

**VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN**

**ANNUAL FINANCIAL REPORT
December 31, 2014**



VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN

December 31, 2014

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INDEPENDENT AUDITORS' REPORT



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INDEPENDENT AUDITOR'S REPORT

To the Honorable President
and Members of the Board of Trustees of the
Police Pension Plan
Village of Bridgeview, Illinois

We have audited the accompanying financial statements of the Police Pension Plan of the Village of Bridgeview, Illinois ("the Pension Plan"), a component unit of the Village of Bridgeview, Illinois as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Pension Plan's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Pension Plan as of December 31, 2014, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the financial statements, in 2014 the Plan adopted new accounting guidance, GASB Statement 67, *Financial Reporting for Pension Plans*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules of changes in Village net pension liability and related ratios, Village contributions, and investment returns as listed in the table of contents be presented to supplement the financial statements. Such information, although not a part of the financials statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

JW & Associates, P.C.

South Chicago Heights, Illinois
June 24, 2015

BASIC FINANCIAL STATEMENTS



VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2014

Assets

Cash and cash equivalents	\$ 1,332,433
Investments	18,971,687
Accrued interest	68,961
Prepaid Expenses	265
Contributions due from members	65
Total assets	<u>\$ 20,373,411</u>

Liabilities

Other Liabilities	\$ 536
Total Liabilities	<u>\$ 536</u>

Net Position

Net position restricted for Police Pension	<u>\$ 20,372,875</u>
Total net position	<u><u>\$ 20,372,875</u></u>

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
for the Year Ended December 31, 2014

Additions

Contributions	
Member contributions	\$ 269,336
Employer contributions	<u>1,168,821</u>
Total contributions	<u>1,438,157</u>

Investment Earnings	
Interest and Dividends Earned	760,617
Net Increase (Decrease) in Fair Value	<u>536,270</u>
Total Investment Income	1,296,887
Less Investment Expense	<u>(50,816)</u>
Net Investment Earnings	1,246,071

Total additions	<u>2,684,228</u>
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Deductions

Pension payments	1,596,766
Administrative expenses	<u>24,035</u>

Total deductions	<u>1,620,801</u>
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Change in net position	1,063,427
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Net position restricted for Police Pension at beginning of year	<u>19,309,448</u>
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Net position restricted for Police Pension at end of year	<u><u>\$ 20,372,875</u></u>
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VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Police Pension Plan of the Village of Bridgeview, Illinois (Pension Plan) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Pension Plan's significant accounting policies are described below.

A. Reporting Entity

The Pension Plan is included in the Village of Bridgeview's ("Village") annual financial report as a blended component unit and is reported as a pension trust fund. The decision to include the Pension Plan in the Village's reporting entity was made based upon the significance of their operational or financial relationships with the Village.

The Village's police employees participate in the Pension Plan. The Village and the Pension Plan are obligated to fund all costs based on actuarial valuations. The nature of the Pension Plan dictates the Village's financial accountability. The Village appoints a voting majority of the Pension Plan's board and the Pension Plan has the possibility of imposing a financial burden on the Village. The State of Illinois is authorized to establish benefit levels and the Village is authorized to approve the actuarial assumptions used in the determination of contribution levels.

B. Basis of Presentation – Fund Accounting

The accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, net position, additions and deductions. The various funds are summarized by type in the financial statements.

Fiduciary Fund Types – Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the Village. The Pension Plan is accounted for as a pension trust fund.

Trust and Agency Funds- Trust and Agency Funds include Pension Trust Funds and are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and liabilities associated with the operations of these funds are included on the statement of plan net position. Pension trust fund operating statements present additions to, and deductions from, net plan assets.

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting

The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan position are recorded when earned and deductions from net plan position are recorded at the time related liabilities are incurred. Pension Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

D. Cash and Cash Equivalents

Cash and cash equivalents represent cash on hand, cash deposited in interest-bearing and non-interest-bearing checking accounts, The Illinois Funds, treasury obligations and investments in certificates of deposit with original maturities of three months or less. The deposit with the State Treasurer's Illinois Funds is at fair value, which is the same value as the pool shares. State statute requires the State Treasurer's Illinois Funds to comply with the Illinois Public Funds Investment Act (30 ILCS 235).

E. Investments

Investments consist of treasury obligations, municipal bonds, government and agency notes, mutual funds and variable annuities held by broker-dealers for pension trust funds with original maturities greater than three months. Investments are stated at fair value in accordance with GASB 31.

F. Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds of the Village for goods provided or services rendered. These receivables and payables that relate to the Pension Plan are classified as "Due from Village" or "Due to Village" on the statement of plan net position.

NOTE 2 – NEW PRONOUNCEMENT

The Pension Plan has adopted Government Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*. Changes brought forth by this statement are enhanced note disclosures and Required Supplementary Information (RSI). Additionally, new information regarding annual money-weighted rates of return in the notes to the financial statements and in 10-year RSI schedules is presented.

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

At December 31, 2014, the Pension Plan's carrying amounts of cash was \$1,332,433 while the bank balances were \$1,333,183. Collateral for the deposits are either insured by the FDIC for \$250,000, or collateralized with securities of the U.S. Government.

Illinois statutes authorize the Pension Plan to invest in obligations of the U.S. Treasury, agencies and instrumentalities, commercial paper issued by corporations organized in the United States with assets exceeding \$500,000,000 savings accounts and certificates of deposit issued by financial institutions insured by the Federal Deposit Insurance Corporation, repurchase agreements, short-term discount obligations of the Federal National Mortgage Association, dividend or share accounts of a credit union which accounts are insured, money market mutual funds with portfolios limited to securities guaranteed by the United States and The Illinois Funds. In addition, the Police Pension Plan may invest in various accounts of life insurance companies authorized to do business in Illinois. Investments may be made in general or separate investment accounts. In addition, the Police Pension Plan may invest in certain equities, subject to limitations.

The following schedule reports the fair values and maturities (using the segmented time distribution method) for the Pension Plan's investments at December 31, 2014.

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities</u>			
		<u>Less Than One Year</u>	<u>1 to 5 Years</u>	<u>6 to 10 Years</u>	<u>More Than 10 Years</u>
Municipal Bonds	\$ 1,631,572	102,169	411,772	1,009,247	108,384
U.S. Government Notes	404	-	-	404	-
U.S. Agency Notes	7,270,028	467,443	3,284,413	3,518,172	-
U.S. Treasury Notes	1,933,409	237,033	996,971	699,405	-
	<u>\$ 10,835,413</u>	<u>806,645</u>	<u>4,693,156</u>	<u>5,227,228</u>	<u>108,384</u>

The remainder of the Police Pension's investments were invested in mutual funds (\$7,702,925) and variable annuities (\$433,349) which do not have maturity dates.

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 3 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

Interest Rate Risk-The Pension Plan has the following guidelines in its formal investment policy that limits investment allocation as a means of managing its exposure to fair value losses arising from increasing interest rates. Equity investments shall be limited to 10% to 30% of fund investments, fixed income investments shall be limited to 60% to 80% of fund investments and cash and equivalents should not exceed 20% of fund investments.

Custodial Credit Risk – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Pension Plan will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Pension Plan’s investments were fully collateralized as of December 31, 2014.

Credit Risk- The Pension Plan’s investment policy requires all fixed income investments to be of investment grade quality or higher at purchase. Also according to the provisions of the Illinois Compiled Statutes, fixed income purchases shall be limited to obligations issued or guaranteed as to principal and interest by the U.S. Government or any agency or instrumentality thereof, or to corporate and municipal issues. All securities shall be of “investment grade” quality; that is, at the time of purchases, rated no lower than “Baa” Moody’s and no lower than “BBB” by Standard and Poor’s. The Board, at their discretion, may impose a higher standard on an individual investment manager basis as circumstances or investment objectives dictate.

Credit ratings for the Pension Plan investments in debt securities at December 31, 2014 (excluding investments in the U.S. government and mutual funds which are not considered to have credit risk) are as follows:

Disclosure Ratings for Debt Securities (Moody's)
(As a percentage of total fair value for debt securities)

Investment Type	Aaa	Aa3	Aa2	Aa1	N/R
U.S. Agency Notes	100.0%	0.0%	0.0%	0.0%	0.0%
Municipal Bonds	21.6%	3.2%	15.6%	12.7%	46.9%

Concentration of Credit Risk – The Pension Plan does not have a policy to limit the concentration of credit risk.

The various investments in securities, mutual funds and other investments are exposed to a variety of uncertainties, including interest rate, market and credit risks. Due to the level of risk associated with certain investments, it is possible that changes in the values of these investments could occur in the near term. Such changes could materially affect the amounts reported in the financial statements of the Pension Plan.

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 4 - EMPLOYEE RETIREMENT SYSTEMS

Plan Description: Police sworn personnel are covered by the Pension Plan which is a defined benefit single-employer pension plan. Although this is a single-employer pension plan, the defined benefits, as well as the employee and employer contributions levels, are governed by Illinois Compiled Statutes (40 ILCS 5/3) and may be amended by the Illinois legislature. The Village of Bridgeview accounts for the plan as a pension trust fund.

As provided for in the Illinois State Statutes, the Police Pension provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to one-half of the salary attached to the rank held on the last day of service, or for one year prior to the last day, whichever is greater. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75% of such salary. Employees with at least eight years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit of 2.5% of final salary for each year of service.

The monthly benefit of a police officer who retired with 20 or more years of service after January 1, 1977 shall be increased annually, following the first anniversary date of retirement and be paid upon reaching the age of at least 55 years, by 3.0% of the original pension and 3.0% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer during the 96 consecutive months of service within the last 120 months of service in which the total salary was the highest by the number of months of service in that period. Police officers' salary for pension purposes shall not exceed \$106,800 however, that amount shall increase annually by the lesser of 1/2 of the annual change in the Consumer Price Index or 3.0% compounded. The annual benefit shall be increased by 2.5% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.0% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e. 1/2% for each month under 55).

The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3.0% or ½ of the change in the Consumer Price Index for the preceding calendar year.

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 4 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

At December 31, 2014, the Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	30
Current employees	
Vested and nonvested	<u>33</u>
Total	<u>63</u>

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenue in the period in which employee services are performed. Benefits and refunds are recognized in the period that they are paid.

Method Used to Value Investments: Fixed-income securities are reported at fair value. Short-term investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges of fixed-income securities are recognized on the trade date. Insurance contracts are valued at contract value. Fair values are derived from published sources.

Related-Party Transactions: There were no securities of the Village or related parties included in the Pension Plan's assets.

Investments

Investment policy: The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Pension Plan Board by a majority vote of its members. It is the policy of the Pension Plan Board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of plan asset classes. The pension plan's investment policy discourages the use of cash equivalents, except for liquidity purposes, and aims to refrain from dramatically shifting asset class allocations over short time spans. The following was the Board's adopted asset allocation policy as of December 31, 2014:

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 4 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>
Large Cap Domestic Equity	28%
Small Cap Domestic Equity	8%
International Equity	4%
Fixed Income	60%
Cash	0%
Total	<u>100%</u>

Concentration of Investments: The Pension Plan had the following investments (other than U.S. Government guaranteed obligations and mutual funds) in one organization that represents five percent or more of net position available for benefits: Federal Farm Credit Bank (\$2,466,480), Federal Home Loan Bank (3,364,601), Federal Home Loan Mortgage Corporation (\$1,238,100), T. Rowe Price Growth Stock Fund #40 (\$1,737,585) and Vanguard 500 Index (\$1,774,879).

Rate of Return: For the year ended December 31, 2014, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.45 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Receivables

The pension plan was not owed anything from the Village as of December 31, 2014.

Reserves

The pension plan does not report any reserves set aside for such purposes as benefit increases or reduced employer contributions as of December 31, 2014.

Net Pension Liability of the Village

The components of the pension liability of the Village at December 31, 2014, were as follows:

Total Pension Liability	\$ 39,129,646
Plan Fiduciary Net Position	<u>20,372,875</u>
Village's net pension liability	<u>18,756,771</u>

Plan fiduciary net position as a percentage of the total pension liability	52.07%
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VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 4 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of December 31, 2014, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	5.50%
Investment Rate of Return	7.40% net of expenses

Mortality rates were based on the RP-2000 CHBCA Mortality Table.

The actuarial assumptions used in the December 31, 2014, valuation were based on the results of an actuarial experience study conducted by the Illinois Department of Insurance dated September 26, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2014 (see discussion of the pension plan's investment policy) are summarized in the following table:

<u>Asset Class</u>	<u>Long Term Expected Rate of Return</u>
Large Cap Domestic Equity	6.80%
Small Cap Domestic Equity	8.40%
International Equity	7.50%
Fixed Income	2.00%
Cash	0.00%

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2014

NOTE 4 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.40 percent. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Village contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Village, calculated using the discount rate of 7.40 percent, as well as what the Village's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.40 percent) or 1-percentage-point higher (8.40 percent) than the current rate:

	1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
Village's Pension Liability	\$ 23,714,818	\$ 18,756,771	\$ 14,638,683

REQUIRED SUPPLEMENTARY INFORMATION



VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS

Last 10 Fiscal Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Total pension liability										
Service cost	\$ 664,589	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	2,705,774	-	-	-	-	-	-	-	-	-
Changes of Benefit Terms	-	-	-	-	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(644,582)	-	-	-	-	-	-	-	-	-
Changes of Assumptions	637,738	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,596,766)	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	<u>1,766,753</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Pension Liability - Beginning	<u>37,362,893</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Pension Liability - Ending (a)	<u>\$ 39,129,646</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 1,168,821	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - member	269,336	-	-	-	-	-	-	-	-	-
Net Investment Income	1,296,886	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,596,766)	-	-	-	-	-	-	-	-	-
Administrative Expense	(74,850)	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	<u>\$ 1,063,427</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position - Beginning	<u>19,309,448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 20,372,875</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 18,756,771</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-Employee Payroll	\$ 2,694,499	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered-Employee Payroll	696.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE VILLAGE CONTRIBUTIONS
DECEMBER 31, 2014

Last 10 Fiscal Years

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Actuarially Determined Contribution	\$ 1,140,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially Determined Contribution	<u>1,168,821</u>	-	-	-	-	-	-	-	-	-
Contribution Deficiency (Excess)	\$ (28,743)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-Employee Payroll	\$ 2,694,499	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered-Employee Payroll	43.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

POLICE PENSION FUND
SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
DECEMBER 31, 2014

Last 10 Fiscal Years

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Annual Money-Weighted Rate of Return, Net of Investment Expense	6.45%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

VILLAGE OF BRIDGEVIEW, ILLINOIS
POLICE PENSION PLAN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended December 31, 2014

NOTE 1 – CHANGES OF ASSUMPTIONS

In 2014, the Actuarial Assumptions changed from the prior year to reflect revised expectations with respect to mortality rates, disability rates, turnover rates and retirement rates. The mortality rates, disability rates, turnover rates and retirement rates have been changed to the new rates most recently published by the Illinois Department of Insurance (September 2012) from the RP 2000 Mortality Table used in 2013.

NOTE 2 – METHODS AND ASSUMPTIONS USED IN CALCULATIONS OF ACTUARIALLY CONTRIBUTIONS

The actuarially determined contribution rates in the schedule of pension plan contributions as of December 31, 2014. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level of Percentage Pay
Remaining Amortization Period	26 Years
Asset Valuation Method	Market Value
Inflation	3.00%
Salary Increases	5.50%
Investment Rate of Return	7.40%, net of pension plan investment expense, including inflation