

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

**ANNUAL FINANCIAL REPORT
December 31, 2018**



**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

December 31, 2018

TABLE OF CONTENTS

INDEPENDENT AUDITOR'S REPORT	1
BASIC FINANCIAL STATEMENTS	
Statement of Fiduciary Net Position	3
Statement of Changes in Fiduciary Net Position	4
Notes to Financial Statements	5
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Changes in Village Net Pension Liability and Related Ratios.....	14
Schedule of Village Contributions	15
Schedule of Investment Returns	16
Notes to Required Supplementary Information	17



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the Firefighters' Pension Plan ("the Plan"), a pension trust fund of the Village of Bridgeview, Illinois as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the 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 Plan as of December 31, 2018, and the changes in its plan net position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The Plan has not presented a Management's Discussion and Analysis as required supplementary information that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial

reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

In addition, accounting principles generally accepted in the United States of America require that the schedules of village contributions, changes in village net pension liability and related ratios, and investment returns on pages 14–17 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

JW & Associates, P.C.

Hillside, Illinois
June 27, 2019

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2018

Assets

Cash and cash equivalents	\$ 438,917
Investments	22,290,805
Accrued interest	76,343
Due from Primary Government	234
Contributions due from members	14
Total assets	<u>22,806,313</u>

Liabilities

Other liabilities	<u>3,572</u>
Total liabilities	<u>3,572</u>

Net Position

Net position restricted for Fire Pension	<u>22,802,741</u>
Total net position	<u><u>\$ 22,802,741</u></u>

See accompanying notes to financial statements

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended December 31, 2018

Additions

Contributions	
Member contributions	\$ 258,733
Employer contributions	1,598,000
Total contributions	<u>1,856,733</u>
Investment earnings	
Interest and dividends earned	936,201
Net increase (decrease) in fair value	<u>(1,671,789)</u>
Total investment income	(735,588)
Less investment expense	<u>(65,977)</u>
Net investment earnings	<u>(801,565)</u>
Total additions	<u>1,055,168</u>

Deductions

Pension payments	2,429,252
Administrative expenses	<u>34,809</u>
Total deductions	<u>2,464,061</u>

Change in Net Position	<u>(1,408,893)</u>
-------------------------------	--------------------

Net Position Restricted for Fire Pension at Beginning of Year	<u>24,211,634</u>
--	-------------------

Net Position Restricted for Fire Pension at End of Year	<u><u>\$ 22,802,741</u></u>
--	-----------------------------

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

Notes to the Financial Statements
December 31, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Firefighters' 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 Firefighters' 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 fire 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 fiduciary net position. Pension trust fund operating statements present additions to, and deductions from, net plan position.

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

Notes to the Financial Statements
December 31, 2018

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. The Village categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

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 fiduciary net position.

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

At December 31, 2018, the Pension Plan's carrying amounts of cash totaled \$438,917 and bank balances totaled \$440,417. 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

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN

Notes to the Financial Statements
December 31, 2018

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

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 Fund. In addition, the 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. However, the total investment in separate accounts shall not exceed 10% of the aggregate book value of all investments owned by the Pension Plan. In addition, the 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, 2018.

<u>Investment Type</u>	Investment Maturities				
	Fair Value	Less Than One Year	1 to 5 Years	6 to 10 Years	More Than 10 Years
Municipal bonds	\$ 1,810,343	\$ 99,408	\$ 926,731	\$ 784,204	\$ -
Mortgage pools	31,360	37	1,448	1,760	28,115
U.S. agency notes	8,672,365	118,692	2,470,583	5,931,705	151,385
U.S. treasury notes	985,672	247,359	590,258	148,055	-
	<u>\$ 11,499,740</u>	<u>\$ 465,496</u>	<u>\$ 3,989,020</u>	<u>\$ 6,865,724</u>	<u>\$ 179,500</u>

The remainder of the Fire Pension's investments were invested in mutual funds (\$10,273,947) and variable annuities (\$517,118) which do not have maturity dates.

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN

Notes to the Financial Statements
December 31, 2018

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

The Fire Pension has the following recurring fair value measurements as of December 31, 2018:

Investment by Fair Value Level	December 31, 2018	Fair Value Measurements Using		
		Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Debt Securities				
U.S. Treasuries	\$ 985,672	\$ 985,672	\$ -	\$ -
U.S. Agencies	8,672,365	8,672,365	-	-
Municipal Bonds	1,810,343	-	1,810,343	-
Equity Securities				
Insurance Company Contracts	517,118	517,118	-	-
Equity Mutual Funds	10,273,947	10,273,947	-	-
Government Backed Securities	31,360	-	-	31,360
	<u>\$ 22,290,805</u>	<u>\$ 20,449,102</u>	<u>\$ 1,810,343</u>	<u>\$ 31,360</u>

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 20% to 45% of fund investments, fixed income investments shall be limited to 55% to 80% of fund investments and cash and equivalents should not exceed 5% 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, 2018.

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" by 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.

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN

Notes to the Financial Statements
December 31, 2018

NOTE 2 - DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (Continued)

Credit ratings for the Pension Plan investments in debt securities at December 31, 2018 (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)

<u>Investment Type</u>	<u>Aaa</u>	<u>Aa3</u>	<u>Aa2</u>	<u>Aa1</u>	<u>A1</u>	<u>A2</u>	<u>N/R</u>
U.S. agency notes	98%	0%	0%	0%	0%	0%	2%
Municipal bonds	2.84%	11.53%	18.11%	8.13%	3.30%	5.42%	45.98%

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.

NOTE 3 - EMPLOYEE RETIREMENT SYSTEMS

Plan Description: Fire sworn personnel are covered by the Firefighters' 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 5/4) 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 Pension Plan 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 ten years but less than 20 years of credited service may retire at or after age 60 and receive a reduced benefit. The monthly benefit of a covered employee 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.

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

Notes to the Financial Statements
December 31, 2018

NOTE 3 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 firefighter 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. Firefighters' salary for pension purposes is capped at \$106,800 plus the lesser of $\frac{1}{2}$ 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 firefighter shall be increased annually at age 60 on the January 1st after the firefighter 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 $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

At December 31, 2018, the Pension Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees entitled to but not yet receiving benefits	47
Current employees	
Vested and nonvested	<u>26</u>
Total	<u>73</u>

Summary of Significant Accounting Policies and Plan Asset Matters

Basis of Accounting: The financial statements are prepared using the accrual basis of accounting. Employees 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. Fair values are derived from published sources.

Contributions: Covered employees are required to contribute 9.455% of their base salary to the Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without interest. The Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, the Village has until the year 2040 to fund 90% of the past service costs for the Firefighters' Pension Plan.

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN

Notes to the Financial Statements
December 31, 2018

NOTE 3 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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 Board by a majority vote of its members. It is the policy of the Pension 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, 2018:

<u>Asset Class</u>	<u>Target Allocation</u>
Large Cap Domestic Equity	35%
Small Cap Domestic Equity	10%
International Equity	5%
Fixed Income	50%
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:

<u>Mutual Fund</u>	<u>Amount</u>
Vanguard 500 Index Fund	\$ 2,423,442
T Rowe Price Growth Stock	2,301,174
Pioneer Equity Income Fund	1,161,151

Rate of Return: For the year ended December 31, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was (3.70) 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 owed \$234 from the Village as of December 31, 2018.

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

Notes to the Financial Statements
December 31, 2018

NOTE 3 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

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, 2018.

Net Pension Liability of the Village

The components of the pension liability of the Village at December 31, 2018, were as follows:

Total Pension Liability	\$ 50,697,701
Plan Fiduciary Net Position	22,802,742
Village's net pension liability	<u>27,894,959</u>
Plan fiduciary net position as a percentage of the total pension liability	44.98%

Actuarial assumptions: The total pension liability was determined by an actuarial valuation as of December 31, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Increases	Graded by years of service
Investment Rate of Return	6.70% net of expenses

Mortality rates were based on the RP-2014 Base Rates with Blue Collar Adjustment projected to the valuation date with Scale MP-2018.

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, 2018 (see discussion of the pension plan's investment policy) are summarized in the following table:

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN

Notes to the Financial Statements
December 31, 2018

NOTE 3 - EMPLOYEE RETIREMENT SYSTEMS (Continued)

<u>Asset Class</u>	<u>Long Term Expected Rate of Return</u>
Large Cap Domestic Equity	6.60%
Small Cap Domestic Equity	8.50%
International Equity	6.40%
Fixed Income	1.40%

Discount Rate: The discount rate used to measure the total pension liability was 6.70 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 6.70 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 (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

	<u>1% Decrease (5.70%)</u>	<u>Current Discount Rate (6.70%)</u>	<u>1% Increase (7.70%)</u>
Village's Pension Liability	\$ 34,454,900	\$ 27,894,959	\$ 22,463,688

VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN VILLAGE NET PENSION LIABILITY AND RELATED RATIOS
DECEMBER 31, 2018

Last 10 Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Total Pension Liability										
Service cost	\$ 693,277	\$ 553,356	\$ 495,387	\$ 633,630	\$ 730,087	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	3,201,143	3,187,330	3,297,762	2,928,563	2,798,332	-	-	-	-	-
Changes of benefit terms	-	-	-	-	-	-	-	-	-	-
Differences between expected and actual experience	225,388	(1,022,708)	(722,597)	(1,982,545)	(684,812)	-	-	-	-	-
Changes of assumptions	13,833	(63,234)	2,152,746	4,386,604	892,748	-	-	-	-	-
Benefit payments, including refunds of member contributions	(2,429,251)	(2,265,476)	(2,165,640)	(1,987,125)	(1,868,066)	-	-	-	-	-
Administrative Expense	(100,787)	-	-	-	-	-	-	-	-	-
Net Change in Total Pension Liability	<u>1,603,603</u>	<u>389,268</u>	<u>3,057,658</u>	<u>3,979,127</u>	<u>1,868,289</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Pension Liability - Beginning	<u>49,094,098</u>	<u>48,704,830</u>	<u>45,647,172</u>	<u>41,668,045</u>	<u>39,799,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Pension Liability - Ending (a)	<u>\$ 50,697,701</u>	<u>\$ 49,094,098</u>	<u>\$ 48,704,830</u>	<u>\$ 45,647,172</u>	<u>\$ 41,668,045</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position										
Contributions - employer	\$ 1,598,000	\$ 1,400,497	\$ 1,406,913	\$ 1,447,474	\$ 1,310,298	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions - member	258,733	233,284	261,885	307,462	223,164	-	-	-	-	-
Net Investment Income	(735,589)	2,271,033	1,113,630	378,137	1,437,783	-	-	-	-	-
Benefit payments, including refunds of member contributions	(2,429,251)	(2,265,476)	(2,165,640)	(1,987,125)	(1,868,067)	-	-	-	-	-
Administrative expense	(100,787)	(28,476)	(89,587)	(80,455)	(86,628)	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Net Change in Fiduciary Net Position	<u>\$ (1,408,894)</u>	<u>\$ 1,610,862</u>	<u>\$ 527,201</u>	<u>\$ 65,493</u>	<u>\$ 1,016,550</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position - Beginning	<u>24,211,637</u>	<u>22,600,775</u>	<u>22,073,574</u>	<u>22,008,081</u>	<u>20,991,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 22,802,743</u>	<u>\$ 24,211,637</u>	<u>\$ 22,600,775</u>	<u>\$ 22,073,574</u>	<u>\$ 22,008,081</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 27,894,958</u>	<u>\$ 24,882,461</u>	<u>\$ 26,104,055</u>	<u>\$ 23,573,598</u>	<u>\$ 19,659,964</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44.98%	49.32%	46.40%	48.36%	52.82%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Payroll	\$ 2,540,282	\$ 2,511,751	\$ 2,380,312	\$ 2,441,884	\$ 2,260,558	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	1098.10%	990.64%	1096.67%	965.39%	869.70%	0.00%	0.00%	0.00%	0.00%	0.00%

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF VILLAGE CONTRIBUTIONS
DECEMBER 31, 2018**

Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Actuarially Determined Contribution	\$ 1,582,108	\$ 1,442,587	\$ 1,442,587	\$ 1,377,949	\$ 1,351,696	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions in Relation to the Actuarially										
Determined Contribution	<u>1,598,000</u>	<u>1,400,497</u>	<u>1,406,913</u>	<u>1,447,474</u>	<u>1,310,298</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Contribution Deficiency (Excess)	\$ (15,892)	\$ 42,090	\$ 35,674	\$ (69,525)	\$ 41,398	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 2,540,282	\$ 2,511,751	\$ 2,380,312	\$ 2,441,884	\$ 2,260,558	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a Percentage of Covered Payroll	62.91%	55.76%	59.11%	59.28%	57.96%	0.00%	0.00%	0.00%	0.00%	0.00%

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION FUND
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
DECEMBER 31, 2018**

Last 10 Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	-3.70%	9.87%	4.53%	1.17%	6.95%	0.00%	0.00%	0.00%	0.00%	0.00%

**VILLAGE OF BRIDGEVIEW, ILLINOIS
FIREFIGHTERS' PENSION PLAN**

Notes to Required Supplementary Information
For the Year Ended December 31, 2018

NOTE 1 – CHANGES OF ASSUMPTIONS

In 2018, 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 RP 2014 Mortality Table projected to 2019 using the improvement scale MP-2018.

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

The actuarially determined contribution rates in the schedule of pension plan contributions are calculated as of December 31, 2017. 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	22 Years
Asset Valuation Method	Market Value
Inflation	3.00%
Salary Increases	Graded by years of service
Investment Rate of Return	6.70%