQAIX	T Rowe Price Qm US Small		3,123.48
	12/14/2018	Short Gain	THISX	T Rowe Price Health	13.887	974.30
	12/14/2018	Long Gain	THISX	T Rowe Price Health	124.673	8,747.04
	12/17/2018	Interest	38148JWE7	Goldman Sachs Bank 06/17/2019 1.85%		927.53
	12/18/2018	Short Gain	VDIGX	Vanguard Dividend Growth F	53.353	1,321.03
	12/18/2018	Qualified Dividend	VDIGX	Vanguard Dividend Growth F	134.792	3,337.46
	12/18/2018	Long Gain	VDIGX	Vanguard Dividend Growth F	566.892	14,036.24
	12/21/2018	Qualified Dividend	GCIX	Goldman International Insign	151.798	1,665.22
	12/21/2018	Qualified Dividend	GERIX	Goldman Sachs Emerging M	153.338	1,318.71
	12/21/2018	Short Gain	GLIFX	Lazard Global Listed Infrastr	6.325	85.52
	12/21/2018	Qualified Dividend	GLIFX	Lazard Global Listed Infrastr	79.279	1,071.85
	12/21/2018	Long Gain	GLIFX	Lazard Global Listed Infrastr	92.026	1,244.19
	12/21/2018	Qualified Dividend	VTSAX	Vanguard Total Stock Admir	70.828	4,233.36
	12/26/2018	Short Gain	BMDIX	Baird Midcap Institutional	8.237	143.08
	12/26/2018	Long Gain	BMDIX	Baird Midcap Institutional	349.282	6,067.02
	12/28/2018	Qualified Dividend	DHMIX	Diamond Hill Small Mid Cap	64.648	1,205.69
	12/31/2018	Dividend	SWGXX	Schwab U. S. Treasury		0.07
	12/31/2018	Dividend	SWGXX	Schwab U. S. Treasury		112.52
	12/31/2018	Dividend	SWGXX	Schwab U. S. Treasury		0.01

Transaction Detail
 From 10/01/2018 to 12/31/2018

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>
██████████	12/31/2018	Dividend	SWGXX	Schwab U. S. Treasury		4.44
						175,269.85

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

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

**PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)**

Name: Don Volk Date of Birth: August 3, 1959

Date of Retirement: April 30, 2016 Age at Retirement: 56



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date

January 1, 2019

Current Pension					Amount of Increase
\$6,488.07	X	3%	=		\$194.64

Current Pension		Amount of Increase		New Pension
\$6,488.07	+	\$194.64	=	\$6,682.71

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: Britt Beard Date of Birth: March 5, 1951

Date of Retirement: March 2, 1989 Age at Retirement: 37



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date
January 1, 2019

* **Original Pension**

<u>\$1,534.52</u>	X	3%	=	<u>\$46.04</u>
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Current Pension		Amount of Increase		New Pension
<u>\$2,823.54</u>	+	<u>\$46.04</u>	=	<u>\$2,869.58</u>

* Due to the fact that this is a Duty Disability Pension, the 3% increase is based on the original pension amount not the current pension amount.

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: David Densberger Date of Birth: June 16, 1955

Date of Retirement: March 4, 2012 Age at Retirement: 56

The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

			Effective Date		
			January 1, 2019		
Current Pension				Amount of Increase	
\$3,169.62	X	3%	=	\$95.09	
Current Pension			Amount of Increase		New Pension
\$3,169.62	+	\$95.09	=	\$3,264.71	

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: Mary Densberger - QUILDRO Date of Birth: June 16, 1955

Date of Retirement: March 4, 2012 Age at Retirement: 56

The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

			Effective Date		
			January 1, 2019		
Current Pension				Amount of Increase	
\$1,253.11	X	3%	=	\$37.59	
Current Pension			Amount of Increase		New Pension
\$1,253.11	+	\$37.59	=	\$1,290.70	

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: Rosalie Gerkin Date of Birth: March 31, 1959

Date of Retirement: October 24, 2011 Age at Retirement: 52



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date

January 1, 2019

Current Pension				Amount of Increase
<u>\$4,508.93</u>	X	3%	=	<u>\$135.27</u>

Current Pension		Amount of Increase		New Pension
<u>\$4,508.93</u>	+	<u>\$135.27</u>	=	<u>\$4,644.20</u>

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: Thomas Libotte Date of Birth: February 27, 1942

Date of Retirement: June 20, 2001 Age at Retirement: 59



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date
January 1, 2019

Current Pension				Amount of Increase
<u>\$4,490.68</u>	X	3%	=	<u>\$134.72</u>

Current Pension		Amount of Increase		New Pension
<u>\$4,490.68</u>	+	<u>\$134.72</u>	=	<u>\$4,625.40</u>

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: David Stark Date of Birth: September 8, 1951

Date of Retirement: October 13, 2010 Age at Retirement: 58



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date

January 1, 2019

Current Pension				Amount of Increase
\$3,710.34	X	3%	=	\$111.31

Current Pension		Amount of Increase		New Pension
\$3,710.34	+	\$111.31	=	\$3,821.65

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: Michael Williams Date of Birth: December 29, 1952

Date of Retirement: June 2, 2010 Age at Retirement: 57



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date

January 1, 2019

Current Pension				Amount of Increase
<u>\$2,984.19</u>	X	3%	=	<u>\$89.53</u>

Current Pension		Amount of Increase		New Pension
<u>\$2,984.19</u>	+	<u>\$89.53</u>	=	<u>\$3,073.72</u>

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: William R. Witmer Date of Birth: July 7, 1941

Date of Retirement: May 20, 2004 Age at Retirement: 63



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date
January 1, 2019

Current Pension					Amount of Increase
<u>\$2,967.12</u>	X	3%	=	<u>\$89.01</u>	

Current Pension		Amount of Increase		New Pension
<u>\$2,967.12</u>	+	<u>\$89.01</u>	=	<u>\$3,056.13</u>

WASHINGTON POLICE PENSION FUND
301 WALNUT STREET
WASHINGTON, IL 61571

PENSION INCREASE COMPUTATION WORKSHEET
(Second & Subsequent Increases)

Name: Charles R. Woolley Date of Birth: May 6, 1953

Date of Retirement: July 7, 2008 Age at Retirement: 55



The Service Pension Increase should be effective each January 1st following the date of the first increase. This increase should be computed by multiplying the individuals current pension by 3%.

Effective Date
January 1, 2019

Current Pension				Amount of Increase
<u>\$4,059.69</u>	X	3%	=	<u>\$121.79</u>

Current Pension		Amount of Increase		New Pension
<u>\$4,059.69</u>	+	<u>\$121.79</u>	=	<u>\$4,181.48</u>

**Illinois Department of Insurance - Pension Division
Benefit Calculator Report**

Participant Summary

Fund Name: Washington Police Pension Fund **Participant Name:** James Kuchenbecker

Benefit Summary

Fund Type: Police
Benefit Type: Retirement
Reciprocity: No
Birth Date: ██████████
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
BOARD MEETING
October 22, 2018**

The meeting was called to order by President Michael Hillary at 8:30 a.m. on Monday, October 22, 2018 in the Conference Room at City Hall.

Roll Call

Present

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

Absent

Troi Westbrook, Assistant Secretary

Also in attendance were Controller Joanie Baxter, Treasurer Ellen Dingleline, Accountant Jeanette Glueck and David Vaught from Mitchell Vaught & Taylor.

The agenda was reviewed and accepted as presented.

David Vaught from MVT reviewed the investment portfolio and performance. As of September 30, 2018, equities have an annualized net return of 10.27% with \$147,000 earnings for the quarter. The bond portfolio is down for the quarter 3.67%. Volatility in the market has made investors uneasy and just calls for caution. The market will rebalance eventually. Looking ahead, MVT would like to consider adding Goldman International Fund as really like their methodology. Also may want to reduce Oppenheimer International Small Cap as manager left, although Oppenheimer Developing Markets has been very successful. Interest rates are going to continue to rise as the federal deficit is larger than projected and bonds will need to be issued to cover the increased deficit.

Jason Franken from Foster & Foster called in to discuss the results of the actuarial study done as of May 1, 2018. The only changes in assumptions were those made based on the results of the 2017 Department of Insurance experience study. The interest rate assumption remains at 6.75%. The market value of assets rate of return for the fiscal year was 5.58% and the 5 year-smoothed rate for actuarial purposes was 4.43%. The increase due to investment returns falling short of the assumed interest rate was largely offset by decreases due to changes in assumptions. As a result, the recommended employer contribution decreased slightly from \$550,691 to \$550,231, of which \$15,000 may be satisfied with Personal Property Replacement Tax. The resulting tax levy recommendation is \$535,231 rounded to \$535,300. This is a \$400 decrease from the prior year tax levy of \$535,700. Funding at this level will result in a slight improvement to the percent funded to 61.7% (59.5% in the prior year).

The actuary indicates that for plans of similar size, the interest rate of 6.75% is probably a bit too high because of the 45% equity limitation. He recommends the Board more closely evaluate the appropriateness of the rate prior to the next valuation. Staff will make a note to discuss at the July 2019 Board meeting.

Fussner made a motion, seconded by Gordon to approve the October 22, 2018 regular meeting minutes. Motion carried and minutes approved.

There were no public comments.

Financial reports as of September 30, 2018 were reviewed by Controller Baxter. Wetzel made a motion to approve the reports, seconded by Hillary. Motion carried.

A CD at Morton Community Bank in the amount of \$105,342.01 matured on 8/21/18. It was redeemed and a 5-year CD from Busey Bank was purchased for \$105,000 at 2.76%. Gordon made a motion, seconded by Hillary to ratify the investment. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

A CD with MVT – Capital One Bank in the amount of \$185,605.59 matured on 8/27/18. It was redeemed and a 3-year CD was purchased from Morton Community Bank for \$180,000 at 2.7%. Gordon made a motion, seconded by Fussner to ratify the investment. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes.. Motion carried.

There are two CDs maturing before the next meeting of which trustees will be contacted with alternative investment options. It was noted that the fees from MVT has decreased by 35 basis points because the portfolio they are managing is now in excess of \$5 million.

Police pension expenses since the last meeting were as follows:

- Heartland Bank and Trust on July 3, 2018 in the amount of \$20.50 for new checks.
- Foster & Foster on July 23, 2018 in the amount of \$300.00 for Sutter's military service purchase calculation.
- Mesriow Insurance Services on September 10, 2018 in the amount of \$3,122.00 for fiduciary liability insurance policy renewal.
- Atwell & Atwell on September 18, 2018 in the amount of \$200 for review of the Investment Policy.

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

MVT transactions for the 3rd quarter 2018 were reviewed. Hillary made a motion, seconded by Wetzel to approve these transactions. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner - yes. Motion carried.

The Municipal Compliance Report as required by House Bill 5088 (Public Act 95-950) was submitted and reviewed. Following discussion, Gordon made a motion, seconded by Hillary to approve the report. Motion carried.

The annual increase for James Kuchenbecker was reviewed. Kuchenbecker's pension will increase \$213.28 from \$7,109.29 to \$7,322.57 effective January 1, 2019. Wetzel 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.

Police officer Danton Althiser, sworn in August 30, 2018 submitted an application for membership in the Police Pension Fund. Gordon made a motion, seconded by Fussner to approve the application. Motion carried.

Renewal of membership with IPPFA was considered. Membership allows for trustees to attend training at a discounted rate. Following discussion, Wetzel made a motion, seconded by Hillary to approve the renewal in the amount of \$795.00. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

The Annual Report for the fiscal year ended April 30, 2018 was reviewed. Following discussion, Gordon made a motion, seconded by Hillary to accept and approve the Annual Report. Motion carried.

The results of the actuarial valuation as presented by Foster & Foster were reviewed. Following discussion, Gordon made a motion, seconded by Fussner to accept the assumptions as indicated in the valuation report and recommend a tax levy of \$535,300 to the City Council. The assumptions will be further reviewed and updated as necessary prior to the next valuation. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

The Ullico quote for renewal of the Errors and Omissions Insurance Policy was not received in time for the prior meeting and thus requires ratification. The renewal is in the amount of \$3,122.00. Hillary made a motion, seconded by Wetzel to ratify the renewal. On roll call the vote was Hillary – yes; Wetzel – yes; Gordon – yes; Fussner – yes. Motion carried.

Inactive pension fund contributions were discussed. Staff sent out letters as directed and they all came back undeliverable. Contact was made with Lindsay Bond and paperwork sent again to him, but the information had not been returned.

The Investment Policy was approved at the prior meeting subject to review by the Board's attorney, Charlie Atwell. Minor changes were made as follows:

- Page 9 – Paragraph P – the section should be listed as 3-141 rather than 4-134.
- Page 9 – Paragraph P – year end should be changed to year-end.

These changes have been made and the policy has been submitted to the Department of Insurance as required with a July 23, 2018 approval date.

Baxter indicated that Joshua Sutter commenced paying on his 3-year purchase of military credit on September 21, 2018 in the amount of \$315.79 per pay period. Since Sutter did follow through with the purchase, the Board made a \$300 payment for the actuarial calculation to Foster & Foster as agreed.

Training requirements and opportunities were discussed. The trustees will all need to have 16 hours of training by August 13, 2019. Hopefully a conference will be offered in East Peoria again.

The meeting schedule for 2019 was distributed and Hillary indicated that he would be out of town on April 22 and not able to attend. Because April has five Mondays, the Board agreed to reschedule the April meeting to April 29, 2019.

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

Respectfully Submitted,

Greg Gordon, Secretary