

ARLINGTON HEIGHTS FIREFIGHTERS' PENSION FUND ANNUAL REPORT TO THE VILLAGE BOARD FOR THE 2015 LEVY (2016 BUDGET)

Source: Actuarial Valuation as of May 1, 2015, Goldstein & Associates

Actuarial value of assets	91,873,966
Total actuarial liability	(\$136,779,912)
Unfunded actuarial liability*	(44,905,946)
Funded ratio	67.17%
Annual actuarial requirement for 2016	\$3,235,984
Village contribution as percent of Firefighter participant payroll	31.43%
Projected employee contributions	\$648,970
Employee contribution rate per State Statute	9.455%
Actuarial assumed investment return	6.75%
Actuarial actual investment return	9.31%
Assumed investment return for FY2015	\$5,668,342
Actual Investment return for FY2015	6,255,624
Actuarial investment gain/(loss) smoothed over three years:	
One-third of investment gain/(loss) for fiscal year 2015	\$ 195,761
One-third of investment gain/(loss) for fiscal year 2014	\$ 1,291,346
One-third of investment gain/(loss) for fiscal year 2013	\$ 664,981
Total smoothed actuarial gain/(loss)	\$2,152,088
Number of active members contributing to the Firefighter Pension Fund	108
Number of inactive members	0
Number of members receiving benefits	100
60 retirement pensions	\$4,069,953
12 survivor pensions	597,588
24 disability pensions	1,294,409

*The unfunded actuarial liability represents the difference between the actuarial value of pension fund assets less the actuarial liability. To avoid unnecessary market fluctuations, actuarial assets are determined by applying an assumed rate of investment return and smoothing the gains/(losses) of the last three years. The actuarial liability represents the present value of lifetime benefits earned to date of all plan participants, including current Firefighters. The unfunded actuarial liability is amortized over the years remaining through 2040.

To determine the annual required contribution or pension property tax amount for the Village, the normal cost of the Firefighters' pension plan is added to the amortized value of the fund's unfunded liability. Since the unfunded actuarial liability represents future benefits earned to date paid through 2040, the projected liability is not shown in the Firefighters' Pension Fund balance sheet, but is shown as required supplementary information in the Village's Comprehensive Annual Financial Report.

Firefighters' Pension Fund Report (page 2)

The investment policy of the Firefighters' Pension Fund is established in accordance with Illinois State Statutes, 40 ILCS 5/1-113.2-.4, and is available upon request. The attached pie chart depicts the fund's assets at market value as of April 30, 2015, the most recent audited fiscal year-end.

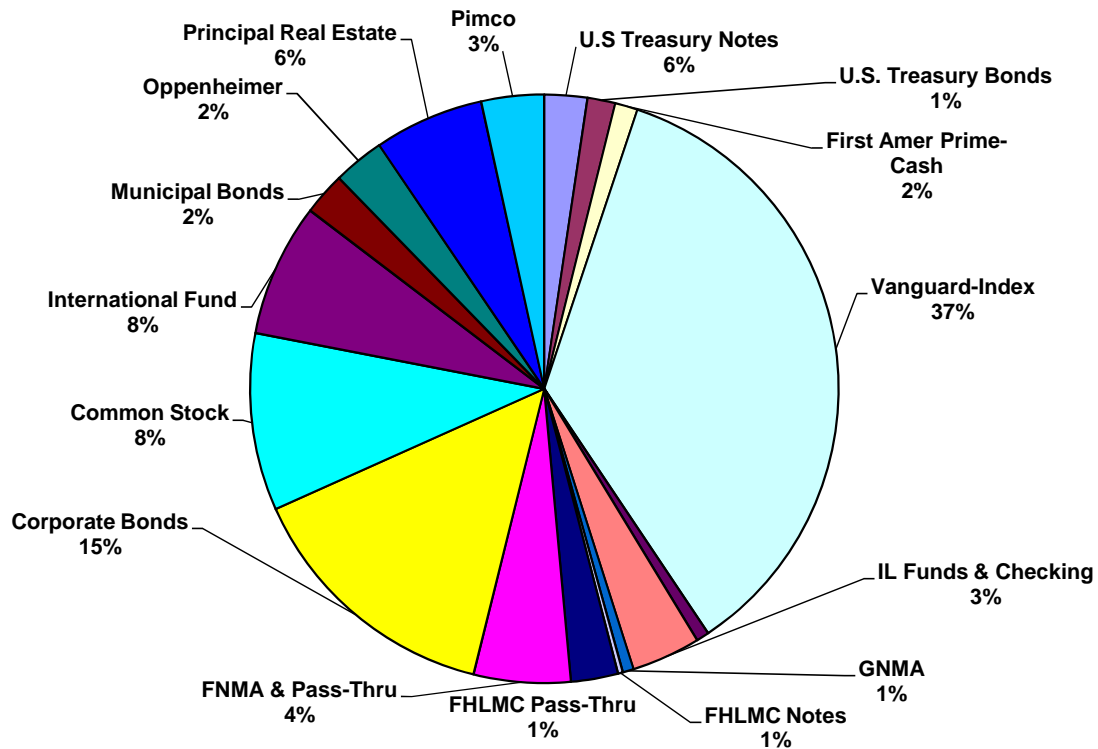
CERTIFICATION:

I, DOUG RUMKO, President of the Firefighters' Pension Board, Village of Arlington Heights, Illinois, do hereby certify that this document is a true and correct copy of: "Required Reporting to Municipality By Pension Board" as outlined in 40 ILCS 5/4-134.

Witness my hand this 26 day of OCTOBER, 2015.

P. RUMKO, President
Arlington Heights Firefighters' Pension Board

**Fire Pension Fund
Open Investments (Market Value)
Period Ending April 30, 2015**



U.S Treasury Notes	6,144,846.30
U.S. Treasury Bonds	410,397.50
First Amer Prime-Cash	1,746,186.87
Vanguard Stk Mkt Index	34,903,626.69
IL Funds & Checking	3,131,862.19
GNMA & FFCB	472,161.28
FHLMC Notes	311,600.25
FHLMC Pass-Thru	797,999.77
FNMA & Pass-Thru	3,713,809.77
Corporate Bonds	14,571,199.34
Common Stock	7,980,338.11
International Fund	7,073,170.99
Municipal Bonds	1,949,480.05
Oppenheimer	2,328,272.17
Principal Real Estate	5,996,105.30
Pimco	2,766,452.82
Total	94,297,509.40