

WASHINGTON POLICE PENSION FUND
BOARD MEETING
City Hall Conference Room
Monday, August 3, 2020 - **Minutes**

1. **Call to Order.** President Michael Hillary called the meeting to order at 8:32 a.m.
2. **Roll Call.** Finance Director Joanie Baxter took the roll.

Present

Michael Hillary, President
Greg Gordon, Secretary
Troi Westbrook, Assistant Secretary
James Fussner, Representative

Also, in attendance were Finance Director Joanie Baxter, Treasurer Ellen Dingledine, Accountant Jeanette Glueck, City Administrator Ray Forsythe, and via Zoom Alderman Lilija Stevens and Dwight Ower with Mitchell, Vaught and

3. **Review Agenda.** The agenda was reviewed and no changes were noted.
4. **Investment Reporting.** Dwight Ower from Mitchell, Vaught & Taylor was present for the meeting via Zoom. He stated it was a fairly good 2nd quarter following one of the worst. He gave an overview of the funds indicating that despite the economy shrinking by 1/3 due to the COVID-19 pandemic, the investments ended the 2nd quarter with a total \$1.5M gain, just under the \$1.65M gain as of 12/31/19. The impact from the Presidential election as well as the State consolidation process were discussed. Consolidation deadline is July 2022.
5. **Meeting Minutes Approval.** No changes needed to be made to the May 11, 2020 meeting minutes. Gordon made a motion to approve the minutes. Fussner seconded the motion. The motion carried and the minutes were approved.
6. **Public Comment.** There were no public comments.
7. **Financial Reports.** Financial Director Baxter reviewed the reports which were as of 6/30/2020. Treasurer Dingledine commented that Ipava is paying an APY of 2.0 right now on the general bank accounts. This is hard to beat for CDs plus we don't want to have an investment with too long of a maturing date due to impending consolidation and don't want to risk penalty for early withdrawal. Dingledine asked if we wanted to continue investing with Busey Bank since the Washington branch is being closed in October. The Board agreed to keep on our contact list for now. Gordon made a motion to approve the financial reports. Hillary seconded the motion. All approved. Motion carried and reports were approved.
8. **Action Items.**
 - A. **Ratify Investment made via phone/memo approval.** None.
 - B. **Investments maturing before next quarterly meeting.** Will touch base with phone quotes.
 - C. **Ratification of Police Pension Fund Expenses.**
 - Il Dept. of Insurance dated 5/19/20 for \$1,615.60 for FY2021 compliance fee
Fussner motioned to approve the expenses. Hillary seconded. Roll call vote: Hillary – yes; Gordon – yes; Westbrook – yes; Fussner – yes. Motion carried.

- D. Ratification of 2nd Quarter 2020 Investment Transactions with MVT. Gordon made a motion to approve and Hillary seconded. Roll call vote: Hillary – yes; Gordon – yes; Westbrook – yes; Fussner – yes. Motion carried.
- E. Approval of Fiduciary Liability Policy – Ullico. A proposal was received from Ullico for the renewal of the fiduciary liability insurance policy in the amount of \$3,228. Gordon made a motion to approve and Fussner seconded the motion. Roll call vote: Hillary – yes; Gordon – yes; Westbrook – yes; Fussner – yes. Motion carried.
- F. Approval of Officer Nathan Thompson to the Fund. Officer Nathaniel Thompson, date of birth January 23, 1990, sworn in June 26, 2020 with an initial acceptance date of after 1/1/2011 and thus qualifying as Tier 2 was considered for acceptance to the Fund. Gordon made a motion to approve Officer Thompson and Fussner seconded the motion. All approved. Motion carried.
- G. Acceptance of Police Pension Fund Annual Report per 40 ILCS 5/3-141. Baxter presented the Annual Report as required by State Statute. The Board questioned why the amounts were different for certain income than what is shown in the Income and Expense Report for FYE 4/30/20. Baxter explained that this report is due the second Tuesday in May and thus the accounts haven't been reconciled at that time. The Board asked that reconciliations be done and the Report brought back to the next meeting for approval.
- H. Approval of Investment Policy Amendment – Sustainability Factors. An amendment is required to incorporate language regarding sustainability factors as discussed in the prior meeting. The language was reviewed as provided by MVT and a motion was made by Gordon, seconded by Hillary to approve the amendment to the Investment Policy with the required sustainability factors language. All approved. Motion carried.
- I. Election of Officers. A slate of officers for the 2020-21 fiscal year was offered as follows: President – Mike Hillary; Vice President – Jim Fussner; Secretary – Greg Gordon; Assistant Secretary – Troi Westbrook. Gordon made a motion, seconded by Hillary to approve the slate of officers. All approved. Motion carried.
9. Discussion Items.
- A. Pension Reform Update. Dwight Ower gave a pension reform update, indicating the boards are being chosen now and the deadline for investment consolidation is July 2022.
- B. Predatory Lending Law Compliance. Glueck indicated that all compliance certificates have been received except from PNC Bank.
- C. Training requirements and opportunities. Glueck indicated that the required 16 hours of annual training has been reduced to 8 hours with an additional 4 hours required for consolidation transition training. The Board voted last meeting to extend the training deadline to February 2021 as allowed due to the COVID-19 pandemic. The 2020 MidAmerican Pension Conference will be held September 30 – October 2, 2020 in Naperville and can be attended in person or virtually. The trustees indicated they would like to sign up for the virtual option.
10. Adjournment. Prior to adjournment, Baxter asked about the assumptions for the actuarial study and the Board indicated to have the study done with the same interest rate assumption as the prior year. Being no further business to discuss, Gordon made a motion to adjourn, seconded by Fussner. Roll call vote: Hillary – yes; Gordon – yes; Westbrook – yes; Fussner – yes. Motion carried. Meeting was adjourned at 9:27 a.m.

Respectfully Submitted,


Greg Gordon, Secretary