

**Franklin Park Firefighters'
Pension Fund
Village of Franklin Park, Illinois**

Annual Financial Report

**For the Year Ended
April 30, 2010**

Wolf & Company LLP
Certified Public Accountants

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

Members of the Pension Board of Trustees
Franklin Park Firefighters' Pension Fund
Franklin Park, Illinois

We have audited the financial statements of the Franklin Park Firefighters' Pension Fund of the Village of Franklin Park, Illinois, as of and for the year ended April 30, 2010, as listed in the accompanying table of contents. These financial statements are the responsibility of management of the Franklin Park Firefighters' Pension Fund. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Franklin Park Firefighters' Pension Fund has not presented a Management's Discussion and Analysis as required supplementary information that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the financial statements.

In our opinion, the fund financial statements referred to above present fairly, in all material respects, the net assets of the Franklin Park Firefighters' Pension Fund of the Village of Franklin Park, Illinois, as of April 30, 2010, and the changes in net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The required supplementary information on pages 12-15 is not a required part of the financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

Wolf & Company LLP

Oakbrook Terrace, Illinois
May 9, 2011

FINANCIAL STATEMENTS

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Statement of Plan Net Assets
April 30, 2010**

Assets

Cash and Cash Equivalents	\$ 29,473
Investments, at Fair Value	
State and Local Obligations	918,081
U.S. Government and Agency Obligations	6,806,767
U.S. Government Backed Securities	1,929,136
Insurance Company Contracts	5,027,994
Equity Securities	1,691,770
Equity Mutual Funds	1,662,490
Money Market Mutual Funds	998,403
Accrued Interest Receivable	68,211
Due from the Village	48,947
Prepays	<u>261</u>
Total Assets	19,181,533

Liabilities

Accounts Payable	<u>22,582</u>
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Plan Net Assets Held in Trust for Pension Benefits

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

19,158,951

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Statement of Changes in Plan Net Assets
For the Year Ended April 30, 2010**

Additions	
Contributions - Employer	\$ 1,032,803
Contributions - Plan Members	311,298
Total Contributions	<u>1,344,101</u>
Investment Income	
Interest and Dividends Earned	307,036
Net Change in Fair Value	1,944,855
	<u>2,251,891</u>
Less Investment Expenses	(78,360)
Net Investment Income	<u>2,173,531</u>
Total Additions	<u>3,517,632</u>
Deductions	
Administration	54,323
Benefits	1,801,248
	<u>1,855,571</u>
Total Deductions	<u>1,855,571</u>
Net Increase	1,662,061
Plan Net Assets Held in Trust for Pension Benefits	
Beginning of Year	<u>17,496,890</u>
End of Year	<u>19,158,951</u>

The notes to the financial statements are an integral part of this statement

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Notes to the Financial Statements
April 30, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Firefighters' Pension Fund of the Village of Franklin Park, Illinois have been prepared in conformity with generally accepted accounting principles (GAAP) 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 Pension Fund's accounting policies are described below.

REPORTING ENTITY

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

The Village'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 five-member pension board, with two members appointed by the Village's President, two elected from active participants of the Fund, and one elected from the retired members of the Fund. The Village 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 Village is authorized to approve the actuarial assumptions used in the determination of contribution levels. The FPERS is included in the Village's annual financial report as a blended component unit and is reported as a pension trust fund.

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 Village's Fire Department.

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 plan net assets. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Pension trust fund equity is classified as plan net assets.

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Notes to the Financial Statements
April 30, 2010**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting

The accrual basis of accounting is utilized by pension trust funds. Under this method, additions to plan net assets are recorded when earned and deductions from plan net 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 PLAN NET 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 last reported sales price. Investments that do not have any established market, if any, are reported at estimated fair value.

Short-term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between the Village and the Firefighters' Pension Fund for employer and employee contributions due to the Pension Fund. Receivables and payables, if any, which relate to these transactions, are classified as "Due from the Village" or "Due to the Village" on the statement of plan net assets.

NOTE 2 – DETAIL NOTES ON FINANCIAL STATEMENTS

DEPOSITS, INVESTMENTS AND CONCENTRATIONS

The deposits and investments of the Pension Fund are held separately from those of other Village 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

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Notes to the Financial Statements
April 30, 2010**

NOTE 2 – DETAIL NOTES ON FINANCIAL STATEMENTS - Continued

DEPOSITS, INVESTMENTS AND CONCENTRATIONS - Continued

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 companies provided the investment in separate accounts does not exceed ten percent of the Pension Fund's plan net assets. Pension Funds with plan 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 plan 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 net assets in common and preferred stocks that meet specific restrictions.

Credit Risk, Custodial Credit Risk, and Concentration Risk

Deposits. At year-end, the carrying amount of the Pension Fund's deposits totaled \$29,473 and the bank balances totaled \$37,427.

Investments. At year-end, the Pension Fund has the following debt securities and investments, as well as their maturities:

Investment Type	Fair Value	Investment Maturities - in Years			
		Less Than 1	1-5	6-10	More Than 10
State and Local Obligations	\$ 918,081	-	918,081	-	-
U.S. Treasury Notes	2,994,432	-	2,496,855	497,577	-
Governmental National Mortgage Assoc.	103,399	-	-	-	103,399
Federal Home Loan Mortgage Corp.	501,250	-	501,250	-	-
Federal Home Loan Mortgage Corp.	644,120	-	-	641,914	2,206
Federal Home Loan Bank	1,103,943	-	1,103,943	-	-
Federal National Mortgage Assoc.	1,459,623	-	1,427,326	-	32,297
U.S. Government Backed Securities	1,929,136	-	1,929,136	-	-
Money Market Mutual Funds	998,403	998,403	-	-	-
Total	10,652,387	998,403	8,376,591	1,139,491	137,902

The Pension Fund assumes any callable securities will not be called.

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.

VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND

Notes to the Financial Statements
April 30, 2010

NOTE 2 – DETAIL NOTES ON FINANCIAL STATEMENTS – Continued

DEPOSITS, INVESTMENTS AND CONCENTRATIONS - Continued

Credit Risk, Custodial Credit Risk, and Concentration Risk – 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 Investments in the securities of U.S. government agencies were all rated triple A by Standard & Poor's or by Moody's Investors Services or were small issues that were unrated. Unrated investments are listed in the table below.

Investment	Par Value	Interest Rate	Maturity Date
Federal Home Loan Mortgage Corp.	\$ 3,445	7.000%	September 1, 2015
Federal Home Loan Mortgage Corp.	1,980	7.000%	February 1, 2032
Federal National Mortgage Assoc.	11,973	7.500%	July 1, 2029
Federal National Mortgage Assoc.	6,769	7.000%	October 1, 2029
Federal National Mortgage Assoc.	10,067	7.000%	July 1, 2032

The U.S. Government Backed Securities are guaranteed under the Federal Deposit Insurance Corporation's Temporary Liquidity Guarantee Program and are backed by the full faith and credit of U.S. Government. The details of the FDIC guarantee are provided in the FDIC's regulations, 12 CR Part 370. The expiration date of the FDIC's guarantee is the earlier of the maturity date of the debt or June 30, 2012. The U.S. Government Backed Securities are as follows:

Citibank Bond - \$585,000
Citigroup Bond - \$500,000
General Electric Capital Bond - \$500,000
Morgan Stanley Bond - \$310,000

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. At April 30, 2010, the entire amount of the bank balance of the deposits was covered by federal depository or equivalent insurance. The Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Notes to the Financial Statements
April 30, 2010**

NOTE 2 – DETAIL NOTES ON FINANCIAL STATEMENTS – Continued

DEPOSITS, INVESTMENTS AND CONCENTRATIONS – Continued

Credit Risk, Custodial Credit Risk, and Concentration Risk – Continued

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. The Pension Fund limits its exposure to custodial credit risk by utilizing an independent third party institution, selected by the Pension Fund, to act as custodian for its securities and collateral.

Concentration of Credit Risk. This is the risk of loss attributed to the magnitude of the Fund's investment in a single issuer. At April 30, 2010, the Pension Fund has over 5% of plan net assets, \$957,948, invested in various agency securities as indicated in the table above and insurance contracts and mutual funds listed below. Agency investments represent a large portion of the portfolio; however the investments are diversified by maturity date and as mentioned earlier are backed by the issuing organization. Although unlike Treasuries, agency securities do not have the "full faith and credit" backing of the U.S. Government, they are considered to have a moral obligation of implicit backing and are supported by Treasury lines of credit and increasingly stringent federal regulation.

The Fund's investment policy has a stated target that 55 percent of its portfolio be in fixed income securities, 40 percent target in equities, and 5 percent in real estate. The Pension Board has diversified its insurance contract and equity mutual fund holdings as follows:

Pridex Wilshire Insurance Contract - \$4,201,874
Principal Life Insurance Contract - \$826,120

Vanguard Total Mutual Fund - \$843,348
Artisan Mutual Fund - \$819,142

NOTE 3 – OTHER INFORMATION

SUBSEQUENT EVENTS

Due to investment market volatility, total plan net assets, as reported, may not be representative of values subsequent to year end.

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Notes to the Financial Statements
April 30, 2010**

NOTE 3 – OTHER INFORMATION – Continued

CONTINGENT LIABILITIES

Litigation

The Pension Fund is currently involved with various benefit litigations. Although the outcome of these claims is not presently determinable, the Pension Fund believes that the resolution of these matters will not have an adverse effect on the financial condition of the fund.

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 April 30, 2010 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.

RELATED PARTY TRANSACTIONS

Other than activity related to the Village of Franklin Park, the Firefighters' Pension Fund was not involved in any related party transactions.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of additions and deductions during the reported period. Actual results could differ from those estimates.

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN

Plan Description, Provisions and Funding Policies

The Firefighters' Pension Plan is a single-employer defined benefit pension plan that covers all sworn Firefighters' personnel. The Firefighters' Pension Plan provides retirement, disability, and death benefits, as well as automatic annual cost of living adjustments, to plan members and their beneficiaries. Plan members are required to contribute 9.455% of their annual covered payroll. The Village is required to contribute at an actuarially determined rate. Although this is a single-employer pension plan the defined benefits and contribution requirements of the plan members and the Village are governed by Illinois State Statutes and may only be amended by the Illinois legislature. Administrative costs are financed through investment earnings.

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

Notes to the Financial Statements
April 30, 2010

NOTE 3 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN - Continued

Plan Description, Provisions and Funding Policies – Continued

At April 30, 2009, the date of the latest actuarial valuation, the Firefighters' Pension Plan membership consisted of the following:

Retirees and Beneficiaries Currently Receiving Benefits and Terminated Members Entitled to But Not Yet Receiving Benefits	45
Active Plan Members	<u>43</u>
	<u>88</u>

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

The Firefighters' Pension Plan provides retirement benefits as well as death and disability benefits. Covered employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the monthly salary attached to the rank held at the date of retirement. The pension shall be increased by 1/12 of 2.5% of such monthly salary for each additional month over 20 years of service through 30 years of service, to a maximum of 75% 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 pension 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% of the original pension and 3% compounded annually thereafter.

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 Village is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2033 the Village's contributions must accumulate to the point where the past service cost for the Firefighters' Pension Plan is fully funded.

**VILLAGE OF FRANKLIN PARK, ILLINOIS
FIREFIGHTERS' PENSION FUND**

**Notes to the Financial Statements
April 30, 2010**

NOTE 3 – OTHER INFORMATION – Continued

EMPLOYEE RETIREMENT SYSTEM – DEFINED BENEFIT PENSION PLAN – Continued

Funded Status and Funding Progress

The Firefighters' Pension Fund funded status for the current year and related information is as follows:

Actuarial Valuation Date	April 30, 2009
Percent Funded	45.63%
Actuarial Accrued Liability for Benefits	\$ 38,257,435
Actuarial Value of Assets	\$ 17,458,475
(Over)/ Under Funded Actuarial Accrued Liability (UAAL)	\$ 20,798,960
Covered Payroll (Annual Payroll of Active Employees Covered by the Plan)	\$ 3,015,057
Ratio of UAAL to Covered Payroll	689.84%

Valuation Completed by Timothy W. Sharpe, Actuary

The schedule of funding progress, presented as Required Supplementary Information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan net assets are increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0% compounded annually including a 3.0% inflation factor, a projected salary increases assumption of 5.5% compounded annually including a 3.0% inflation factor, and cost-of-living adjustments of 3.0% compounded annually.

REQUIRED SUPPLEMENTARY INFORMATION

VILLAGE OF FRANKLIN PARK, ILLINOIS
 FIREFIGHTERS' PENSION FUND

Required Supplementary Information
 Schedule of Funding Progress - Illinois Department of Insurance
 April 30, 2010

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry-Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 15,877,489	\$ 30,671,554	51.77%	\$ 14,794,065	\$ 2,645,244	559.27%
2005	16,563,031	31,816,945	52.06%	15,253,914	2,813,528	542.16%
2006	18,471,115	33,404,424	55.30%	14,933,309	2,965,754	503.52%
2007	20,108,666	37,043,666	54.28%	16,935,000	3,106,223	545.20%
2008	20,016,240	38,844,203	51.53%	18,827,963	2,998,553	627.90%
2009	17,309,481	40,380,137	42.87%	23,070,656	3,015,057	765.18%

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of the dates indicated. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0% compounded annually including a 3.0% inflation factor, a projected salary increases assumption of 5.5% compounded annually including a 3.0% inflation factor, and cost-of-living adjustments of 3.0% compounded annually.

VILLAGE OF FRANKLIN PARK, ILLINOIS
 FIREFIGHTERS' PENSION FUND

Required Supplementary Information
 Employer Contributions - Illinois Department of Insurance
 April 30, 2010

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed
2005	\$ 1,038,500	\$ 1,180,918	87.94%
2006	1,467,952	1,257,473	116.74%
2007	1,237,614	1,295,525	95.53%
2008	925,133	1,427,144	64.82%
2009	935,165	1,522,520	61.42%
2010	1,032,803	1,765,483	58.50%

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of April 30 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0% compounded annually including a 3.0% inflation factor, a projected salary increases assumption of 5.5% compounded annually including a 3.0% inflation factor, and cost-of-living adjustments of 3% compounded annually.

VILLAGE OF FRANKLIN PARK, ILLINOIS
 FIREFIGHTERS' PENSION FUND

Required Supplementary Information
 Schedule of Funding Progress - Timothy W. Sharpe, Actuary
 April 30, 2010

Actuarial Valuation Date April 30	(1) Actuarial Value of Plan Assets	(2) Actuarial Accrued Liability (AAL) - Entry-Age	(3) Funded Ratio (1) ÷ (2)	(4) Unfunded (Overfunded) Actuarial Accrued Liability (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded (Overfunded) Actuarial Accrued Liability as a Percentage of Covered Payroll (4) ÷ (5)
2004	\$ 15,947,257	\$ 30,781,744	51.81%	\$ 14,834,487	\$ 2,645,244	560.80%
2005	16,239,791	31,807,039	51.06%	15,567,248	2,813,528	553.30%
2006	18,657,263	33,713,876	55.34%	15,056,613	2,965,754	507.68%
2007	20,164,957	35,255,525	57.20%	15,090,568	3,106,223	485.82%
2008	20,222,441	37,079,485	54.54%	16,857,044	2,998,553	562.17%
2009	17,458,475	38,257,435	45.63%	20,798,960	3,015,057	689.84%

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of the dates indicated. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0% compounded annually including a 3.0% inflation factor, a projected salary increases assumption of 5.5% compounded annually including a 3.0% inflation factor, and cost-of-living adjustments of 3.0% compounded annually.

VILLAGE OF FRANKLIN PARK, ILLINOIS
 FIREFIGHTERS' PENSION FUND

Required Supplementary Information
 Employer Contributions - Timothy W. Sharpe, Actuary
 April 30, 2010

Year Ended April 30	Employer Contributions	Annual Required Contribution	Percent Contributed	Net Pension Obligation
2005	\$ 1,038,500	\$ 1,230,393	84.40%	\$ 307,789
2006	1,467,952	1,282,696	114.44%	78,373
2007	1,237,614	1,296,861	95.43%	36,012
2008	925,133	1,340,658	69.01%	376,462
2009	935,165	1,454,346	64.30%	775,886
2010	1,032,803	1,675,410	61.64%	N/A

N/A - Not Available

Notes to the Required Supplementary Information:

The information presented was determined as part of the actuarial valuations as of April 30 of the prior fiscal year. Additional information as of the latest actuarial valuation presented is as follows: the actuarial cost method was entry-age normal; the amortization method was level percent of pay, closed and the amortization period was 24 years; the asset valuation method was a market value method; and the significant actuarial assumptions were an investment rate of return at 7.0% compounded annually including a 3.0% inflation factor, a projected salary increases assumption of 5.5% compounded annually including a 3.0% inflation factor, and cost-of-living adjustments of 3% compounded annually.