

LISLE-WOODRIDGE FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
HOUSE BILL 5088 - MUNICIPAL COMPLIANCE REPORT
FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2013

**LISLE-WOODRIDGE FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND**

**House Bill 5088 (Public Act 95-950) - Municipal Compliance Report
For the Fiscal Year Ending December 31, 2013**

The Pension Board certifies to the Board of Trustees of the Lisle-Woodridge Fire Protection District on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

- 1) The total net assets of the fund and their current market value of those assets:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Net Assets	<u>\$ 52,816,296</u>	<u>\$ 45,684,821</u>
Market Value	<u>\$ 52,816,296</u>	<u>\$ 45,684,821</u>

- 2) The estimated receipts during the next succeeding fiscal year from deductions from the salaries of firefighters and from other sources:

Estimated Receipts - Employee Contributions	<u>\$ 955,300</u>
Estimated Receipts - All Other Sources	
Investment Earnings	<u>\$ 3,565,100</u>
Municipal Contributions	<u>\$ 4,499,552</u>

- 3) The estimated amount necessary during the fiscal year to meet the annual actuarial requirements of the pension fund as provided in Sections 4-118 and 4-120:

Annual Requirement of the Fund as Determined by:

Illinois Department of Insurance	<u>\$ N/A</u>
Private Actuary - Lauterbach & Amen, LLP	
Recommended Municipal Contribution	<u>\$ 4,499,552</u>
Statutory Municipal Contribution	<u>\$ 3,732,339</u>

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- 4) The total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year compared to the total net income, assumed investment return, and actual investment return received during the preceding fiscal year:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Net Income Received from Investment of Assets	<u>\$ 6,265,732</u>	<u>\$ 3,536,542</u>
Assumed Investment Return		
Illinois Department of Insurance	<u>N/A</u>	<u>N/A</u>
Private Actuaries	<u>6.75%</u>	<u>7.50%</u>
Actual Investment Return	<u>12.72%</u>	<u>8.09%</u>

- 5) The increase in employer pension contributions that results from the implementation of the provisions of P.A. 93-0689:

Illinois Department of Insurance - Actuarial Report	<u>\$ N/A</u>
Private Actuary - Lauterbach & Amen, LLP	<u>\$ N/A</u>

- 6) The total number of active employees who are financially contributing to the fund:

Number of Active Members	<u>108</u>
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- 7) The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	<u>Number of</u>	<u>Total Amount Disbursed</u>
(i) Regular Retirement Pension	<u>34</u>	<u>\$ 2,337,869</u>
(ii) Disability Pension	<u>11</u>	<u>\$ 328,334</u>
(iii) Survivors and Child Benefits	<u>1</u>	<u>\$ 25,876</u>
Totals	<u>46</u>	<u>\$ 2,692,079</u>

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8) The funded ratio of the fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Illinois Department of Insurance	<u>N/A</u>	<u>N/A</u>
Private Actuaries	<u>50.55%</u>	<u>57.95%</u>

9) The unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability:

Unfunded Liability:

Illinois Department of Insurance	<u>\$ N/A</u>
Private Actuary - Lauterbach & Amen, LLP	<u>\$ 50,113,543</u>

The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

10) The investment policy of the Pension Board under the statutory investment restrictions imposed on the fund.

Investment Policy - See Attached.

Please see Notes Page attached.

CERTIFICATION OF MUNICIPAL FIREFIGHTERS'
PENSION FUND COMPLIANCE REPORT

The Board of Trustees of the Pension Fund, based upon information and belief, and to the best of our knowledge, hereby certify pursuant to §4-134 of the Illinois Pension Code 40 ILCS 5/4-134, that the preceding report is true and accurate.

Adopted this _____ day of _____, 2014

President _____ Date _____

Secretary _____ Date _____

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INDEX OF ASSUMPTIONS

- 1) Total Net Assets - as Reported in the Audited Financial Statements for the Years Ended December 31, 2013 and 2012.

Market Value - Same as Above.

- 2) Estimated Receipts - Employee Contributions as Reported in the Audited Financial Statements for the Year Ended December 31, 2013 plus 3.88% Increase (Actuarial Salary Increase Assumption) Rounded to the Nearest \$100.

Estimated Receipts - All Other Sources

Investment Earnings - Net Assets as Reported in the Audited Financial Statements for the Year Ended December 31, 2013, times 6.75% (Actuarial Investment Return Assumption) Rounded to the Nearest \$100.

Municipal Contributions - Recommended Tax Levy Requirement as Reported by Lauterbach & Amen, LLP, Actuarial Valuation for the Year Ended December 31, 2013.

- 3) Annual Requirement of the Fund as Determined by:

Illinois Department of Insurance - No December 31, 2013 Actuarial Valuation available at the time of this report.

Private Actuary

Recommended Amount of Tax Levy as Reported by Lauterbach & Amen, LLP in the December 31, 2013 Actuarial Valuation.

Statutorily Required Amount of Tax Levy as Reported by Lauterbach & Amen, LLP in the December 31, 2013 Actuarial Valuation.

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- 4) Net Income Received from Investment of Assets - Investment Income (Loss) net of Investment Expense, as Reported in the Audited Financial Statements for the Years Ended December 31, 2013 and 2012.

Assumed Investment Return

Illinois Department of Insurance - Current and Preceding Fiscal Year Interest Rate Assumption - No December 31, 2013 or 2012 Actuarial Valuations available at the time of this report.

Private Actuary - Current Interest Rate Assumption as Reported in the Lauterbach & Amen, LLP, December 31, 2013 Actuarial Valuation. Preceding Fiscal Year Interest Rate Assumption as Reported in the Timothy W. Sharpe, Actuary, December 31, 2012 Actuarial Actual Investment Return - Net Income Received from Investments as Reported Above as a Percentage of the Average of the Beginning and End of Year Net Assets as Reported in the Audited Financial Statements for the Fiscal Years Ended December 31, 2013, 2012 and 2011.

- 5) Illinois Department of Insurance - Amount of total suggested tax levy to be excluded from the property tax extension limitation law as contemplated by 35 ILCS 200/18-185.

Private Actuary - No Private Actuarial Valuation amount available at the time of this report.

- 6) Number of Active Members - Illinois Department of Insurance Annual Statement for December 31, 2013 - Schedule P.

(i) Regular Retirement Pension - Illinois Department of Insurance Annual Statement for December 31, 2013 - Schedule P for Number of Participants and Expense page 1 for Total Amount Disbursed.

(ii) Disability Pension - Same as above.

(iii) Survivors and Child Benefits - Same as above.

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7) The funded ratio of the fund:

Illinois Department of Insurance - Current and Preceding Fiscal Year Actuarial Value of Assets - No December 31, 2013 or 2012 Actuarial Valuations available at the time of this report.

Private Actuary - Current Fiscal Year Actuarial Value of Assets as a percentage of Actuarial Liability as Reported in the Lauterbach & Amen, LLP, December 31, 2013 Actuarial Valuation. Preceding Fiscal Year Actuarial Value of Assets as a percentage of Actuarial

8) Unfunded Liability:

Illinois Department of Insurance - Deferred Asset (Unfunded Accrued Liability) - No December 31, 2013 Actuarial Valuation available at the time of this report.

Private Actuary - Deferred Asset (Unfunded Accrued Liability) as Reported by Lauterbach & Amen, LLP in the December 31, 2013 Actuarial Valuation.