

# Request For Board Action

**REFERRED TO BOARD** December 21, 2015

**AGENDA ITEM NO: 8**

**ORIGINATING DEPARTMENT:** Finance Department

**SUBJECT:** Consideration of a Resolution accepting the Municipal Compliance Report for the Fiscal Year Ending April 30, 2015.

**SUMMARY AND BACKGROUND OF SUBJECT MATTER:**

House Bill 5088 was signed into law on August 29, 2008 and became effective immediately. The content of the bill was negotiated by members of the Illinois Municipal League (IML), the Public Pension Fund Association (IPPFA), and the firefighter and police unions. Public Act 95-950 contains many provisions requiring new levels of compliance and reporting.

In the past pension boards have relied upon audit and actuarial reports to provide the information required under these statutes to the Village Board. Under the new amendments, police pension boards must now specifically certify and provide a formal report.

The Antioch Police Pension Fund is required to file an annual Municipal Compliance Report with the Village Board of Trustees prior to approval of the tax levy.

The Police Pension Board treasurer prepared the Municipal Compliance Report for the fiscal year ending April 30, 2015.

**FINANCIAL IMPACT:** None

**DOCUMENTS ATTACHED:**

1. Resolution
2. Municipal Compliance Report

**RECOMMENDED MOTION:**

**Move to** Approve a Resolution accepting the Municipal Compliance Report for the Fiscal Year Ending April 30, 2015 as prepared by the Treasurer of the Antioch Police Pension Board.

**RESOLUTION NO. 15-**

**RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE MUNICIPAL COMPLIANCE REPORT FOR THE FISCAL YEAR ENDING APRIL 30, 2015**

**WHEREAS**, the Village of Antioch, Lake County, Illinois (the "Village") is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois; and

**WHEREAS**, the Municipal Compliance Report was prepared by the Treasurer of the Antioch Police Pension Fund; and

**WHEREAS**, the corporate authorities have considered the presentation and recommendation of acceptance of the Municipal Compliance Report for the Fiscal Year ending April 30, 2015;

**NOW, THEREFORE, BE IT RESOLVED**, by the Mayor and Board of Trustees of the Village of Antioch to accept as presented the Municipal Compliance Report for the Fiscal Year ending April 30, 2015 and as prepared by the Treasurer of the Antioch Police Pension Fund.

**ADOPTED** by the Mayor and Village Board of Trustees of the Village of Antioch, Lake County, Illinois, this \_\_\_ day of December, 2015.

**APPROVED** this \_\_\_ day of \_\_\_\_\_ 2015.

**AYES:**

**NAYS:**

**ABSENT:**

\_\_\_\_\_  
Lawrence M. Hanson, Mayor

ATTEST:

\_\_\_\_\_  
Lori K. Folbrick, Village Clerk

**VILLAGE OF ANTIOCH, ILLINOIS  
POLICE PENSION FUND**

**House Bill 5088 (Public Act 95-950) – Municipal Compliance Report  
For the Year Ended April 30, 2015**

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The Pension Board certifies to the Board of Trustee of the Municipality on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

- 1) The total assets of the fund in its custody at the end of the fiscal year and the current market value of those assets:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Total Assets	\$ <u>7,845,438.60</u>	\$ <u>7,437,076.65</u>
Market Value	\$ <u>7,845,438.60</u>	\$ <u>7,437,076.65</u>

- 2) The estimated receipts during the next succeeding fiscal year from deduction from the salaries of police officers and from other sources:

Estimated Receipts – Employee Contributions	\$ <u>222,000.00</u>
Estimated Receipts – All Other Sources	
Investment Earnings	\$ <u>148,000.00</u>
Municipal Contributions	\$ <u>852,400.00</u>

- 3) The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

(a) Pay all Pensions and Other Obligations	\$ <u>1,100,000.00</u>
(b) Annual Requirement of the Fund as Determined by:	
Illinois Division of Insurance – Actuarial Report	\$ <u>N/A</u>
Private Actuary	\$ 965,314.00

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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	\$ 148,015	\$ 161,023
Assumed Investment Return		
Illinois Division of Insurance – Actuarial Report	<u>6.5%</u>	<u>6.5%</u>
Private Actuary	NA	NA
Actual Investment Return	<u>1.30 %</u>	<u>3.70 %</u>

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

Number of Active Members	<u>27</u>
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- 6) 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	13	\$ 822,010.89
(ii) Disability Pension	3	\$ 110,518.64
(iii) Survivors and Child Benefits	1	\$ 22,765.60

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7) The funded ratio of the fund:

	<u>Current Fiscal Year</u>	<u>Preceding Fiscal Year</u>
Illinois Division of Insurance – Actuarial Report	37.30%	36.40%

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

Unfunded Liability:

Illinois Division of Insurance –Actuarial Report	\$	N/A
Private Actuary		\$12,921,365

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 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.

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

Investment Policy – See Attached

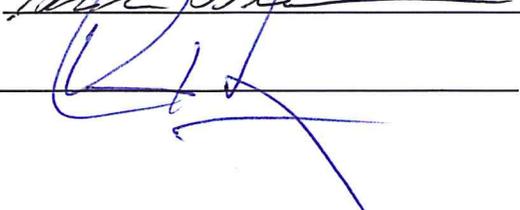
Please see Notes Page attached

**CERTIFICATION OF MUNICIPAL POLICE  
PENSION FUND COMPLIANCE REPORT**

We, the undersigned Trustees of the Village of Antioch Police Pension Fund, based upon information and belief, and to the best of our knowledge, certify pursuant to 5/3-134 of the Illinois Pension Code, that the preceding report is true and accurate.

President 

Date 12-17-15

Secretary 

Date 12-18-15

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**House Bill 5088 (Public Act 95-950) – Municipal Compliance Report  
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- N/A - Information not available at the preparation of this report.
- Note 1 - The Pension Fund does have a private actuary for Fiscal year ended April 30, 2012, April 30, 2013, April 30, 2014 and April 30, 2015
- Note 2 - FISCAL YEAR ACTUARIAL REPORT from the State of Illinois Division of Insurance, dated April 30, 2015 is not available at filing time.