

Actuarial GASB Disclosures
as of April 30, 2015



ALSIP
FIREFIGHTERS' PENSION FUND

Utilizing Data as of April 30, 2014

Submitted by:

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LAUTERBACH & AMEN, LLP

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Actuarial Certification

This certification provides supplemental information as required by the Governmental Accounting Standards Board. The enclosed schedules were prepared by the undersigned to provide general information to assist in the preparation of the Annual Financial Report. The assumptions and methods used in the preparation of this disclosure meet the parameters set for the disclosures presented in the financial section as required by the Governmental Accounting Standards Board. Additional information is also provided solely to assist the auditors in preparation of the required footnote disclosures.

The results in this report are based on information and data submitted by the Alsip Firefighters' Pension Fund including studies performed by prior actuaries. We did not prepare the actuarial valuations for the years prior to May 1, 2015. Those Valuations were prepared by other actuaries whose reports have been furnished to us, and our disclosures are based upon those reports. An audit of the information was not performed, but high-level reviews were performed for general reasonableness as appropriate based on the purpose of the valuation. The accuracy of the results is dependent upon the accuracy and completeness of the underlying information. The results of the actuarial valuation and these supplemental disclosures rely on the information provided.

The valuation results summarized involve actuarial calculations that require assumptions about future events. The Alsip Firefighters' Pension Fund selected certain assumptions, while others were the result of guidance and/or judgment. We believe that the assumptions used in the valuation are reasonable and appropriate for the purposes for which they have been used.

To the best of our knowledge, all calculations are in accordance with the applicable funding requirements, and the procedures followed and presentation of results conform to generally accepted actuarial principles and practices. The undersigned consultant of Lauterbach & Amen, LLP with actuarial credentials meets the Qualification Standards of the American Academy of Actuaries to render this Actuarial Certification. There is no relationship between the Alsip Firefighters' Pension Fund and Lauterbach & Amen, LLP that impairs our objectivity.

Respectfully Submitted,

LAUTERBACH & AMEN, LLP

Todd A. Schroeder, EA



ANNUAL PENSION COST AND NET PENSION OBLIGATION

	For the Year Ended April 30			
	2012	2013	2014	2015
Annual Required Contribution (ARC)	\$	1,233,192	1,383,585	1,538,355
Interest on Net Pension Obligation (NPO)		185,054	188,235	196,010
Adjustment to ARC		(150,654)	(159,611)	(166,844)
Annual Pension Cost		1,267,592	1,412,209	1,567,521
Employer Contribution		1,222,157	1,301,138	1,538,881
Increase/(Decrease) in NPO		45,435	111,071	28,640
NPO Beginning of Year		2,643,640	2,689,075	2,800,146
NPO End of Year	\$	2,643,640	2,689,075	2,828,786

Information shown for fiscal years 2014 and prior is from the Village of Alsip annual financial report for the fiscal year ended April 30, 2014. The ARC for fiscal year 2015 is based on the April 30, 2014 actuary's report completed by Timothy W. Sharpe, Actuary. Subsequent information was calculated by Lauterbach & Amen, LLP.

NPO is the accumulated difference between the Annual Pension Cost and the Employer Contribution.



SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date Apr. 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry-Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2010	\$ 16,451,367	\$ 28,812,898	57.10%	\$ 13,360,531	\$ 2,680,721	461.09%
2011	17,994,677	31,388,304	57.33%	13,393,627	2,467,342	542.84%
2012	18,590,714	32,803,218	56.67%	14,212,504	2,653,763	535.54%
2013	19,876,326	35,156,942	56.54%	15,280,616	2,770,376	551.57%
2014	21,438,140	36,893,013	58.11%	15,454,873	2,847,052	542.84%

Information shown for actuarial valuation dates 2013 and prior is from the Village of Alsip annual financial report for the fiscal year ended April 30, 2014. Information shown for actuarial valuation date 2014 is based on the April 30, 2014 actuary's report completed by Timothy W. Sharpe, Actuary.



SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended Apr. 30	Employer Contributions	Annual Required Contribution	Percent Contributed	Net Pension Obligation
2012				\$ 2,643,640
2013	\$ 1,222,157	\$ 1,233,192	99.11%	2,689,075
2014	1,301,138	1,383,585	94.04%	2,800,146
2015	1,538,881	1,538,355	100.03%	2,828,786

Information shown for fiscal years 2014 and prior is from the Village of Alsip annual financial report for the fiscal year ended April 30, 2014. The ARC for fiscal year 2015 is based on the April 30, 2014 actuary's report completed by Timothy W. Sharpe, Actuary. Subsequent information was calculated by Lauterbach & Amen, LLP.

NPO is the accumulated difference between the Annual Pension Cost and the Employer Contribution.



ACTUARIAL METHOD AND ASSUMPTIONS

Contribution Rates	
Employer	45.70%
Employee	9.455%
Actuarial Valuation Date	4/30/2014
Actuarial Cost Method	Entry Age Normal (Level % Pay)
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	19 Years
Asset Valuation Method	5-Year Smoothed Market Value
Actuarial Assumptions	
Investment Rate of Return	7.00% per Year Compounded Annually
Projected Salary Increases	5.50% per Year Compounded Annually
Inflation Rate Included	3.00% per Year Compounded Annually
Cost-of-Living Adjustments	3.00% per Year Compounded Annually

The actuarial valuation date shown above was used to determine the ARC for the current fiscal year.



PLAN MEMBERSHIP

Retirees and Beneficiaries Currently Receiving Benefits	33
Terminated Employees Entitled to Benefits but not yet Receiving Them	—
Current Employees	
Vested	24
Nonvested	<u>11</u>
Total	<u><u>68</u></u>

For additional information regarding the valuation data and plan provisions please refer to the complete actuarial valuation report.

