

**VILLAGE OF ROCHELLE, ILLINOIS
POLICE PENSION FUND**

**Municipal Compliance Report (40 ILCS §5/3-143, Report by Pension Board)
For the Year Ended April 30, 2016**

The Rochelle Police Pension Board certifies to the Village Board on the condition of the Pension Fund at the end of its most recently completed fiscal year the following information:

1. The total assets of the fund in its custody at the end of fiscal year and the current market value of those assets:

Total Assets	\$10,160,860
Market Value	\$11,215,215

2. The estimated receipts during the next succeeding fiscal year from deductions from the salaries of police officers and from other sources:

Estimated Receipts – Employee Contributions	\$133,776
Estimated Receipts – All Other Sources	
Investment Earnings	N/A
Municipal Contributions	\$636,794

3. The estimated amount required during the next succeeding fiscal year to (a) pay all pensions and other obligations provided in Article 3 of the Illinois Pension Code, and (b) to meet the annual requirements of the fund as provided in Sections 3-125 and 3-127:

(a) Pay all Pensions and Other Obligations	\$636,794
(b) Annual Requirement of the Fund as Determined by:	
Illinois Department of Insurance	N/A
Private Actuary – Report Dated October 31, 2016 (Entry Age Normal)	\$636,794
Private Actuary – Report Dated October 31, 2016 (PA096-1495)	N/A

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4. The total net income received from investment of assets along with the assumed investment return and actual investment return received by the fund during its most recently completed fiscal year compared to the total net income, assumed investment return, and actual investment return received during the preceding fiscal year:

	Current Fiscal Year	Preceding Fiscal Year
Net Income Received from Investment of Assets	(\$283,084)	\$504,448
Assumed Investment Return		
Illinois Department of Insurance – Actuarial Report	N/A	6.76%
Private Actuary – Report Dated October 31, 2016	6.75%	6.75%
Actual Investment Return	-2.66%	4.6%

5. The total number of active employees who are financially contribution to the fund:

Number of Active Members	19
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6. The total amount that was disbursed in benefits during the fiscal year, including the number of and total amount disbursed to (i) annuitants in receipt of a regular retirement pension, (ii) recipients being paid a disability pension, and (iii) survivors and children in receipt of benefits:

	Number of Members	Total Amount Disbursed*
(i) Regular Retirement Pension	1	Not Provided
(ii) Disability Pension	0	\$0
(iii) Survivors and Child Benefits	7	Not Provided

* The total amount disbursed during the year was \$837,526.

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7. The funded ratio of the fund:

Illinois Division of Insurance – Actuarial Report	<u>N/A</u>	<u>74%</u>
Private Actuary – Report Dated October 31, 2016	<u>65.83%</u>	<u>76.46%</u>

8. The unfunded liability carried by the fund, along with an actuarial explanation of the unfunded liability:

Unfunded Liability:

Illinois Department of Insurance – Actuarial Report	<u>N/A</u>
Private Actuary – Report Dated October 31, 2016	<u>\$5,821,112</u>


The accrued liability is the actuarial present value of the portion of the projected benefits that has been accrued as of the valuation date based upon the actuarial valuation method and the actuarial assumptions employed in the valuation. The unfunded accrued liability is the excess of the accrued liability over the actuarial value of assets.

9. The investment policy of the Pension Board under the statutory investment restrictions imposed on the fund.

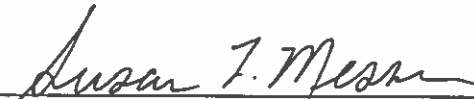
Investment Policy – See Attached

**CERTIFICATION OF MUNICIPAL POLICE
PENSION FUND COMPLIANCE REPORT**

We, the undersigned Trustees of the Rochelle Police Pension Fund, based upon information and belief, and to the best of our knowledge, certify pursuant to §5/3-134 of the Illinois Pension Code, that the preceding report is true and accurate.



President



Secretary

Dated: 11/8/16