



Lauterbach & Amen, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Warrenville Police Pension Fund Reporting

For the Contribution Year Ending April 30, 2022 for Funding Purposes
For the Fiscal Year Ending April 30, 2021 for Financial Statement Reporting

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Actuarial

Audit

**Financial
Services**

Pension

Tax

H5a

Recommended Contribution & Funded Status

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	Prior Valuation	Current Valuation	Difference
Recommended Contribution	\$1,190,032	\$1,173,058	-\$16,974 (1.43% Decrease)
Market Value of Assets (MVA)	\$22,825,768	\$27,501,098	\$4,675,330
Actuarial Value of Assets (AVA)	\$23,936,866	\$26,140,979	\$2,204,113
Actuarial Accrued Liability	\$33,351,910	\$35,222,896	\$1,870,986
EAN Unfunded Actuarial Accrued Liability/(Surplus)	\$9,415,044	\$9,081,917	(\$333,127)
Percent Funded (AVA)	71.77%	74.22%	2.45%
Percent Funded (MVA)	68.44%	78.08%	9.64%

Current Funding Policy is level % pay contributions to a 100% funding target over the remaining 17 years.

Recommended Contribution Reconciliation

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	Actuarial Liability	Recommended Contribution
Expected Changes	\$1,966,996	\$38,677
Salary Increases Less than Expected	(\$132,038)	(\$11,813)
Actuarial Experience	\$36,028	(\$31,413)
Assumption Changes	\$0	\$0
Funding Policy Changes	\$0	\$0
Asset Return Greater than Expected	\$0	(\$19,519)
Contributions Less than Expected	\$0	\$7,095
Net Increase/(Decrease)	\$1,870,986	(\$16,974)

Recommended Contribution Breakdown

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	Prior Valuation	Current Valuation	Difference
Employer Normal Cost (with interest)	\$459,728	\$438,301	(\$21,427)
Amortization of Unfunded Accrued Liability/(Surplus)	\$730,303	\$734,757	\$4,454
Recommended Contribution	\$1,190,032	\$1,173,058	(\$16,974)

The Recommended Contribution has Decreased by 1.43% from the Prior Valuation.

Expected Benefit Payments

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Current Valuation	
Total Active Members	31
Total Inactive Members	24
Current Benefit Payments	\$1,042,845
Expected Benefit Payments in 5 Years	\$1,590,609
Expected Benefit Payments in 10 Years	\$2,399,689

Benefit Payments are Anticipated to Increase 53% in the Next 5 Years and 130% in the Next 10 Years.

Demographic Changes

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- There were 3 Members who were hired during the year.
This increased the Recommended Contribution by approximately \$19,000.
- There were 2 Members who terminated employment during the year.
This decreased the Recommended Contribution by approximately \$63,000.
- There were 14 inactive Members who continued to collect benefits.
This decreased the Recommended Contribution by approximately \$1,000.
- Other demographic changes experienced during the year were minimal.

Change in Market Value of Assets

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Current Valuation	
Beginning Market Value of Assets	\$22,825,768
Employer Contributions	\$1,038,504
Member Contributions	\$374,243
Return on Investments	\$4,355,718
Benefits and Refunds	(\$1,051,483)
Other Expenses	(\$41,652)
Change in Market Value	\$4,675,330
Ending Market Value of Assets	\$27,501,098

The Rate of Return on Investments on a Market Value of Assets Basis for the Fund was Approximately 18.75% Net of Administrative Expense. The Expected Rate of Return on Investments is 6.75%.

Risk Management

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- The ratio of benefit payments to the Market Value of Assets is 3.79%, compared to an Expected Rate of Return on Investments of 6.75%.
- Based on the number of active Members in the Plan, there is a moderate demographic risk.
- Reducing the Expected Rate of Return on Investments by 25 basis points produces a Recommended Contribution that is 14.36% higher than currently shown.

Illinois Statutory Minimum Contribution

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	Prior Valuation	Current Valuation	Difference
Statutory Minimum Contribution	\$841,528	\$875,464	\$33,936 (4.03% Increase)
PUC Unfunded Actuarial Accrued Liability/(Surplus)	\$7,479,850	\$9,250,235	\$1,770,385
Statutory Minimum Funded Percentage (AVA)	76.19%	73.86%	(2.33%)

*Statutory Minimum
Funding Policy is
Level % Pay
Contributions to a
90% Funding Target
Over the Remaining
19 Years.*

Five-Year Employer Contribution History

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Fiscal Year End	Employer Contribution	Actuarially Determined Contribution (ADC)	% of ADC
4/30/2021	\$1,038,504	\$1,038,677	99.98%
4/30/2020	\$949,117	\$972,868	97.56%
4/30/2019	\$1,111,844	\$887,304	125.31%
4/30/2018	\$1,132,335	\$926,044	122.28%
4/30/2017	\$1,173,896	\$859,923	136.51%
		5 - Year Average	116.33%

The Actuarially Determined Contribution for the Current Year is the Recommended Contribution from the May 1, 2019 Actuarial Valuation Completed by Lauterbach & Amen, LLP.

Changes in Net Pension Liability

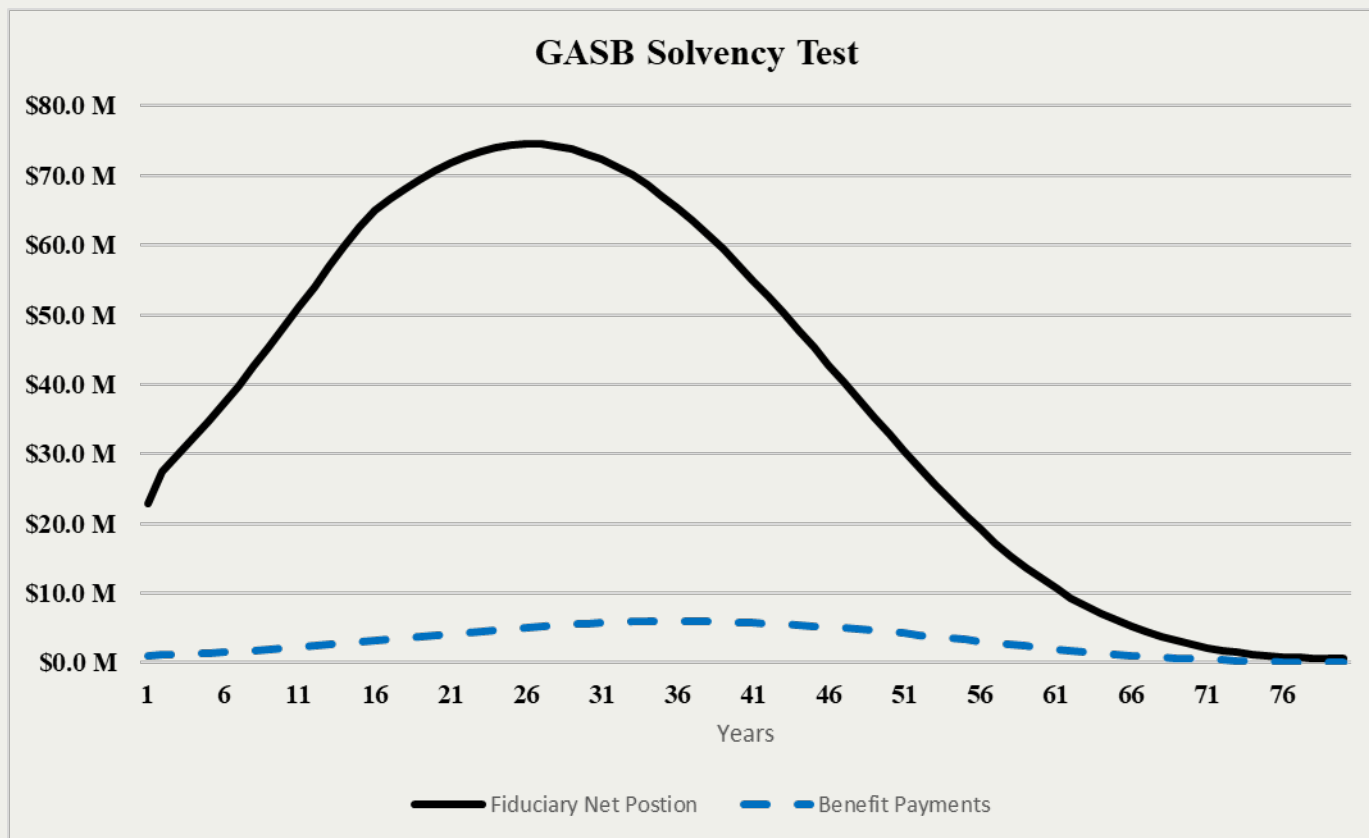
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	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Beginning Balances	\$33,892,794	\$22,825,768	\$11,067,026
Service Cost	\$772,887	\$0	\$772,887
Interest	\$2,225,199	\$0	\$2,225,199
Actuarial Experience	(\$411,281)	\$0	(\$411,281)
Change in Assumptions	\$0	\$0	\$0
Changes of Benefit Terms	\$0	\$0	\$0
Contributions - Total	\$0	\$1,412,747	(\$1,412,747)
Net Investment Income	\$0	\$4,355,718	(\$4,355,718)
Benefit Payments and Refunds	(\$1,051,483)	(\$1,051,483)	\$0
Administrative Expense	\$0	(\$41,652)	\$41,652
Net Changes	\$1,535,322	\$4,675,330	(\$3,140,008)
Ending Balances	\$35,428,116	\$27,501,098	\$7,927,018

The Discount Rate Used in the Determination of the Total Pension Liability Remained Constant at 6.75%.

GASB Solvency Test

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*The Plan's Projected
Fiduciary Net
Position is
Anticipated to Cover
Projected Benefit
Payments in Full for
the Current
Employees.*



Actuarial Certification

- The valuation results summarized in this presentation are from the May 1, 2021 Actuarial Funding Report & May 1, 2020 GASB 67/68 Report dated October 14, 2021 & July 22, 2021, respectively, which have been reviewed by Actuarial Consultants that meet the Qualification Standards of the American Academy of Actuaries.
 - This report is not intended for purposes other than determining the Recommended Contribution, under the selected Funding Policy and Statutory Minimum guidelines.
 - This report contains the full description of the data, assumptions, methods, and provisions used to produce these actuarial results.
 - For any rounded figures shown in this presentation, please refer to the Actuarial Funding Report for more exact figures.