

**Countryside Fire Protection District, Illinois
Firefighters' Pension Fund**

Annual Financial Report

May 31, 2023

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Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
FIREFIGHTERS' PENSION BOARD OF TRUSTEES
For the Year Ended May 31, 2023

<u>Member</u>	<u>Status</u>	<u>Term Expires</u>	<u>Board Position</u>
Brian Ondrako	Elected Active	4/30/2024	Trustee
Jessica Gregurich	Elected Active	4/30/2024	President
Bruce Brown	Appointed by Officials	4/30/2024	Trustee
Mike Davenport	ExOfficio Treasurer	With Office	Treasurer
Lawrence Simonis	Elected Retired	4/30/2025	Secretary
Charles Smith	Appointed by Officials	4/30/2024	Trustee



Costabile & Steffens P.C.

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Honorable President and Members of the Pension Board of Trustees
Countryside Firefighters' Pension Fund
Vernon Hills, Illinois

Opinion

We have audited the accompanying financial statements of the Firefighters' Pension Fund of the Countryside Fire Protection District, Illinois (the "Fund"), as of and for the year ended May 31, 2023, and the related notes to the financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Fund as of May 31, 2023, and changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Firefighters' Pension Fund of the Countryside Fire Protection District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Firefighters' Pension Fund of the Countryside Fire Protection District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Frank J. Costabile

Members
American Institute
of Certified Public
Accountants
and Illinois
Society of CPAs

1805 Hicks Road • Rolling Meadows, Illinois 60008 • (847) 776-3700 FAX (847) 776-3775



Costabile & Steffens P.C.

Certified Public Accountants

To the Honorable President and Members of the Pension Board of Trustees
Countryside Firefighters' Pension Fund
Vernon Hills, Illinois

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Firefighter's Pension Fund of Countryside Fire Protection District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Firefighters' Pension Fund of the Countryside Fire Protection District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



Costabile & Steffens P.C.

Certified Public Accountants

To the Honorable President and Members of the Pension Board of Trustees
Countryside Firefighters' Pension Fund
Vernon Hills, Illinois

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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

Accounting principles generally accepted in the United States of America require that the schedules of changes in the employer's net pension liability and related ratios, employer contributions and investment returns on pages 17 - 19 be presented to supplement the basic financial statements. Such information, although not 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 limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Firefighters' Pension Fund and do not purport to, and do not present fairly the financial position of Countryside Fire Protection District, Illinois, as of May 31, 2023, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Costabile & Steffens PC

COSTABILE & STEFFENS PC
Certified Public Accountants

Rolling Meadows, Illinois 60008
November 15, 2023

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

STATEMENT OF FIDUCIARY NET POSITION

May 31, 2023

ASSETS

Cash and Cash Equivalents	\$ 1,548,832
Investments, at Fair Value	
Mutual Funds	22
Pooled Investments	<u>35,406,379</u>
Total Assets	<u>36,955,233</u>

LIABILITIES

Accrued Expenses	820
Payroll Withholdings	<u>4,726</u>
Total Liabilities	<u>5,546</u>

NET POSITION HELD IN TRUST FOR PENSION BENEFITS

(A schedule of funding progress is presented in
the required supplementary information.)

\$ 36,949,687

The accompanying notes are an integral part of this statement.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
For the Year Ended May 31, 2023

ADDITIONS	
Contributions - Employer	\$ 2,001,166
Contributions - Plan Members	449,845
	2,451,011
Investment Income	
Interest and Dividends	458,534
Net Decrease in Fair Value of Investments	(680,181)
	(221,647)
Less: Investment Expenses	(29,040)
	(250,687)
Total Additions	2,200,324
DEDUCTIONS	
Pension Benefits	2,363,094
Pension Refunds	26,994
Administration	56,680
	2,446,768
Total Deductions	2,446,768
Net Decrease	(246,444)
Net Position Held in Trust for Pension Benefits	
Beginning of Year	37,196,131
End of Year	\$ 36,949,687

The accompanying notes are an integral part of this statement.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

NOTES TO FINANCIAL STATEMENTS

May 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Firefighters' Pension Fund of the Countryside Fire Protection District, Illinois, have been prepared in conformity with generally accepted accounting principles in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Pension Fund's accounting policies are described below.

REPORTING ENTITY

The Firefighters' Pension Fund is a component unit of the Countryside Fire Protection District, Illinois. The decision to include the Firefighters' Pension Fund in the District's reporting entity was made based upon the significance of their operational or financial relationships with the District.

The District's firefighter employees participate in the Firefighters' Pension Employees Retirement System (FPERS). FPERS functions for the benefit of those employees and is governed by a six-member pension board, with two members appointed by the President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The District and FPERS participants are obligated to fund all FPERS costs based upon actuarial valuations. The State of Illinois is authorized to establish benefit levels and the District is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is included in the District's annual financial report as a blended component unit and is reported as a pension trust fund.

The Illinois Firefighters Pension Investment Fund ("FPIF") is responsible for investing the assets of the 296 suburban and downstate firefighters pension funds, including the Firefighters' Pension Fund of the Countryside Fire Protection District. The FPIF represents the assets of separate plans that have been pooled for investment purposes. As a new investment fund responsible for the consolidation and management of municipal firefighter pension assets, FPIF invests in a manner that facilitates transparency, ensures equitable treatment, and focuses on long-term investment outcomes for the benefit of its participants.

BASIS OF PRESENTATION

Pension Trust Funds - Pension trust funds are used to account for assets held in a trustee capacity for pension benefit payments. The Firefighters' Pension Fund accounts for the accumulation of resources to pay retirement and other related benefits for sworn members of the District's Fire Department.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

NOTES TO FINANCIAL STATEMENTS

May 31, 2023

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded. Basis of accounting refers to "when" transactions are recorded, regardless of the measurement focus applied.

Measurement Focus - Pension trust funds utilize an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of changes in net assets. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Pension trust fund equity is classified as net assets.

Basis of Accounting - The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to net plan assets are recorded when earned and deductions from net plan assets are recorded when the time related liabilities are incurred. 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.

ASSETS, LIABILITIES AND NET PLAN ASSETS

Investments - Firefighters' Pension Fund investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on national exchanges are valued at the reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Interfund Receivables / Payables - During the course of operations, numerous transactions occur between individual funds of the District for goods provided or services rendered. These receivables and payables, if any, which relate to the Firefighters' Pension Fund are classified as "Due from the District" or "Due to the District" on the statement of net plan assets.

NOTE 2 - DETAIL NOTES ON FINANCIAL STATEMENTS

DEPOSITS, INVESTMENTS AND CONCENTRATIONS

Cash - At year-end the carrying amount of the Pension Fund's deposits totaled \$1,548,832 and the bank balances totaled \$1,551,370. The Pension Fund maintains its cash balances in two financial institutions located in Illinois.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
NOTES TO FINANCIAL STATEMENTS
May 31, 2023

NOTE 2 - DETAIL NOTES ON FINANCIAL STATEMENTS (CONTINUED)

DEPOSITS, INVESTMENTS AND CONCENTRATIONS (CONTINUED)

Cash (Continued) - At times during the year, the Pension Fund maintained balances that exceeded the federally insured limit of \$250,000, per institution. The Pension Fund believes that there is no significant risk with respect to these deposits.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the Fund's investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity while at the same time matching investment maturities to projected fund liabilities.

The Pension Fund had the following recurring fair value measurements as of May 31, 2023:

Investments by Fair Value Level	Fair Value	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)
Mutual Funds	\$ 22	\$ 22	\$ -	\$ -
Pooled Investments*	<u>35,406,379</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Investments by Fair Value Level	<u>\$ 35,406,401</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ -</u>

* In accordance with GASB 72, the Firefighters' Pension Fund's pooled investments that are measured at NAV per share have not been classified in the fair value hierarchy. The fair value amount presented in this table is intended to permit reconciliation of the fair value hierarchy to the statement of net position - fiduciary funds.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
NOTES TO FINANCIAL STATEMENTS
May 31, 2023

NOTE 2 - DETAIL NOTES ON FINANCIAL STATEMENTS (CONTINUED)

DEPOSITS, INVESTMENTS AND CONCENTRATIONS (CONTINUED)

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Fund helps limit its exposure to credit risk by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government. The Pension Fund's investment policy establishes criteria for allowable investments; those criteria follow the requirements of the Illinois Pension Code. The Pension Fund's investment policy also prescribes to the "prudent person" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the primary objective of safety as well as the secondary objective of the attainment of market rates of return."

Custodial Credit Risk - Deposits - In the case of deposits, this is the risk that in the event of a bank failure, the Fund's deposits may not be returned to it. As of May 31, 2023, the carrying amount of the Fund's deposits and bank balances totaled \$1,551,370.

Custodial Credit Risk - Investments - For an investment, this is the risk that, in the event of the failure of the counterparty, the Pension Fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Money market mutual funds and equity mutual funds are not subject to custodial credit risk. At May 31, 2023, the carrying amount of pooled investments totaled \$35,406,379.

Concentration of Credit Risk - This is the risk attributed to the magnitude of the Pension Fund's investment in a single issuer. The Pension Fund does not have a formal written policy with regards to concentration of credit risk for investments. The Pension Fund limits its exposure by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government.

Investment Policy - The pension plan's policy in regard to the allocation of invested assets is established and may be amended by the Board of Trustees by a majority vote of its members. It is the policy of the pension's board to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The pension plan's investment policy is aligned with the investment policy of the Firefighters' Pension Investment Fund ("FPIF"). The FPIF Board of Trustees adopted its Investment Policy on June 18, 2021. Revisions to the policy were adopted on June 17, 2022. The policy can be found in Chapter 10 of the FPIF Consolidated Rules as found on the FPIF website. The Policy includes FPIF's interim and long-term asset allocations, as well as other guidelines related to the management of the FPIF.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
NOTES TO FINANCIAL STATEMENTS
May 31, 2023

NOTE 2 - DETAIL NOTES ON FINANCIAL STATEMENTS (CONTINUED)

DEPOSITS, INVESTMENTS AND CONCENTRATIONS (CONTINUED)

Rate of Return - For the year ended May 31, 2023, the annual rate of return on pension plan investments, net of pension plan investment expense, was a negative 1.90%. The rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 3 - OTHER INFORMATION

CONTINGENT LIABILITIES

Litigation - The Pension Fund is not currently involved with any lawsuits.

Compliance Audit - The Firefighters' Pension Fund is subject to a program compliance audit by the Illinois Department of Insurance. The compliance audit by the Illinois Department of Insurance for the year ended May 31, 2023 has not yet been conducted. Accordingly, the Firefighters' Pension Fund's compliance with applicable requirements will be established at some future date. The amount of any adjustments to be made by the Illinois Department of Insurance cannot be determined at this time, however, the Firefighters' Pension Fund expects such adjustments, if any, to be immaterial.

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN

At May 31, 2023, the date of the latest actuarial valuation, the Firefighters' Pension Plan membership consisted of the following:

Retirees and Beneficiaries Currently Receiving Benefits	27
Active Plan Members	47
Inactive Plan Members	6
	<hr/>
	80
	<hr/> <hr/>

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

NOTES TO FINANCIAL STATEMENTS

May 31, 2023

NOTE 3 - OTHER INFORMATION (CONTINUED)

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN (CONTINUED)

The following is a summary of the Firefighters' Pension Plan as provided for the Illinois State Statutes:

The Firefighters' 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 at the date of retirement. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% of such salary. Employees with at least 10 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 3.00% 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 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 1/2 of the annual change in the Consumer Price Index or 3.00% compounded. The annual benefit shall be increased by 2.50% of such salary for each additional year of service over 20 years up to 30 years to a maximum of 75.00% 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 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 3.00% or 1/2 of the change in the Consumer Price Index for the preceding calendar year.

Effective July 1, 2004, covered employees are required to contribute 9.455% of their base salary to the Firefighters' Pension Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The District is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. Effective January 1, 2011, as a result of Illinois Public Act 096-1495, the District has until the year 2040 to fund 90% of the past service cost for the Firefighters' Pension Plan.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

NOTES TO FINANCIAL STATEMENTS

May 31, 2023

NOTE 3 - OTHER INFORMATION (CONTINUED)

EMPLOYEE RETIREMENT SYSTEM - DEFINED BENEFIT PENSION PLAN (CONTINUED)

Related Party Transactions - There are no securities of the employer or any other related parties included in the plan assets, including any loans.

NOTE 4 - PENSION LIABILITY OF THE DISTRICT

Net Pension Liability - The components of the net pension liability of the Pension Fund as of May 31, 2023 were as follows:

Total Pension Liability	\$ 56,797,569
Plan Fiduciary Net Position	<u>(36,949,687)</u>
District's Net Pension Liability	<u><u>\$ 19,847,882</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.06%

Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of May 31, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Discount Rate Used For the Total Pension Liability	6.71%
Long-Term Expected Rate of Return on Plan Assets	7.00%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.74%
Projected Individual Salary Increases	3.75% - 8.29%
Projected Increase in Total Payroll	3.25%
Consumer Price Index (Urban)	2.25%
Inflation Rate Included	2.25%
Mortality Table	PubS-2010(A) Study
Retirement Rates	100% of L&A 2020 Illinois Firefighters Ret. Rates Capped at Age 65
Disability Rates	100% of L&A 2020 Illinois Firefighters Disability Rates
Termination Rates	100% of L&A 2020 Illinois Firefighters Term.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
NOTES TO FINANCIAL STATEMENTS
May 31, 2023

NOTE 4 - PENSION LIABILITY OF THE DISTRICT (CONTINUED)

Actuarial Assumptions (Continued)

	Rates
Percent Married	80.00%

All rates shown in the economic assumptions are assumed to be annual rates, compounded on the annual basis.

Assumptions Changes - The Discount Rate used in the determination of the Total Pension Liability was changed from 7.00% to 6.71%. The Discount Rate is impacted by a couple of metrics. Any change in the underlying High-Quality 20 Year Tax Exempt G.O. Bond Rate will impact the blended Discount Rate. The assumption changes stated above were made to better reflect the future anticipated experience of the Plan.

Expected Return on Pension Plan Investments - The long-term expected rate of return is intended to represent the best estimate of future real rates of return and is shown for each of the major asset classes in the investment policy. The rates provided in the table below are based on geometric average. The Investment Policy Statement of the Pension Fund will provide more detail regarding the Fund's policies on asset allocation targets and acceptable ranges.

Asset Class	Long-Term Expected Real Rate of Return
U.S. Equity	5.20%
Developed Market Equity	5.10%
Emerging Market Equity	5.50%
Private Equity	8.60%
Public Credit	1.80%
Private Credit	7.00%
Cash Equivalents	-0.60%
Core Investment Grade Bonds	1.60%
Long-Term Treasuries	1.30%
TIPS	0.80%
Real Estate	4.90%
Infrastructure	5.10%

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

NOTES TO FINANCIAL STATEMENTS

May 31, 2023

NOTE 4 - PENSION LIABILITY OF THE DISTRICT (CONTINUED)

Municipal Bond Rate - The municipal bond rate assumption is based on The Bond Buyer 20-Bond G.O. Index. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA. The rate used in the actuarial assumption is the May 25, 2023 rate.

Discount Rate - The discount rate used to measure the total pension liability was 6.71%. The projection of cash flows used to determine the extent which the plan's future net position will be able to cover future benefit payments. To the extent future benefit payments are covered by the plan's projected net position, the expected rate of return on plan investments is used to determine the portion of the net pension liability associated with those payments. To the extent future benefit payments are not covered by the plan's projected net position, the municipal bond rate is used to determine the portion of the net pension liability associated with those payments.

Sensitivity of the Discount Rate - The Net Pension Liability has been determined using the discount rate of 6.71%, as well as what the plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.71%) or 1-percentage-point higher (7.71%) than the current rate:

	1% Decrease (5.71%)	Current Discount Rate (6.71%)	1% Increase (7.71%)
Employer Net Pension Liability	\$ 28,118,461	\$ 19,847,882	\$ 13,094,038

Deferred Outflows and Inflows of Resources - At May 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Total Deferred Amounts
Differences Between Expected and Actual Experience	\$ 978,698	\$ (1,702,448)	\$ (723,750)
Changes in Assumptions	5,506,545	(9,120,208)	(3,613,663)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,009,638	(2,567,989)	2,441,649
Total	11,494,881	\$(13,390,645)	\$ (1,895,764)

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

NOTES TO FINANCIAL STATEMENTS

May 31, 2023

NOTE 4 - PENSION LIABILITY OF THE DISTRICT (CONTINUED)

Deferred Outflows and Inflows of Resources (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Year Ended May 31,	
2024	\$ 210,513
2025	(617,646)
2026	571,031
2027	(367,575)
2028	(1,474,668)
Thereafter	(217,419)
Total	\$ (1,895,764)

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balance at May 31, 2022	\$ 52,461,926	\$ 37,196,131	\$ 15,265,795
Changes for the Year			
Service Cost	1,183,454	-	1,183,454
Interest	3,580,950	-	3,580,950
Actuarial Experience	(75,564)	-	(75,564)
Assumptions Changes	2,098,205	-	2,098,205
Changes of Benefit Terms	(61,313)	-	(61,313)
Contributions - Employer	-	2,001,166	(2,001,166)
Contributions - Employees	-	449,845	(449,845)
Contributions - Other	-	-	-
Net Investment Income	-	(250,687)	250,687

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
NOTES TO FINANCIAL STATEMENTS
May 31, 2023

NOTE 4 - PENSION LIABILITY OF THE DISTRICT (CONTINUED)

Changes in the Net Pension Liability (Continued)

	Increase (Decrease)		
Benefit Payments, Including Refunds	(2,390,089)	(2,390,089)	-
Administrative Expense	-	(56,679)	56,679
Net Changes	4,335,643	(246,444)	4,582,087
Balance at May 31, 2023	\$ 56,797,569	\$ 36,949,687	\$ 19,847,882

REQUIRED SUPPLEMENTARY INFORMATION

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY
AND RELATED RATIOS
Last Nine Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015
TOTAL PENSION LIABILITY									
Service Cost	\$ 1,183,454	\$ 1,231,789	\$ 1,491,243	\$ 1,243,194	\$ 1,258,240	\$ 1,279,926	\$ 1,207,819	\$ 1,098,703	\$ 867,429
Interest	3,580,950	3,400,995	3,332,076	3,188,251	3,003,466	2,851,999	2,713,683	2,122,263	2,359,790
Changes of Benefit Terms	(61,313)	-	-	245,948	-	-	-	-	-
Differences Between Expected and Actual Experience	(75,564)	(1,933,203)	935,188	(372,868)	745,662	98,221	44,311	457,506	-
Changes in Assumptions	2,098,205	(4,877,603)	(8,638,463)	5,349,521	80,727	(231,434)	(131,811)	7,560,243	-
Benefit Payments and Refunds	(2,390,089)	(2,212,098)	(2,138,782)	(2,018,969)	(1,820,325)	(1,605,900)	(1,428,406)	(1,355,237)	(1,304,909)
Net Change in Total Pension Liability	4,335,643	(4,390,120)	(5,018,738)	7,635,077	3,267,770	2,392,812	2,405,596	9,883,478	1,922,310
Total Pension Liability - Beginning	52,461,926	56,852,046	61,870,784	54,235,707	50,967,937	48,575,125	46,169,529	36,286,051	34,363,741
Total Pension Liability - Ending	<u>\$ 56,797,569</u>	<u>\$ 52,461,926</u>	<u>\$ 56,852,046</u>	<u>\$ 61,870,784</u>	<u>\$ 54,235,707</u>	<u>\$ 50,967,937</u>	<u>\$ 48,575,125</u>	<u>\$ 46,169,529</u>	<u>\$ 36,286,051</u>
PLAN FIDUCIARY NET POSITION									
Contributions - Employer	\$ 2,001,166	\$ 1,953,732	\$ 1,722,068	\$ 1,681,608	\$ 1,321,427	\$ 1,428,750	\$ 1,169,270	\$ 1,004,370	\$ 946,964
Contributions - Members	449,845	410,421	362,683	338,273	347,028	332,942	334,709	316,318	300,833
Contributions - Other	-	-	61,950	29,723	15,926	-	-	-	-
Income (Loss) on Investments	(250,687)	(1,730,288)	8,540,634	1,725,737	726,914	1,880,422	1,767,998	(342,585)	958,835
Benefit Payments and Refunds	(2,390,089)	(2,212,098)	(2,138,782)	(2,018,969)	(1,820,325)	(1,605,900)	(1,428,406)	(1,355,237)	(1,304,909)
Administrative Expenses	(56,679)	(43,652)	(43,443)	(46,305)	(49,420)	(35,761)	(41,574)	(55,238)	(32,805)
Prior Period Audit Adjustment	-	-	-	-	(14)	-	-	-	-
Net Change in Plan Fiduciary Net Position	(246,444)	(1,621,885)	8,505,110	1,710,067	541,536	2,000,453	1,801,997	(432,372)	868,918
Plan Fiduciary Net Position - Beginning	37,196,131	38,818,016	30,312,906	28,602,839	28,061,303	26,060,836	24,258,839	24,691,211	23,822,293
Plan Fiduciary Net Position - Ending	<u>\$ 36,949,687</u>	<u>\$ 37,196,131</u>	<u>\$ 38,818,016</u>	<u>\$ 30,312,906</u>	<u>\$ 28,602,839</u>	<u>\$ 28,061,289</u>	<u>\$ 26,060,836</u>	<u>\$ 24,258,839</u>	<u>\$ 24,691,211</u>
Employer Net Pension Liability - Ending	<u>\$ 19,847,882</u>	<u>\$ 15,265,795</u>	<u>\$ 18,034,030</u>	<u>\$ 31,557,878</u>	<u>\$ 25,632,868</u>	<u>\$ 22,906,648</u>	<u>\$ 22,514,289</u>	<u>\$ 21,910,690</u>	<u>\$ 11,594,840</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.06%	70.90%	68.28%	48.99%	52.74%	55.06%	53.65%	52.54%	68.05%
Covered-Employee Payroll	\$ 4,746,687	\$ 4,329,993	\$ 3,823,566	\$ 3,671,504	\$ 3,622,919	\$ 3,713,019	\$ 3,596,144	\$ 4,143,851	\$ 3,146,146
Employer Net Pension Liability as a Percentage of Covered-Employee Payroll	418.14%	352.56%	471.65%	859.54%	707.52%	616.93%	626.07%	528.75%	386.54%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Last Nine Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered- Employee Payroll	Contributions as Percentage of Covered-Employee Payroll
2023	\$ 2,028,534	\$ 2,001,166	\$ (27,368)	\$ 4,746,687	42.16%
2022	1,925,249	1,953,732	28,483	4,329,993	45.12%
2021	1,749,906	1,722,068	(27,838)	3,823,566	45.04%
2020	1,673,609	1,681,608	7,999	3,671,504	45.80%
2019	1,550,704	1,321,427	(229,277)	3,622,919	36.47%
2018	1,437,306	1,428,750	(8,556)	3,713,019	38.48%
2017	1,288,286	1,169,270	(119,016)	3,596,144	32.51%
2016	1,246,304	1,004,370	(241,934)	4,143,851	24.24%
2015	856,756	946,964	90,208	3,146,146	30.10%

Notes to the Required Supplementary Information:

Actuarial Valuation Date	May 31, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funder Over 19 Years
Asset Valuation Method	5-Year Smoothed Market Value

Note: The information presented above is formatted to comply with the requirement of GASB Statement No. 67/68 Report.

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

Countryside Fire Protection District, Illinois
Firefighters' Pension Fund
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS
Last Nine Fiscal Years

<u>Fiscal Year Ended May 31,</u>	<u>Annual Money - Weighted Rate of Return, Net of Investment Expense</u>
2023	-1.90%
2022	-4.56%
2021	27.19%
2020	5.92%
2019	7.00%
2018	7.00%
2017	7.54%
2016	-1.28%
2015	4.27%

Note: This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.
