

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
CHANNAHON, ILLINOIS**

ANNUAL FINANCIAL REPORT

DECEMBER 31, 2023

CHANNAHON FIRE PROTECTION DISTRICT, ILLINOIS

FIREFIGHTERS' PENSION FUND

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INDEPENDENT AUDITORS' REPORT



116 E. Washington Street
Suite One
Morris, Illinois 60450

Phone: (815) 942-3306
Fax: (815) 942-9430
www.mackcpas.com

TAWNYA R. MACK, CPA
LAURI POPE, CPA

CATE MOULTON, CPA
KYLE SHEPPARD, CPA
MADISON SCHEEL, CPA
CHRIS CHRISTENSEN
JESSIKA MCGARVEY

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the President and Board of Trustees
Channahon Firefighters' Pension Fund
Channahon, Illinois

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying modified cash basis financial statements of the fiduciary activities of the Channahon Fire Protection District, Firefighters' Pension Fund as of and for the year ended December 31, 2023, and the related notes to the 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 modified cash basis financial position of the fiduciary activities of the Channahon Fire Protection District, Firefighters' Pension Fund as of December 31, 2023, and the respective changes in modified cash basis financial position, thereof for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Channahon Fire Protection District, Firefighters' Pension Fund, 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 opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements referred to above present only the fiduciary funds of the Channahon Fire Protection District, Firefighters' Pension Fund and does not purport to, and does not, present fairly the financial position of Channahon Fire Protection District as of December 31, 2023 and the changes in its financial position, for the year then ended in accordance with the modified cash basis of accounting. Our opinion is not modified with respect to this matter.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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 error or fraud.

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 Channahon Fire Protection District, Firefighters' Pension Fund'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.

Auditors' Responsibility 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 auditors' 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 GAAS 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 GAAS, 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 Channahon Fire Protection District, Firefighters' Pension Fund'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 Channahon Fire Protection District, Firefighters' Pension Fund'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.

Other Information

Management is responsible for the other information included in the annual report. The other information is comprised of the pension schedules but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Summarized Comparative Information

We previously audited Channahon Fire Protection District Firefighters' Pension Fund's December 31, 2022 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated June 8, 2023. The summarized comparative information presented herein as of and for the ended December 31, 2022, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Mack & Associates, P.C.

Mack & Associates, P.C.
Certified Public Accountants

Morris, Illinois
June 13, 2024

BASIC FINANCIAL STATEMENTS

CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
STATEMENT OF PLAN NET POSITION-MODIFIED CASH BASIS
December 31, 2023

	<u>Assets</u>	
	<u>2023</u>	<u>2022</u>
Cash and cash equivalents	\$ 11,968	14,955
Investments at Fair Market Value		
Fixed Income	10,215,038	8,611,031
Mutual Funds	65,838	50,811
Total Investments	<u>10,292,844</u>	<u>8,676,797</u>
Due from District	30,696	-
Prepaid expenses	<u>795</u>	<u>795</u>
Total Assets	<u>10,293,639</u>	<u>8,677,592</u>
	<u>Liabilities</u>	
Expenses due/unpaid	995	1,158
Due to District	<u>-</u>	<u>2,076</u>
Total Liabilities	<u>995</u>	<u>3,234</u>
	<u>Net Position</u>	
Net Position - Held in Trust for Pension Benefits	<u>\$ 10,323,340</u>	<u>8,674,358</u>

The Notes to Basic Financial Statements are an integral part of this statement.

CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Statement of Changes in Plan Net Position-Modified Cash Basis
For the Year Ended December 31, 2023
(With Comparative Figures for the Year Ended December 31, 2022)

	<u>2023</u>	<u>2022</u>
Additions:		
Contributions:		
Employer Contributions	\$ 327,940	309,273
Employee Contributions	209,727	168,796
Total Contributions	<u>537,667</u>	<u>478,069</u>
Investment Income:		
Interest and Dividends Earned	166,632	51,668
Net Change in Fair Value	1,189,898	(1,539,973)
Total Investment Income	1,356,530	(1,488,305)
Less Investment Expense	(16,626)	(11,234)
Net Investment Income	<u>1,339,904</u>	<u>(1,499,539)</u>
Total Additions	<u>1,877,571</u>	<u>(1,021,470)</u>
Deductions:		
Administration	35,881	35,484
Pension Benefits and Refunds		
Pension Benefits	97,493	96,291
Refunds	95,215	20,106
Total deductions	228,589	151,881
Net Increase in Plan Net Position	1,648,982	(1,173,351)
Net Position, Beginning of Year	<u>8,674,358</u>	<u>9,847,709</u>
Net Position, End of Year	<u>\$ 10,323,340</u>	<u>8,674,358</u>

The Notes to Basic Financial Statements are an integral part of this statement.

NOTES TO BASIC FINANCIAL STATEMENTS

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Firefighters' Pension Fund of the Channahon Fire Protection District have been prepared in accordance with the modified cash basis 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 more significant of the accounting policies are described below.

A. Reporting Entity

The Pension Fund is a fiduciary fund, and specifically, a pension trust fund, of the Channahon Fire Protection District used to account for the accumulation of resources to be used for retirement annuity payments in appropriate amounts and times in the future. The Board of Trustees has oversight responsibility of the Pension Fund. Oversight responsibility includes designation of management and all other control over operations of the Pension Fund.

B. Fund Accounting

The accompanying financial statements included solely the accounts of the Pension Fund which include all programs, activities and functions relating to the accumulation and investment of the assets and related income necessary to provide the service, disability and death benefits required under the terms of the Special Act and amendments thereto.

C. Measurement Focus And Basis of Accounting

Basis of accounting refers to when revenues or additions and expenditures or deductions are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Pension Fund is accounted for using the modified cash basis of accounting. This basis recognizes assets, liabilities, net assets/fund equity, revenues, and expenditures when cash is received or disbursed.

D. Assets, Liabilities, and Net Position

Method Used to Value Investments

Investments are reported at fair value. Investment income is recognized when earned. Gains and losses on sales and exchanges are recognized on the trade date.

Fair Value Measurements

Investments are generally reported at fair value. For investments, the Fund categorizes its fair value measurements within the fair value of hierarch established by generally accepted accounting principles. The hierarchy is based on the calculation 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.

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 2: CASH AND INVESTMENTS

The deposits and investments of the Pension Fund are held separately from those of other District funds. Statutes authorize the Pension Fund to make deposits/invest in interest bearing direct obligations of the United States of America; obligations that are fully guaranteed or insured as to the payment of principal and interest by the United States of America; bonds, notes, debentures, or similar obligations of agencies of the United States of America; savings accounts or certificates of deposit issued by banks or savings and loan associations chartered by the United States of America or by the State of Illinois, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; credit unions, to the extent that the deposits are insured by the agencies or instrumentalities of the federal government; State of Illinois bonds; pooled accounts managed by the Illinois Public Treasurer, or by banks, their subsidiaries or holding companies, in accordance with the laws of the State of Illinois; bonds or tax anticipation warrants of any county, township, or municipal corporation of the State of Illinois; direct obligations of the State of Israel; money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and the Illinois Securities Law of 1953 and are diversified, open-ended management investment companies, provided the portfolio is limited to specified restrictions; general accounts of life insurance companies and separate accounts of life insurance. Pension funds with net assets of 2.5 million or more may invest up to forty-five percent of plan net assets in separate accounts of life insurance companies and mutual funds. In addition, pension funds with net assets of at least 5 million that have appointed an investment advisor, may through that investment advisor invest up to forty-five percent of the plan's net assets in common and preferred stocks that meet specific restrictions.

Deposits

Custodial Credit Risk. 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. The Pension Fund does not have a policy for custodial credit risk.

All bank balances on deposit as of December 31, 2023 are entirely insured by FDIC insurance.

At December 31, 2023, the carrying amount of the Channahon Firefighters' Pension Fund deposits were \$11,968 and the bank balance was \$11,968.

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 2: CASH AND INVESTMENTS – (Continued)

Investment Policy

The Illinois Firefighters' Pension Investment Fund (IFPIF) is an investment trust fund responsible for the consolidation and fiduciary management of the pension assets of Illinois suburban and downstate firefighter pension funds. IFPIF was created by Public Act 101-0610, and codified within the Illinois Pension Code, becoming effective January 1, 2020, to streamline investments and eliminate unnecessary and redundant administrative costs, thereby ensuring assets are available to fund pension benefits for the beneficiaries of the participating pension funds. Participation in IFPIF by Illinois suburban and downstate firefighter pension funds is mandatory. Investments of the fund are combined in a commingled external investment pool and held by IFPIF. A schedule of investment expenses is included in IFPIF's annual report. For additional information on IFPIF's investments, please refer to their annual report as of June 30, 2023. A copy of that report can be obtained from IFPIF at 1919 South Highland Avenue, Building A, Suite 237, Lombard, IL 60148 or at www.ifpif.org. The Fund transferred all eligible assets to the Investment Fund in January 2022.

At fiscal year end, the Pension Fund has the following investments and maturities:

Investment Type	Cost	Fair Value
Money Market	\$ 65,838	65,838
Pooled investment	10,215,038	10,215,038
Total	\$ 10,280,876	10,280,876

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Pension 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 expert" rule, which states, "Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character with like aims."

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 2: CASH AND INVESTMENTS – (Continued)

Investments – (Continued)

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Though not required by the 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.

Custodial Credit Risk. 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 disclosures. At December 31, 2023, the pooled investments are held by the FPIF.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Pension Funds' investment in a single issuer. The Pension Fund does not have a formal written policy with regards to concentration credit risk for investments. At December 31, 2023, the Pension Fund has over 5% of plan net assets invested in one agency security as indicated in the note above.

NOTE 3: OTHER INFORMATION

A. Contingent Liabilities

Litigation

The Pension Fund is not involved in any lawsuits or litigation.

Compliance Audit

The Firefighters' Pension Fund is subject to a program compliance audit by the Illinois Division of Insurance. The compliance audit by the Illinois Division of Insurance for the year ended December 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 Division of Insurance cannot be determined at this time; however, the Firefighters' Pension Fund expects such adjustments, if any, to be immaterial.

NOTE 4: DEFINED BENEFIT PENSION PLAN

Plan Description

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn firefighter personnel. The Plan provides retirement, disability, and death benefits, as well as automatic annual cost of living adjustments to plan members and their beneficiaries. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The District accounts for the Fund as a pension trust fund.

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 4: FIREFIGHTERS' PENSION PLAN – (Continued)

Plan Membership

December 31, 2023, the measurement date, membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	5
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	6
Active Plan Members	<u>22</u>
Total	<u><u>33</u></u>

Benefits Provided

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

The Firefighters' Pension Plan provides retirement benefits through two tiers of benefits as well as death and disability benefits. Covered employees hired before January 1, 2011 (Tier 1), attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit of $\frac{1}{2}$ 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 percent of such salary for each additional year of service over 20 years up to 30 years, to a maximum of 75 percent 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. The monthly benefit of a firefighter 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 percent of the original pension and 3% compounded annually thereafter.

Covered employees hired on or after January 1, 2011 (Tier 2), attaining the age of 55 or older with 10 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 the 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 percent compounded. The annual benefit shall be increased by 2.5 percent of such a salary for each additional year of service over 20 years up to 30 years to a maximum of 75 percent of such salary. Employees with at least 10 years may retire at or after age 50 and receive a reduced benefit (i.e., $\frac{1}{2}$ percent 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. Non-compounding increases occur annually, each January thereafter. The increase is the lesser of 3 percent or $\frac{1}{2}$ of the change in the Consumer Price Index for the proceeding calendar year.

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 4: DEFINED BENEFIT PENSION PLAN - (Continued)

Contributions

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 and the administrative costs as actuarially determined by an enrolled actuary. However, effective January 1, 2011, ILCS requires the District to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040.

Net Pension Liability

The components of the net pension liability of the District as of December 31, 2023 were as follows:

Total Pension Liability	\$ 7,998,954
Plan Fiduciary Net Position	<u>10,323,340</u>
Fire Protection District's Net Pension Liability/(Asset)	<u>(\$ 2,324,386)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	129.06 %
Covered-employee payroll	\$ 2,178,727
Net Pension Liability as a percentage of covered payroll	(106.69 %)

See the Schedule of Changes in the Employer's Net Pension Liability and Related Ratios in the Other Information section for additional information related to the funded status of the Fund.

Discount Rate

The discount rate used in the determination of the Total Pension Liability is based on a combination of the expected long-term rate of return on plan investments and the municipal bond rate.

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND
Notes to Basic Financial Statements
December 31, 2023**

NOTE 4: DEFINED BENEFIT PENSION PLAN - (Continued)

Discount Rate - (Continued)

Cash flow projections were used to determine the extent to 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.

Projected benefit payments are determined during the actuarial process based on the assumptions. More details on the assumptions are in the prior section. The expected contributions are based on the funding policy of the plan.

Discount Rate Sensitivity

The following is a sensitivity analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 6.25% as well as what the District's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.25%) or one percentage point higher (7.25%) than the current rate:

	1% Decrease (5.25%)	Current Discount Rate (6.25%)	1% Increase (7.25%)
Employer net pension liability/(asset)	\$ (638,983)	(2,324,386)	(3,648,107)

**CHANNAHON FIRE PROTECTION DISTRICT
 FIREFIGHTERS' PENSION FUND
 Notes to Basic Financial Statements
 December 31, 2023**

NOTE 4: DEFINED BENEFIT PENSION PLAN - (Continued)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation performed as of December 31, 2023 using the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Equivalent Single Amortization Period	100% Funded Over 18 years
Asset Valuation Method	5-Year Smoothed Fair Value
Actuarial Assumptions	
Discount Rate Used for the Total Pension Liability	6.25%
Long-Term Expected Rate of Return on Plan Assets	6.25%
High Quality 20 Year Tax-Exempt G.O. Bond Rate	3.26%
Projected Individual Pay Increases	3.75% - 9.67%
Projected Increase in Total Payroll	3.25%
Consumer Price Index (Utilities)	2.25%
Inflation Rate Included	2.25%

Mortality, retirement, disability, and termination rates were based on the Lauterbach & Amen, LLP Assumption Study for Firefighters in 2022.

OTHER INFORMATION

**CHANNAHON FIRE PROTECTION DISTRICT
FIREFIGHTERS' PENSION FUND**

Other Information

Schedule of Changes in the Employer's Net Pension Liability

December 31,	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	\$ 490,797	471,922	456,374	439,127	425,321	432,817	404,496	380,702	343,123	348,572
Interest	444,203	404,557	377,675	297,875	322,799	278,965	245,968	205,375	174,193	145,670
Changes in Benefit Terms	-	(37,652)	-	-	95,668	-	-	-	-	-
Difference between Expected and Actual Experience	(13,755)	(291,354)	613,556	(508,347)	(492,715)	37,746	(63,059)	(180,235)	88,784	-
Changes in Assumptions	15,460	-	-	16,670	(48,751)	-	(24,974)	244,627	-	-
Benefit Payments, Including Refunds of Member Contributions	(192,708)	(116,398)	(95,125)	(226,348)	(29,362)	(66,990)	(1,968)	-	-	(36,948)
Net Change in Total Pension Liability	743,997	431,075	1,352,480	18,977	272,960	682,538	560,463	650,469	606,100	457,294
Total Pension Liability - Beginning	7,254,957	6,823,882	5,471,402	5,452,425	5,179,465	4,496,927	3,936,464	3,285,995	2,679,895	2,222,601
Total Pension Liability - Ending	<u>\$ 7,998,954</u>	<u>7,254,957</u>	<u>6,823,882</u>	<u>5,471,402</u>	<u>5,452,425</u>	<u>5,179,465</u>	<u>4,496,927</u>	<u>3,936,464</u>	<u>3,285,995</u>	<u>2,679,895</u>
Plan Fiduciary Net Position										
Contributions - Employer	\$ 327,940	309,273	290,682	240,960	277,345	384,225	402,137	394,189	387,053	372,972
Contributions - Members	209,727	168,796	149,769	141,003	120,098	125,458	122,275	113,864	95,903	93,308
Contributions - Other	-	-	664	-	12	717	-	-	-	-
Net Investment Income	1,339,904	(1,499,538)	706,394	1,018,808	1,006,201	(217,827)	554,349	246,903	49,279	216,929
Benefit Payments, Including Refunds of Member Contributions	(192,708)	(116,398)	(95,125)	(226,348)	(29,362)	(66,990)	(1,968)	-	-	(4,534)
Administrative Expense	(35,881)	(35,484)	(33,533)	(54,186)	(35,411)	(25,682)	(7,247)	(13,042)	(7,587)	(10,208)
Prior Period Audit Adjustment	-	(3,857)	33,426	(158)	29,728	-	-	(2,325)	-	-
Net Change in Plan Fiduciary Net Position	1,648,982	(1,177,208)	1,052,277	1,120,079	1,368,611	199,901	1,069,546	739,589	524,648	668,467
Plan Fiduciary Net Position - Beginning	8,674,358	9,851,566	8,799,289	7,679,210	6,310,599	6,110,698	5,041,152	4,301,563	3,776,915	3,108,448
Plan Fiduciary Net Position - Ending	<u>\$ 10,323,340</u>	<u>8,674,358</u>	<u>9,851,566</u>	<u>8,799,289</u>	<u>7,679,210</u>	<u>6,310,599</u>	<u>6,110,698</u>	<u>5,041,152</u>	<u>4,301,563</u>	<u>3,776,915</u>
Net Pension Liability (Asset)	<u>\$ (2,324,386)</u>	<u>(1,419,401)</u>	<u>(3,027,684)</u>	<u>(3,327,887)</u>	<u>(2,226,785)</u>	<u>(1,131,134)</u>	<u>(1,613,771)</u>	<u>(1,104,688)</u>	<u>(1,015,568)</u>	<u>(1,097,020)</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	129.06%	119.56%	144.37%	160.82%	140.84%	121.84%	135.89%	128.06%	130.91%	140.94%
Covered-Employee Payroll	\$ 2,178,727	1,621,328	1,517,260	1,469,501	1,338,061	1,296,706	1,074,508	1,040,685	1,000,659	974,766
Employer's Net Pension Liability as a Percentage of the Covered Valuation Payroll	-106.69%	-87.55%	-199.55%	-226.46%	-166.42%	-87.23%	-150.19%	-106.15%	-101.49%	-112.54%

Notes to Schedule:

The assumed rate on High Quality 20 Year Tax-Exempt G.O. Bonds was changed from 3.72% to 3.26% for the current year. The underlying index used is The Bond Buyer 20-Bond GO Index. The choice of index is unchanged from the prior year. The rate has been updated to the current fiscal year end based on changes in marked conditions as reflected in the Index.

The actuarial assumptions were changed in the current year to the rates shown in the Statement of Significant Actuarial Assumptions section of the report. The assumptions impacted include Inflation Rate (CPI-U), Total Payroll Increases, Individual Pay Increases, Mortality Rates, Mortality Improvement Rates, Retirement Rates, Termination Rates, and Disability Rates. The stated assumption changes were made to better reflect the future anticipated experience of the Fund.

The discount rate used in the determination of the Total Pension Liability remained constant at 6.25%. 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.

In addition, there are changes that can be made that impact the projection of the Net Position of the fund. For example, changes in the formal or informal funding policy can impact the discount rate. Actual changes in net position from one year to the next can impact the projections as well.

CHANNAHON FIRE PROTECTION DISTRICT, ILLINOIS

**FIREFIGHTERS' PENSION FUND
Schedule of Contributions**

Calendar Year Ending	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered-Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/2023	\$ 88,424	327,940	239,516	2,178,727	15.05%
12/31/2022	162,738	309,273	146,535	1,621,328	19.08%
12/31/2021	184,871	290,682	105,811	1,517,260	19.16%
12/31/2020	158,163	240,960	82,797	1,469,501	16.40%
12/31/2019	205,018	277,345	72,327	1,338,061	20.73%
12/31/2018	220,155	384,225	164,070	1,296,706	29.63%
12/31/2017	291,496	402,137	110,641	1,074,508	37.43%
12/31/2016	285,273	394,189	108,916	1,040,685	37.88%
12/31/2015	206,210	387,053	180,843	1,000,659	38.68%
12/31/2014	164,612	372,972	208,360	974,766	38.26%

Notes to Schedule of Contributions

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Amortization Target	100% Funded Over 18 Years
Asset Valuation Method	5 - Year Smoothed Fair Value
Inflation (CPI-U)	2.25%
Total Payroll Increases	3.25%
Individual Pay Increases	3.75% - 9.67%
Expected Rate of Return on Investments	6.25%
Mortality Rates	Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data, as Described
Retirement Rates	100% of L&A 2020 Illinois Firefighters Retirement Rates Capped at Age 65
Termination Rates	100% of L&A 2020 Illinois Firefighters Termination Rates
Disability Rates	100% of L&A 2020 Illinois Firefighters Disability Rates

The actuarially determined contribution shown for the current year is from the January 1, 2023 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2023 tax levy.

The actuarially determined contribution shown for the current year is from the January 1, 2022 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2022 tax levy.

The actuarially determined contribution shown for the current year is from the January 1, 2021 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2021 tax levy.

The actuarially determined contribution shown for the current year is from the January 1, 2020 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2020 tax levy.

The actuarially determined contribution shown for the current year is from the January 1, 2019 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2019 tax levy.

The actuarially determined contribution shown for 2019 is from the January 1, 2018 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2018 tax levy.

The actuarially determined contribution shown for 2018 is from the January 1, 2017 actuary's report completed by Lauterbach & Amen for the tax levy recommendation for the December 2017 tax levy.

The actuarially determined contribution shown for 2017 is from the January 1, 2016 actuary's report completed by Lauterbach & Amen, LLP for the tax levy recommendation for the December 2016 tax levy.

The actuarially determined contribution shown for 2016 is from the January 1, 2015 actuary's report completed by the Illinois Department of Insurance for the tax levy recommendation for the December 2015 tax levy.

The actuarially determined contribution shown for 2015 is from the January 1, 2014 actuary's report completed by the Illinois Department of Insurance for the tax levy recommendation for the December 2014 tax levy.

The actuarially determined contribution shown for 2014 is from the January 1, 2013 actuary's report completed by the Illinois Department of Insurance for the tax levy recommendation for the December 2013 tax levy.