FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE
CITY OF BLOOMINGTON, ILLINOIS)

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Years Ended April 30, 2012 and 2011

Prepared by:
Timothy Ervin, Trustee
Sean Morrison, Secretary/Treasurer

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CITY OF BLOOMINGTON

Finance Department

October 23, 2012

The Honorable Mayor Stockton
Members of the City Council
Citizens of the City of Bloomington

The Comprehensive Annual Financial Report (CAFR) of the Firemen's Pension Fund, a pension trust fund of the City of Bloomington, Illinois, for its fiscal years ended April 30, 2012 and 2011 is hereby submitted. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, rests with the Board of Trustees of the Firemen's Pension Fund. We hope that you will find this CAFR helpful in understanding the Firemen's Pension Fund – a fund that continues to maintain a strong and positive financial future.

The Firemen's Pension Fund, a pension trust fund of the City of Bloomington, Illinois, was created in 1919 and operates under a Board of Trustees in accordance with Chapter 40, Article 4, of the State statutes. The Board of Trustees consists of five individuals. Three Trustees are elected by retired and active personnel, while the remaining two positions are appointed by the Mayor of the City. The Board of Trustees acts as administration agents, as required by State statutes, for the City pertaining to the Pension Fund only. The State statutes require the Board of Trustees to administer the Pension Fund pertaining to investments, pay benefits to retired and/or disabled members and maintain the required accounting and participant records for active and retired fire personnel. The Board of Trustees has prepared the comprehensive annual financial report for the last twenty years to establish the proper reporting of its financial activities to the employer of the participants of the Pension Fund.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of the MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A. The Pension Fund's MD&A can be found immediately following the report of the independent auditors within the Financial Section.

Major Initiatives

Investment decisions that result in the purchase of safe investments while obtaining the highest possible yield continue to be made by the Board of Trustees and their advisors. These investments include US Treasury securities, US Government Agency, annuities, and mutual funds. The Board of Trustees will continue to ascertain that the City properly funds the Pension Fund as required by law.

Awards and Recognition

The Government Finance Officers Association (GFOA) of the United States and Canada awards a Certificate of Achievement for Excellence in Financial Reporting to a government which publishes an easily readable and efficiently organized Comprehensive Annual Financial Report.

This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current Comprehensive Annual Financial Report meets the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for the program.

Accounting System Controls

The CAFR was prepared to conform with the principles of governmental accounting and reporting set forth by the Governmental Accounting Standards Board. Transactions of the Pension Fund are reported on the accrual basis of accounting. Sufficient internal accounting controls exist to provide reasonable assurance regarding the safekeeping of assets and fair presentation of the financial statements and supporting schedules.

The internal control structure of the Pension Fund is vested with the Board of Trustees. The Board of Trustees approves all new participants to the Pension Fund, as well as benefit payments to be made to new retirees or disabled employees. The Board of Trustees also approves all purchase and sale of investments and all disbursements pertaining to administration expenses. The safe deposit box cannot be accessed except by two officers of the Pension Fund. The Board of Trustees has retained an outside data service to provide quarterly financial statements that include statements of plan net assets and changes in plan net assets accompanied by a schedule of cash receipts and disbursements. The investments as reflected in the statement of plan net assets are supported by a detailed schedule of individual investments.

The Board of Trustees does not deem budget controls necessary because administrative expenses are nominal and retirement benefits paid remain relatively stable from month to month. Benefits paid to retirees monthly are approved by the Board of Trustees and submitted to an outside payroll service bureau for processing, including direct deposits into the pensioner's bank accounts.

The Board of Trustees believes that the financial statements and related supporting schedules and statistical tables are fairly presented in the comprehensive annual financial report.

Investments

The investments of the Pension Fund are governed primarily by an investment authority known as the "prudent person rule." The prudent person rule establishes a standard for all fiduciaries, which includes anyone that has authority with respect to the Pension Fund. The prudent person rule states that fiduciaries shall discharge their duties solely in the interest of the Pension Fund participants and beneficiaries with the degree of diligence, care and skill which prudent men and women would ordinarily exercise under similar circumstances in a like position. By permitting diversification of assets within a fund, the prudent person standard may enable a fund to reduce overall risk and increase returns. A summary of the asset allocation can be found on pages 33 and 34 of this report.

The prudent person rule permits the Pension Fund to establish an investment policy based upon certain investment criteria in accordance with the rules and regulations established by the Department of Insurance, State of Illinois. For fiscal year 2012, investments provided an 1.55 percent rate of return.

Funding

A pension fund is well funded when it has enough money in reserve to meet all expected future obligations to participants. The Pension Fund's funding objective is to meet long-term benefit promises through contributions that remain approximately level as a percent of member payroll. The greater the level of funding, that larger the ratio of assets accumulated to the actuarial accrued liability and the greater the level of investment potential. The advantage of a well-funded plan is the participants can look at assets that are committed to the payment of benefits. The actuarial accrued liability and actuarial value of assets of the Pension Fund as of May 1, 2011, amounted to $77,411,228 and $39,770,280, respectively. The actuarial accrued liability and actuarial value of assets of the Pension Fund as of May 1, 2010, amounted to $73,891,946 and $36,832,670, respectively. As of May 1, 2011, the funded status of the Firemen's Pension fund was 51.38 percent as compared to 49.85 percent in May 1, 2010. The City is required under legislation to amortize the unfunded actuarial accrued liability by June 30, 2040. The Schedule of Funding Progress is included in the required supplementary information on page 24.

Professional Services

Professional consultants are appointed by the Board of Trustees to perform professional services that are essential to the effective and efficient operation of the Pension Fund. An opinion from the Certified Public Accountants and Actuary are included in this report. The consultants appointed by the Board of Trustees are listed on page 5 of this report. Information can be found regarding investment professionals who provided services to the Pension Fund on page 36.

Acknowledgements

The compilation of this report reflects the combined efforts of the Pension Fund's officers under the leadership of the Board of Trustees. It is intended to provide complete and reliable information as a basis to make management decisions, as a means to determine compliance with legal provisions, and as a means to determine responsible stewardship of the funds of the Pension Fund.

On behalf of the Board of Trustees, we would like to take this opportunity to express our gratitude to the advisors and to the many people who have worked so diligently to assure the successful operations of the Pension Fund.

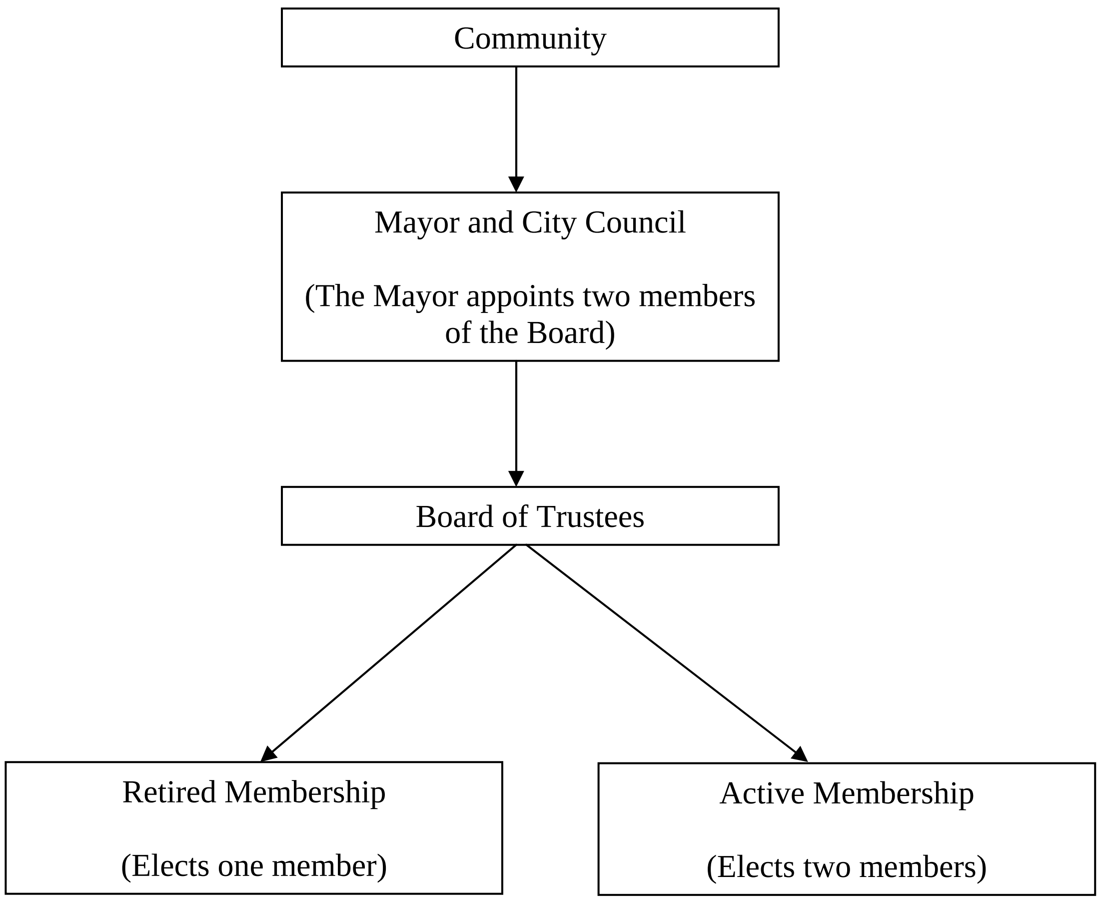
Respectfully submitted,

Timothy L. Ervin
City of Bloomington Mayoral Appointee, Board of Trustees

Sean Morrison
Secretary/Treasurer, Board of Trustees

FIREMEN’S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

ORGANIZATIONAL CHART



OFFICERS AND OFFICIALS

Officials – City of Bloomington

Mayor
Stephen Stockton

Aldermen
Bernie Anderson
David Sage
Mboka Mwilambwe
Judith Stearns
Jennifer McDade
Karen Schmidt
Steven Purcell
Robert Fazzini
Jim Fruin

City Manager
David Hales

City Clerk
Tracey Covert

Director of Finance and City Treasurer
Patti-Lynn Silva

Fire Chief
Mike Kimmerling

Board of Trustees

Retired Employee Representative and President of the Board
Ronald Fowler

Employee Representative and Vice-President Of the Board
Jim Stokes

Employee Representative and Secretary Of the Board and Treasurer of the Board
Sean Morrison

Appointed by the Mayor, City of Bloomington
Timothy Ervin

Appointed by the Mayor, Vice President of Finance, YWCA McLean County
Curt Oyer

Consulting Services

Actuary	Tepfer Consulting Group, Ltd. Arthur H. Tepfer, A.S.A., M.A.A.A.
Accountant	Insight CPAs & Financial LLC Certified Public Accountants Mark Nicholas, Partner
Legal Counsel	Donald M. Craven, P.C. Dennis J. Orsey, P.C.
Auditor	Sikich LLP Certified Public Accountants Chad Lucas, Partner

Certified Public Accountants & Business Advisors

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3201 West White Oaks Drive, Suite 102 • Springfield, IL 62704

Independent Auditor's Report

Board of Trustees
Firemen's Pension Fund
City of Bloomington, Illinois
Bloomington, Illinois

We have audited the accompanying basic financial statements of the Firemen's Pension Fund, a pension trust fund of the City of Bloomington, Illinois, as of April 30, 2012 and 2011, and for the years then ended. These basic financial statements are the responsibility of the Pension Fund's Board of Trustees. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic 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 audits provide a reasonable basis for our opinions.

As discussed in Note 1, the financial statements present only the Firemen's Pension Fund, a pension trust fund of the City of Bloomington, Illinois. These financial statements do not purport to, and do not, present fairly the financial position of the City of Bloomington, Illinois, as of April 30, 2012 and 2011 and the changes in its financial position and cash flows, where applicable, for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the plan net assets of the Pension Fund as of April 30, 2012 and 2011 and the changes in plan net assets for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audits were conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Firemen's Pension Fund financial statements as a whole. The introductory, investment, actuarial and statistical sections and the schedules listed as supplementary information in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules listed as supplementary information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedules listed as supplementary information have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory, investment, actuarial and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Sikich LLP

Springfield, Illinois
October 23, 2012

FIREMEN'S PENSION FUND
(A Pension Trust Fund of the City of Bloomington, Illinois)

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section presents management's discussion and analysis to the Firemen's Pension Fund's, a pension trust fund of the City of Bloomington, Illinois, financial statements and the major factors affecting the operations and investment performance on the Pension Fund during the year ended April 30, 2012, with comparative totals for the years ended April 30, 2011 and 2010, respectively.

The Bloomington Firemen's Pension Fund is a defined benefit, single-employer public employees' retirement system in accordance with state statutes. As of April 30, 2012, it provides services to 103 active employees and 82 benefit recipients. Throughout this discussion and analysis, units of measure (millions, thousands) are approximate, being rounded up or down to the nearest tenth of the respective unit value.

Overview of Financial Statements and Accompanying Information

This discussion and analysis is intended to serve as an introduction to the Firemen's Pension Fund's financial reporting which is comprised of the following components:

1. Basic Financial Statements: This information presents the net assets held in trust for pension benefits for the Firemen's Pension Fund as of April 30, 2012 and 2011, respectively. This financial information also summarizes the changes in plan net assets held in trust for pension benefits for the years then ended.

2. Notes to Basic Financial Statements: The notes to basic financial statements provide additional information that is essential to achieve a full understanding of the data provided in the basic financial statements.

3. Required Supplementary Information: The required supplementary information consists of schedules and related notes concerning actuarial information, funded status and required contributions for the Firemen's Pension Fund.

4. Other Supplementary Schedules: Other schedules include more detailed information pertaining to the Firemen's Pension Fund, including schedules of revenues by source, cash receipts and disbursements and payments to consultants.

Plan Net Assets

The statements of plan net assets are presented for the plan Firemen's Pension Fund as of April 30, 2012 with comparative numbers provided for April 30, 2011 and 2010, respectively. These financial statements reflect the resources available to pay benefits to members, including retirees and beneficiaries, at the end of the years reported. A summary of the Firemen's Pension Fund Plan Net Assets is presented below:

Condensed Statements of Plan Net Assets (in Millions)

	2012	2011	2010	FY12-FY11 Dollar Change	FY12-FY11 Percent Change	FY11-FY10 Dollar Change	FY11-FY10 Percent Change
Cash and Equivalents	$ 5.106	$ 1.348	$ 6.287	$ 3.758	278.78%	$ (4.939)	-78.56%
Receivables	0.023	0.072	0.055	(0.049)	-68.06%	0.017	30.91%
Investments, at fair value	33.934	36.879	27.913	(2.945)	-7.99%	8.966	32.12%
Total Assets	39.063	38.299	34.255	0.764	202.74%	4.044	-15.53%
Liabilities	0.001	0.003	-	(0.002)	-	0.003	n/a
Total Plan Net Assets	$ 39.062	$ 38.296	$ 34.255	$ 0.766	2.00%	$ 4.041	11.80%

Financial Highlights

- The Firemen's Pension Fund's net assets increased by $0.764 million (or 1.99%) during the fiscal year ended April 30, 2012 (FY 2012). The increase in the total plan net assets of the fund is due to a combination of a $0.320 million increase in City contribution to the pension fund and a solid position in the market on April 30, 2012. Because the pension fund can invest up to 50% in equity securities, the plans investments can vary in direct relationship to the overall market on April 30. The pension board monitors the significant variation these investments add in terms of the actuarial calculated funding level of this pension fund. Although the actuary has employed a smoothing technique to mitigate this effect it is important to bear in mind the current diversification of assets is crucial to the long term goal of the pension fund to maximize returns.
- The Firemen's Pension Fund was actuarially funded at 51.38 percent as of April 30, 2012, compared to 49.85 percent as of April 30, 2011 and 49.77 percent as of April 30, 2010. As of April 30, 2012, the Firemen's Pension Fund had 103 active participants and 82 inactive participants. The number of active participants has remained level from the prior fiscal year, while the number of inactive participants increased by 5.0 percent or four inactive participants).
- The overall rate of return for the Firemen's Pension Fund was 1.55 percent for the year ending April 30, 2012, compared to 11.25 percent for the year ending April 30, 2011, and 18.99 percent for the year ending April 30, 2010.

Funded Ratio

The funded ratio of the plan measures the ratio of net assets against actuarially determined liabilities and is one indicator of the fiscal strength of a pension fund's ability to meet obligations to its members. An annual actuarial valuation is required by statute. The most recent available valuation showed the funded status of the Firemen's Pension Fund as of April 30, 2012 increased to 51.38% from the April 30, 2011 funding level of 49.85 percent. The unfunded actuarial accrued liability was $37.6 million on April 30, 2012, while the unfunded actuarial accrued liability was $37.1 million on April 30, 2011. This was an increase of $0.6 million (1.57 percent).For additional information please refer to the actuarial section prepared by Tepfer Consulting Group, LTD of the comprehensive annual financial report.

Investments

The allocation of investment assets for the Firemen's Pension Fund as of April 30, 2012, 2011 and 2010, respectively, are as follows:

Allocation of Investments

	2012	2011	2010
Cash & cash equivalents	13.08%	3.53%	18.38%
U.S. Treasury STRIPS	-	3.34%	-
U.S. Agency securities	0.03%	1.32%	4.42%
Annuities - Fixed	38.65%	36.09%	32.69%
Annuities - Variable	48.24%	41.53%	44.51%
Mutual funds	-	14.19%	-
Total:	100.00%	100.00%	100.00%

Proper implementation of the investment policy requires the Board to periodically rebalance the assets to ensure conformance with policy target levels and statutory limits. The Board has performed this function at least once every quarter in consultation with the investment manager, Mischler Financial Services, Inc. In FY 2012, one goal of the Board is to examine, review, and adopt a revised investment policy.

Changes in Plan Net Assets

The statements of changes in plan net assets are presented for the years ended April 30, 2012, 2011 and 2010, respectively. These financial statements reflect the changes in the resources available to pay benefits to members, including retirees and beneficiaries.

Condensed Statement of Changes in Plan Net Assets (in Millions)

	2012	2011	2010	FY12-FY11 Dollar Change	FY12-FY11 Percent Change	FY11-FY10 Dollar Change	FY11-FY10 Percent Change
Additions:							
Active member contributions	$ 0.678	$ 0.692	$ 0.640	$ (0.014)	-2.02%	$ 0.052	8.12%
Employer contributions	3.461	3.141	2.365	0.320	10.19%	0.776	32.81%
Net investment income	0.593	3.871	5.806	(3.278)	-84.68%	(1.935)	-33.33%
Total additions:	4.732	7.704	8.811	(2.972)	-38.58%	(1.107)	-12.56%
Deductions:							
Benefits	$ 3.865	$ 3.586	$ 3.576	$ 0.279	7.78%	$ 0.010	0.28%
Refunds	0.004	-	-	0.004	-	-	n/a
Administrative expenses	0.096	0.077	0.047	0.019	24.68%	0.030	63.83%
Total deductions:	3.965	3.663	3.623	0.302	8.24%	0.040	1.10%
Net Increase in Plan Net Assets	$ 0.767	$ 4.041	$ 5.188	$ (3.274)	-81.02%	$ (1.147)	-22.11%

Additions

Additions to plan net assets include employer and active member contributions and net income from investment activities. Active member contributions were approximately $0.678 million for the year ended April 30, 2012. The amount of participant contributions slightly decreased from FY 2012 to FY 2011 due to a difference in pension contributions between retires versus new hires. It is expected in FY 2013 these contribution will increase as unfilled positions are filled and several fire fighters end their probationary status (base salary will increase). Active member contribution rates are set by State of Illinois statute as a percentage of gross salary.

Employer contributions have increased from FY 2010 to FY 2012 as the City's met the annual contribution reflected the minimum employer contribution set by State of Illinois statute. Bear in mind, an actuary provides the independent calculation of the annual employer contribution. It has been a policy of the City to contribute at least the minimum statutory amount; however, the City has made additional contributions over the past few years in varying amount.

The investment income for fiscal year 2012 decreased from 2011 investment income because the investment returns in 2012 were not as strong as in the prior year. Bear in mind, approximately 48.24 percent of the fire pension portfolio is invested within the equity market through variable annuities. The overall rate of return for the total portfolio performance of the Firemen's Pension Fund in FY 2012 was 1.55 percent, while the composite index benchmark was 2.61 percent. This return does not include the additional earnings embedded in the Pension Fund's variable annuity and fixed annuity contractual death benefit & end of term values.

Deductions

Deductions from plan net assets are primarily benefit payments. Deductions increased in FY 2012 as compared to FY 2011 and FY 2010. The Firemen's Pension Fund paid out approximately $3.965 million in FY 2012, which increased by 8.24 percent from the prior year, respectively, in benefits and refunds. This increase was the net effect of an overall increase in the number of retirees receiving benefits in conjunction with the effect of the annual cost of living adjustment (COLA) increase of 3 percent as required by State of Illinois statute. The administrative costs of the Firemen's Pension Fund represented approximately 2.42 percent of total deductions in FY 2012 as compared to 2.10 percent of total deductions in FY 2011 and 1.30 percent of total deductions in FY 2010.

Future Outlook

The most significant change in FY 2012 for the Bloomington Firemen's pension fund and all fire and police pension funds within the State was the pension reform legislation passed by the State legislature and signed by the Governor. The pension reform bill will affect all future personnel hired after January 1, 2011. Among other changes, the bill raised the retirement age from 50 to 55 and set a salary cap at $106,800 with annual consumer price index adjustments. These changes are expected to facilitate and strengthen the long term financial position/sustainability of these pension funds.

Participant contributions are expected to continue to grow in the future along with employer contributions for several reasons. First, the rate of growth in payroll due to mandated annual pay increases will increase at the rate collectively bargained at the negotiating table. In FY 2012, a State of Illinois arbitrator awarded a 3 percent increase to the firefighters for the three annual fiscal years. Thus, this will contribute additional funds to the pension funds from participant contributions; however, pension benefits will increase in line with these salary increases. Since employee contributions are established by the State of Illinois legislature, it is foreseeable the bulk of the contributions will derive from direct contribution from the employer. The City restricts a portion of the annual property tax rate to fund the fire pension fund. This funding source will need to continue to increase over the next few years since the funding level of the pension remains at approximately 51 percent. It is the goal of the pension board to maintain and accelerate the upwards momentum of the funding ratio and decrease the unfunded actuarial accrued liability through solid financial management.

Expansion of the fire department is expected to be minimal over the next few years. Since the late 2000's the City has incorporated paramedic service into the fire department and this process has been completed. The City is currently conducting a long term analysis of the Fire Department which includes the location of fire stations and the number of personnel. Results of these studies are expected to be released in FY 2013. However, it should be noted, the number of participants in the pension fund will continue to increase as employees retire and additional employees are hired to replace these positions.

Current legislation passed by the Illinois General Assembly requires the City to amortize the unfunded actuarial accrued liability through a 30-year closed amortization period with a funding target of 90% by the end of 2040.

Request for Information

This financial report is designed to provide a general overview of the Firemen's Pension Fund finances for all those with an interest in the Pension Fund's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Ron Fowler, President of the Fire Pension Board, 310 North Lee Street, Bloomington, Illinois 61701.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

STATEMENT OF PLAN NET ASSETS

April 30, 2012 and 2011

	2012	2011
ASSETS		
Cash and cash equivalents	$ 5,106,169	$ 1,347,963
Receivables:		
Employee	23,024	70,531
Accrued interest	264	1,590
Total receivables	23,288	72,121
Investments:		
U.S. Treasury STRIPS	-	1,277,900
U.S. Agency securities	10,926	506,496
Annuities - fixed	15,089,874	13,796,828
Annuities - variable	18,833,007	15,874,327
Mutual funds	-	5,423,054
Total investments	33,933,807	36,878,605
Total assets	39,063,264	38,298,689
LIABILITIES		
Accounts, benefits and contribution refunds payable	1,284	3,085
Net assets held in trust for pension benefits	$ 39,061,980	$ 38,295,604

(A schedule of funding progress is presented on page 24)

See Notes to Basic Financial Statements.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

STATEMENT OF CHANGES IN PLAN NET ASSETS

For the Years Ended April 30, 2012 and 2011

	2012	2011
Additions:		
Contributions:		
Employer	$ 3,460,505	$ 3,140,710
Active members	677,666	692,076
Total contributions	4,138,171	3,832,786
Investment income:		
Net appreciation (depreciation) in fair value of investments	585,826	3,831,983
Interest	7,240	37,960
Dividends	225	922
Miscellaneous Income	-	469
Total investment income	593,291	3,871,334
Less investment expense	-	-
Net investment income	593,291	3,871,334
Total additions	4,731,462	7,704,120
Deductions:		
Benefit payments:		
Retired members	2,948,298	2,687,899
Widows	374,532	368,617
Disability	541,874	529,340
Total benefit payments	3,864,704	3,585,856
Return of pension contributions to terminated members	4,115	-
Administrative expenses	96,267	77,592
Total deductions	3,965,086	3,663,448
Net increase (decrease)	766,376	4,040,672
Net assets held in trust for pension benefits, beginning of year	38,295,604	34,254,932
Net assets held in trust for pension benefits, end of year	$ 39,061,980	$ 38,295,604

See Notes to Basic Financial Statements.

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Nature of Operations

The Firemen's Pension Fund is a pension trust fund of the City of Bloomington, Illinois which provides for the accumulation of resources needed to pay pension costs when due. Resources are contributions from firemen at rates fixed by state statutes and City contributions in the form of an annual property tax levy. The financial statements contained herein present only the statements of plan assets and changes in plan assets and do not purport to, and do not, present the financial position, changes in financial position and cash flows, where applicable, of the City.

B. Summary of Significant Accounting Policies

Basis of accounting – The Pension Fund maintains its accounting records on the accrual basis, and these financial statements are issued utilizing the accrual basis of accounting in accordance with GASB Statement No. 25 for defined benefit plans. Member contributions are recognized in the period in which associated wages are earned. 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 Pension Fund.

Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the plan administrator to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Cash and cash equivalents – The Pension Fund maintains all deposits in bank accounts in the name of the Pension Fund. The Fund considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

Investments – Investments are reported at fair value. Securities traded on a national exchange are valued at last reported sales prices at current exchange rates. Fair values for insurance annuity contracts are net of surrender charges.

2. PLAN DESCRIPTION, CONTRIBUTIONS, AND ACTUARIAL VALUATION INFORMATION

Fire sworn personnel are covered by the Pension Fund. Although this is a single-employer pension plan, the defined benefits and employee and employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4-1) and may be amended only by the Illinois legislature. The City accounts for the plan as a pension trust fund. The Pension Fund membership consisted of the following at April 30:

	2012	2011
Retirees and beneficiaries receiving benefits	82	80
Terminated plan member entitled to, but not yet receiving, Benefits	7	4
Active plan members	103	102
Total	192	186

Plan description – The Pension Fund provides retirement benefits through two tiers of 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% of the original pension and 3.00% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) 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 pension purposes is capped at $106,800, plus the lesser of ½ 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 10 years may retire at or after age 50 and receive a reduced benefit (i.e. ½% 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

2. PLAN DESCRIPTION, CONTRIBUTIONS, AND ACTUARIAL VALUATION INFORMATION – Continued

thereafter. The increase is the lesser of 3.00% or ½ of the change in the Consumer Price Index for the proceeding calendar year. The monthly pension benefit of a firefighter, hired before January 1, 2011, who retired after January 1, 1977 shall be increased upon the first day of the month following the first anniversary date of retirement if 55 year of age or over at retirement date, or age 55, if it occurs after the first anniversary of retirement, by 1/12 of 3 percent of the originally granted pension for each full month that has elapsed since the pension began and by an additional 3 percent of the originally granted pension benefit amount each January thereafter. The monthly pension benefit of a firefighter who first becomes a firefighter under Chapter 40, Article 4 of state statute on or after January 1, 2011 shall be increased on the January 1 occurring either on or after the attainment of age 60 or the first anniversary of the pension start date, which ever is later. Each annual increase shall be calculated at 3% or one-half the annual adjusted percentage increase (but not less than zero) in the consumer price index-u (published by the Bureau of Labor Statistics of the US Department of Labor) for the twelve months ending with the September preceding each November 1, whichever is less, of the originally granted pension. If the annual adjusted percentage change in the consumer price index-u for a twelve month period ending in September is zero or, when compared with the preceding period, decreases, then the pension shall not be increased.

Contributions – Covered employees are required to contribute 9.455 percent of their base salary to the Pension Fund. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City is required to contribute an actuarially determined amount by an enrolled actuary. Effective January 1, 2011, the City has until year 2040 to fund 90% of the past service costs for the Pension Fund.

Actuarial Valuation

An actuarial valuation was performed as of April 30, 2011. The valuation determined the following:

Actuarial accrued liability	$77,411,228
Actuarial value of assets	$39,770,280
Unfunded actuarial liability	$37,640,948
Funded ratio	51.38%
Annual covered payroll	$7,137,776
Ratio of unfunded actuarial liability to annual covered payroll	527.35%

2. PLAN DESCRIPTION, CONTRIBUTIONS, AND ACTUARIAL VALUATION INFORMATION – Continued

The actuarial methods and significant assumptions used for the April 30, 2012 valuation are summarized below:

Investment return rate: 7.50% per year, compounded annually (net of expenses)

Projected salary increases: TCG Basic Salary Table providing graded increases from 1.12% to 4.86% varying by age, plus the inflation rate shown below.

Inflation rate: 3.00% per year.

Actuarial Cost Method: Entry Age Normal Cost

Actuarial value of assets: 5-year smoothed market

Amortization method: The amortization method used was level-percent of payroll with a closed approach.

Amortization period: The amortization period was to June 30, 2033 (22 years, 2 months).

Payroll Growth: 4.50% per year.

The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing relative to the actuarial accrued liability for benefits over time.

3. DEPOSITS AND INVESTMENTS

As of April 30, 2012, the Pension Fund's deposits and investments were as follows:

Authorized investments – The Pension Fund's investment policy authorizes the Pension Fund to invest in securities permitted in the Illinois Compiled Statutes. The statutes authorize the Pension Fund to invest in 1) interest bearing direct obligations of the United States of America; 2) interest bearing obligations to the extent they are fully guaranteed or insured by the United States of America; 3) interest bearing bonds, notes, debentures or other similar obligations of agencies of the United States of America; 4) interest bearing savings accounts or certificates of deposit issued by federally chartered banks or savings and loan associations, state of Illinois chartered banks or savings and loan associations, or credit unions to the extent the investments are insured by agencies or instrumentalities of

3. DEPOSITS AND INVESTMENTS – Continued

the federal government;5) interest bearing bonds of the state of Illinois; 6) pooled interest bearing accounts managed by the Illinois Public Treasurer's Pool; 7) interest bearing bonds or tax anticipation warrants of any county, township or municipal corporation of the state of Illinois; 8) direct obligations of the state of Israel subject to certain limitations as defined in the statute; 9) money market mutual funds managed by investment companies that are registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953 and are diversified, open-ended management investment companies provided the money market portfolio is limited to bonds, notes, certificates of indebtedness, treasury bills or other securities guaranteed by the full faith and credit of the United States of America; bonds, notes, debentures or other similar obligations of the United States of America or its agencies; or certain short-term obligations of corporations; 10) general accounts of life insurance companies authorized to transact business in Illinois; 11) separate accounts managed by life insurance companies authorized to transact business in Illinois that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments or real estate or loans upon real estate secured by a first or second mortgage; 12) mutual funds managed by an investment company as defined and registered under the federal Investment Company Act of 1940 and Illinois Securities Law of 1953; that have been in operation for at least five years; that have total net assets of $250 million or more; and that are comprised of diversified portfolios consisting of common or preferred stocks, bonds, money market instruments; 13) common and preferred stocks authorized for investments of trust funds under the laws of the state of Illinois that meet certain requirements detailed in the statutes.

A. Deposits

Custodial credit risk – Custodial credit risk is the risk that in the event of failure of the counterparty to a transaction, a government will not be able to recover the value of its deposits that are in the possession of an outside party. The Pension Fund’s investment policy does not specifically address custodial credit risk for deposits, except for the Pension Fund’s compliance with State statutes. As of April 30, 2012 and 2011, the Pension Fund bank balances of deposits held at various institutions which were exposed to custodial credit risk because the balances were uninsured and uncollateralized totaled $1,309,197 and $63,178, respectively. As of April 30, 2012 and 2011, the Pension Fund bank balances of deposits held at various institutions which were exposed to custodial credit risk because the balances were collateralized by assets held by the pledging financial institutions totaled $349,200 and $0 respectively.

3. DEPOSITS AND INVESTMENTS – Continued

B. Investments

Custodial credit risk – Custodial credit risk for investments is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to the investment, a government will not be able to recover the value of its investment that are in the possession of another party. The Pension Fund's investment policy does not specifically address custodial credit risk for investments, except for the Pension Fund's compliance with State statutes.

Interest rate risk – Interest rate risk is the risk that changes in market interest rate will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates.

The Pension Fund's investment policy requires the Fund to minimize the risk of large losses caused by highly volatile changes in interest rates through the use of proper diversification and to maintain cash flow adequate to meet anticipated disbursements for up to a one-year period. Anticipated expenses for a one-year period will be maintained in short-term investments, namely the Illinois Funds account maintained by the state treasurer. The investment policy does not limit the maximum maturity length of investments in the Pension Fund.

Information about the sensitivity of the fair values of the Pension Fund's cash equivalents and investments to market interest rate fluctuations is provided in the following table that shows the distribution of the Pension Fund's investments by maturity as of April 30, 2012:

		Maturity (in years)			
Investment	Fair Value	Less than 1	1-5	6-10	>10
U.S. Agency securities	$ 10,926	$ -	$ -	$ -	$ 10,926
Annuities- Fixed	15,089,874	-	5,481,191	9,552,352	56,331
	$ 15,100,800	$ -	$ 5,481,191	$ 9,552,352	$ 67,257

Information about the sensitivity of the fair values of the Pension Fund's cash equivalents and investments to market interest rate fluctuations is provided in the following table that shows the distribution of the Pension Fund's investments by maturity as of April 30, 2011:

		Maturity (in years)			
Investment	Fair Value	Less than 1	1-5	6-10	>10
U.S. Treasury securities	$ 1,277,900	$ -	$ -	$ -	$ 1,277,900
U.S. Agency securities	506,496	-	-	-	506,496
Annuities- Fixed	13,796,828	-	3,628,407	10,113,683	54,738
	$ 15,581,224	$ -	$ 3,628,407	$10,113,683	$ 1,839,134

3. DEPOSITS AND INVESTMENTS - Continued

Credit risk: Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Pension Fund's investment policy does not specifically address credit risk for investments, except for the Pension Fund compliance with State statutes.

As of April 30, 2012, the Pension Fund's investments were rated as follows:

Investment Type	Moody's Investors Service	Standard & Poors	A.M. Best Company
Money Market Funds:			
Illinois Funds	Not Rated	AAAm	Not Rated
Annuities:			
Jackson National Life	A1	AA	A+
Sun Life Financial – Sun Life Assurance Co.	A3	BBB[+1]	A1
Sun Life Financial – Key Port Annuities	A3	BBB[+1]	A1
OM Financial/Fidelity and Guaranty Insurance Company	Ba1	Not Rated	B++
ING USA Annuity and Life Insurance Company	Not Rated	A	A
Aviva USA Corporation	A1	A+	A
Symetra Life Insurance Company	A3	A	A
RBC Liberty Life Insurance Company	Not Rated	Not Rated	B++
American National Insurance Company	A	A	Not Rated
Nationwide	A1	A+	A+

3. DEPOSITS AND INVESTMENTS - Continued

As of April 30, 2011, the Pension Fund's investments were rated as follows:

Investment Type	Moody's Investors Service	Standard & Poors	A.M. Best Company
Money Market Funds:			
Illinois Funds	Not Rated	AAAm	Not Rated
U.S. Agency Securities:			
Federal Home Loan Bank Callable Bonds	Aaa[3]	AAA[4]	Not Rated
Annuities:			
Jackson National Life	A1	AA	A+
Sun Life Financial – Sun Life Assurance Co.	Aa3[2]	AA-[1]	A+[1]
Sun Life Financial – Key Port Annuities	Aa3[2]	AA-[1]	A+[1]
OM Financial/Fidelity and Guaranty Insurance Company	Ba1	BB-	B++
ING USA Annuity and Life Insurance Company	A2	A	A
Aviva USA Corporation	Aa3[1]	AA-	A[1]
Symetra Life Insurance Company	A3	A	A
RBC Liberty Life Insurance Company	Not Rated	Not Rated	A-
American National Insurance Company	Note Rated	A+	A

[1] – Outlook stable
[2] – Negative outlook
[3] – On August 8, 2011, Moody's confirmed Freddie Mac's credit rating and assigned a negative outlook to the ratings.
[4] – On August 8, 2011, Standard & Poors lowered Freddie Mac's credit rating to AA+ from AAA and assigned a negative outlook to that rating.

3. DEPOSITS AND INVESTMENTS – Continued

Concentration of credit risk – It is the policy of the Pension Fund to invest in a manner that seeks to ensure the prudent and consistent management of the investments of the Pension Fund. The state statutes governing the Pension Fund limit combined investments in separate accounts managed by life insurance companies (variable annuities), mutual funds and common and preferred stocks to 50 percent and 45 percent of the Pension Fund's net assets for the fiscal years ending April 30, 2012 and 2011, respectively. Investments in any one issuer that represents 5 percent or more of the total Pension Fund's net assets as of April 30, 2012 and 2011 (excluding those investments issued by or explicitly guaranteed by the U.S. government) are as follows:

Issuer	Investment Type	2012 Fair Value	2011 Fair Value
Firemen's Pension Fund			
Aviva USA Corporation	Annuity Contracts – fixed	$ 3,542,640	$3,028,548
Aviva USA Corporation	Annuity Contracts – fixed	2,007,451	1,844,393
Sun Life Financial	Annuity Contracts – variable	2,521,604	2,595,188
Government Port CL I	Mutual Funds	-	5,423,054

As of April 30, 2012, the Pension Fund was in compliance with the 50 percent limit of net assets for combined investments in variable annuities, mutual funds and common and preferred stocks. Total investments in these types of assets were $18,833,007 or 48.2 percent for the year ended April 30, 2012.

As of April 30, 2011, the Pension Fund was not in compliance with the 45 percent limit of net assets for combined investments in variable annuities, mutual funds and common and preferred stocks. Total investments in these types of assets were $21,297,381 or 55.7 percent for the year ended April 30, 2011.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

April 30, 2012

Actuarial Valuation Date	Actuarial Value of Net Assets* (a)	Actuarial Accrued Liability (AAL) - Entry Age ** (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll *** (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (b-a/c)
5/1/2006	$ 34,408,977	$ 61,968,657	$ 27,559,680	55.53%	$ 6,586,507	418.43%
5/1/2007	36,720,534	59,245,402	22,524,868	61.98%	5,590,814	402.89%
5/1/2008	39,077,302	64,675,814	25,598,512	60.42%	6,379,893	401.24%
5/1/2009	34,880,656	70,089,350	35,208,694	49.77%	6,470,110	544.17%
5/1/2010	36,832,670	73,891,946	37,059,276	49.85%	6,729,062	550.73%
5/1/2011	39,770,280	77,411,228	37,640,948	51.38%	7,137,776	527.35%

* - Actuarial Value of Net Assets implemented with change in methodology for the periods ending May 1, 2007

** - Liabilities were calculated reflecting changes in assumptions for the period beginning May 1, 2007.

*** - Covered payroll is calculated by the Actuary from the DOI submission for the prior fiscal year.

See Note to Required Supplementary Information.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2012

Year Ended April 30	Actuarial Date	Annual Required Contribution	Employer Contributions	Percentage Contributed
2007	May 1, 2006	1,726,093	1,909,591	110.63%
2008	May 1, 2007	1,772,416	1,904,995	107.48%
2009	May 1, 2008	2,493,809	2,640,429	105.88%
2010	May 1, 2009	2,376,491	2,364,899	99.51%
2011	May 1, 2010	3,116,325	3,140,710	100.78%
2012	May 1, 2011	3,202,697	3,460,505	108.05%

See Note to Required Supplementary Information.

FIREMEN'S PENSION FUND
(A Pension Trust Fund of the City of Bloomington, Illinois)

REQUIRED SUPPLEMENTARY INFORMATION
NOTE TO SCHEDULE OF FUNDING PROGRESS AND
SCHEDULE OF EMPLOYER CONTRIBUTIONS

April 30, 2012

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	May 1, 2011
Actuarial cost method	Entry age normal cost method
Amortization method	Level percentage of payroll – closed
Amortization period	Period ending June 30, 2033
Remaining amortization period	22 years 2 months
Actuarial value of assets	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	7.5%
Project salary increases*	TCG Basic Salary Table providing graded increases from 1.12% to 4.68% varying by age, plus inflation rate shown below (See Table on page 68)
Inflation rate	3.0%
Payroll growth	4.5%
Assumed Mortality	RP-2000 Combined Healthy Mortality Table (male and female)

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF ADMINISTRATIVE EXPENSES
For the Years Ended April 30, 2012 and 2011

	2012	2011
Professional services:		
Actuarial	$ 2,500	3,325
Accounting	15,822	17,454
Audit	23,000	22,700
Legal counsel	22,888	9,790
Medical exams	19,109	8,780
Total professional services	83,319	62,049
Miscellaneous:		
Expense allowance for secretary	-	3,600
State of Illinois compliance fee - Department of Insurance	6,846	5,818
Other	6,102	6,125
Total miscellaneous	12,948	15,543
Total administrative expenses	$ 96,267	$ 77,592

See Independent Auditor's Report

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF INVESTMENT EXPENSES
For the Years Ended April 30, 2012 and 2011

	2012	2011
Total investment expenses	$ -	$ -

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF PAYMENTS TO CONSULTANTS
For the Year Ended April 30, 2012 and 2011

INDIVIDUAL FIRM	NATURE OF SERVICE	2012	2011
City of Bloomington	Actuarial	$ 2,500	$ 3,325
Henning, Strouse, Jordan & Stephens	Accounting	15,822	17,454
Sikich LLP	Audit	23,000	22,700
Donald M. Craven, PC	Legal counsel	22,888	9,790
OSF Occupational Health Center	Medical exams	19,109	8,780
Total		$ 83,319	$ 62,049

For a schedule of fees paid to investment professionals, see the Schedule of Fees and Commissions in the Investment Section on page 36

CITY OF BLOOMINGTON

Finance Department

October 23, 2012

To the Honorable Mayor and
Members of the City Council

The Firemen's Pension Fund, a pension trust fund of the City of Bloomington, Illinois has provided the financial information of investments at fair value as of April 30th, 2012 and 2011. The investment yields at market are reported on page 32 by type of investment for 2012. The calculated investment yields were prepared using a time weighted rate of return based on the market rate of return. Investment asset allocations are presented for 2012 and 2011.

In addition to the custody of the assets, the officers of the Pension Fund provide various services on behalf of the Board of Trustees pertaining to investment activities. These services are as follows:

1. Receive and deposit all monies from contributions (employee and employer), investment income, and sale of securities.

2. Purchase securities, pay monthly retirement benefits to retirees, and pay all administrative expenses approved by the Board of Trustees.

3. Accept and deliver securities when purchased or sold and/or authorize various investment firms to act on behalf of the pension fund.

4. Invest excess cash balances into short term cash equivalent funds.

5. Employ agents and consultants with the consent of the Board of Trustees.

Respectfully submitted,

Timothy L. Ervin
City of Bloomington Director of Finance, Board of Trustees

Sean Morrison
Secretary/Treasurer, Board of Trustees

FIREMEN'S PENSION FUND
(A Pension Trust Fund of the City of Bloomington, Illinois)

INVESTMENT POLICIES
For the Years Ended April 30, 2012 and 2011

The Board of Trustees is a fiduciary of public funds contributed by firemen and the City of Bloomington and, as such, must manage its investments with prudence and diligence after giving careful consideration to the safety of the funds, proper diversification, avoidance of undue market risks and the actuarial assumptions of the Pension Fund. Chapter 40 Illinois Compiled Statutes, Article 5, Section 1-113 regulates, among others, Firefighters Pension Funds, and establishes some restrictions on investments by such funds. That statute, as amended from time to time, is the foundation of the policy and is incorporated by reference within the investment policy.

In order to invest in common and preferred stock, the Board of Trustees must appoint one or more investment advisors and must articulate the investment policies by which that investment advisor will conduct business on behalf of the Board of Trustees.

The Board of Trustees may retain the services of one or more investment managers, whose investment recommendations must be within the restrictions of applicable law, and within the guidelines and objectives expressed by the Board of Trustees. The Finance Committee of the Board of Trustees shall consist of the President, Secretary and Treasurer of the Board of Trustees. The investment manager shall obtain the approval of the Finance Committee prior to the purchase or sale of any security/investment. The Board of Trustees shall communicate closely with the investment manager, monitor performance to assure that guidelines and objectives are being met, and take appropriate action if guidelines and objectives are not being met.

The investment objectives of the Pension Fund are as follows:

1. The primary objective of the Pension Fund is to maintain safety of investment principal while establishing a reasonable rate of return over a complete market cycle of five years.

2. Investments are to provide an average annual real rate of return in excess of the inflation rate in the economy measured by the U.S. Government's Consumer Price Index over a complete market cycle of five years. The real rate of return shall include net income and appreciation.

3. In addition to the above, investments are to provide a minimum average annual rate of return of at least 2 percent in excess of the return that could be achieved had the entire fund been continuously rolled over in 90-day U.S. Government Treasury Bills over a complete market cycle of five years.

4. Performance reports are to be compiled on quarterly basis by investment managers for review by the Board of Trustees.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

INVESTMENT RESULTS

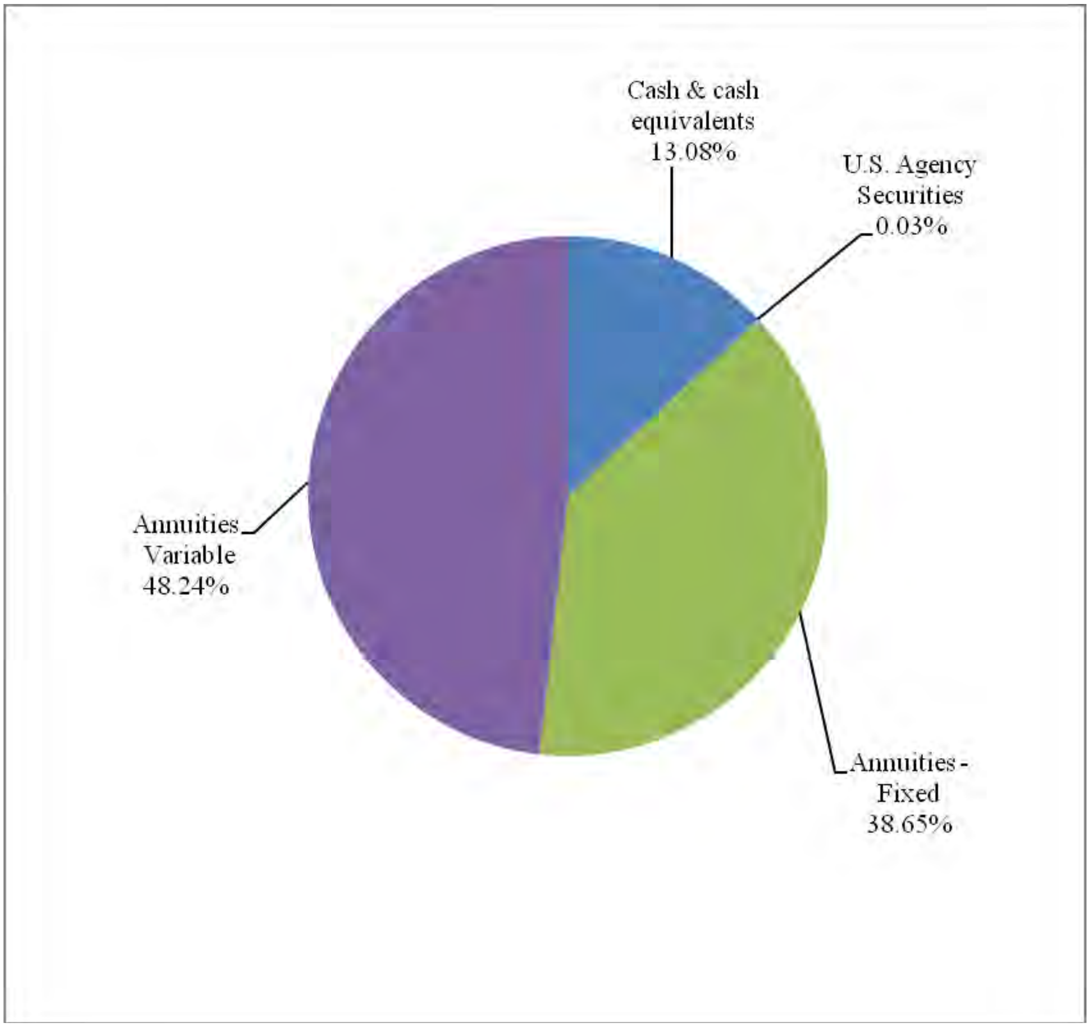
		Annualized	
	2012	3-Year	5-Year
Total portfolio:			
Pension Fund	1.55%	4.70%	2.70%
Blended Market Index	2.61%	3.38%	0.50%
U.S. Treasury securities:			
Pension Fund	37.36%	NA	NA
Barclays Intermediate Government Bond Index	3.00%	5.83%	11.03%
U.S. Agency securities:			
Pension Fund	2.28%	2.79%	3.61%
Barclays Intermediate Government Bond Index	3.00%	5.83%	11.03%
Annuities - fixed:			
Pension Fund	9.37%	5.63%	2.71%
Barclays Intermediate Government Bond Index	3.00%	5.83%	11.03%
Annuities - variable:			
Pension Fund	-4.81%	17.38%	6.03%
Standard & Poor's 500	2.51%	15.66%	-6.79%

The above yields were prepared using a time-weighted rate of return based on the market rate of return

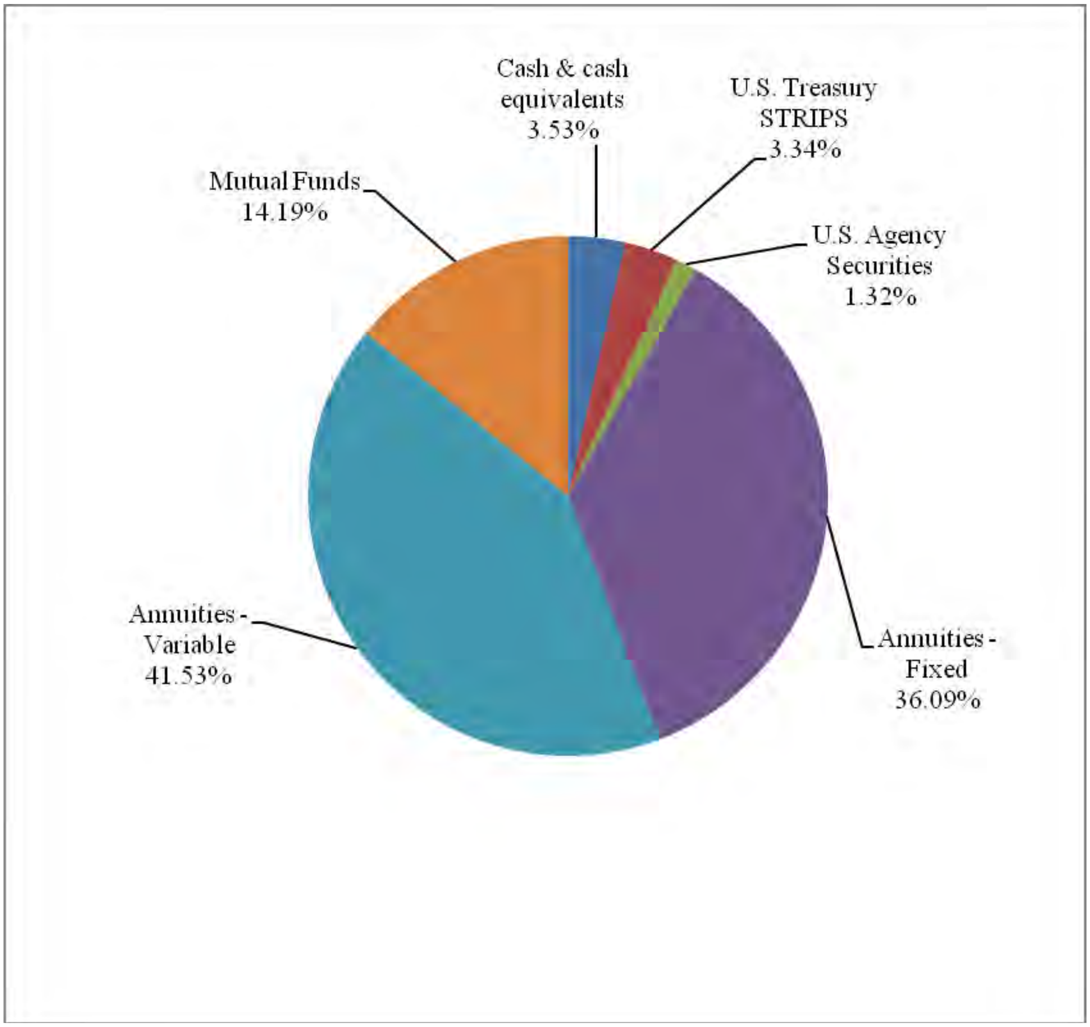
NA - Not Available

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

INVESTMENT ASSET ALLOCATION
April 30, 2012



INVESTMENT ASSET ALLOCATION
April 30, 2011



FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF LARGEST ASSETS HELD
April 30, 2012

	Largest Bond Holdings	Fair Value
1)	GNMA - 7.50% Due 5/20/26	$ 6,274
2)	GNMA - 8.00% Due 10/20/23	4,652
		$ 10,926

	Largest Fixed Annuity Holdings	Fair Value
1)	American Investors Life Insurance, Inc. 10-Year Annuity - Qualified issued by Aviva USA	$ 3,542,640
2)	American Investors Life Insurance, Inc. 10-Year Annuity - issued by Aviva USA Qualified issued by Aviva USA	2,007,451
3)	Fidelity & Guaranty Life 10 Year Annuity	1,658,173
4)	Fidelity & Guaranty Life 10 Year Annuity	1,406,586
5)	American Investors Life Insurance, Inc. 10-Year Annuity - issued by Aviva USA Qualified issued by Aviva USA	912,671
6)	American Investors Life Insurance, Inc. 10-Year Annuity - issued by Aviva USA Qualified issued by Aviva USA	909,866
7)	Keyport Index Multipoint 5-year Annuity - Qualified issued by Sun Life	844,263
8)	Keyport Index Multipoint 5-year Annuity - Qualified issued by Sun Life	844,263
9)	Symetra Life Life Insurance	727,889
10)	American National Life Insurance	717,244
11)	American Investors Life Insurance, Inc. 10-Year Annuity - Qualified issued by Aviva USA	625,803
12)	RBC Liberty Life Insurance	479,690
13)	American Investors Life Insurance, Inc. 10-Year Annuity - Qualified issued by Aviva USA	346,340
14)	Keyport Index Multipoint Fixed/Variable 10-year Annuity - Qualified issued by Sun Life	56,330
15)	Keyport Index Multipoint Fixed/Variable 10-year Annuity - Qualified issued by Sun Life	10,665
		$ 15,089,874

	Largest Variable Annuity Holdings	
1)	Futurity Select 4 Fixed/Variable Annuity - Qualified issued by Sun Life	$ 2,521,604
2)	Perspective II Fixed/Variable Annuity - Qualified issued by Jackson National Life	966,671
3)	Perspective II Fixed/Variable Annuity - Qualified issued by Jackson National Life	966,671
4)	GoldenSelect ESII Variable Annuity - Qualified issued by ING USA Annuity and Life Insurance Company	865,023
4)	GoldenSelect ESII Variable Annuity - Qualified issued by ING USA Annuity and Life Insurance Company	865,023
6)	GoldenSelect ESII Variable Annuity - Qualified issued by ING USA Annuity and Life Insurance Company	863,622
7)	GoldenSelect ESII Variable Annuity - Qualified issued by ING USA Annuity and Life Insurance Company	853,542
8)	Financial Masters Choice Annuity - Qualified issued by Sun Life	829,280
9)	Financial Masters Choice Annuity - Qualified issued by Sun Life	829,280
10)	Financial Masters Choice Annuity - Qualified issued by Sun Life	829,280
11)	Financial Masters Choice Annuity - Qualified issued by Sun Life	829,280
12)	Financial Masters Choice Annuity - Qualified issued by Sun Life	829,280
14)	GoldenSelect ESII Variable Annuity - Qualified issued by ING USA Annuity and Life Insurance Company	728,387
13)	GoldenSelect ESII Variable Annuity - Qualified issued by ING USA Annuity and Life Insurance Company	705,145
14)	Nationwide	521,272
15)	Nationwide	521,272
16)	Nationwide	521,272
17)	Nationwide	521,272
18)	Nationwide	521,272
19)	Nationwide	521,272
20)	Perspective II Fixed/Variable Annuity - Qualified issued by Jackson	
21)	National Life	466,636
22)	Perspective II Fixed/Variable Annuity - Qualified issued by Jackson	
23)	National Life	466,636
24)	MFS Regatta Extra Fixed/Variable Annuity - Qualified issued by Sun Life	430,005
25)	MFS Regatta Extra Fixed/Variable Annuity - Qualified issued by Sun Life	430,005
26)	MFS Regatta Extra Fixed/Variable Annuity - Qualified issued by Sun Life	430,005
		$ 18,833,007

See Independent Auditor's Report

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF FEES AND COMMISSIONS
April 30, 2012 and 2011

	2012		2011	
	Assets Under Management*	Fees	Assets Under Management*	Fees
Investment manager's fees	$ 1,570,123	$ -	$ 7,520,628	$ -

* Assets under management noted here are in cash and cash equivalents, U.S. Treasury STRIPS, U.S. Agency securities, and Mutual Funds on the statement of plan net assets.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

INVESTMENT SUMMARY
April 30, 2012 and 2011

	2012		2011	
	Fair Value	Percent of Total Fair Value	Fair Value	Percent of Total Fair Value
U.S. Treasury STRIPS	$ -	0.0%	$ 1,277,900	3.5%
U.S. Agency securities	10,926	0.0%	506,496	1.4%
Annuities - fixed	15,089,874	44.5%	13,796,828	37.4%
Annuities - variable	18,833,007	55.5%	15,874,327	43.0%
Mutual funds	-	0.0%	5,423,054	14.7%
TOTAL INVESTMENTS	$ 33,933,807	100.0%	$ 36,878,605	100.0%

December 5, 2011

Tepfer Consulting Group, Ltd.
Actuaries and Administrators
145 Revere Drive
Northbrook, Illinois 60062-1555
847-509-7740 Fax: 847-509-7745
www.TepferConsulting.com

Mr. Tim Ervin
City of Bloomington Firefighters' Pension Fund
310 N. Lee Street
Bloomington, IL 61701

RE: Bloomington Firefighters' Pension Fund

Dear Tim:

Enclosed are 2 copies of our actuarial valuation report for the **Bloomington Firefighters' Pension Fund** for the fiscal year May 1, 2011 through April 30, 2012.

The results of our valuation indicate that the recommended minimum contribution from the City for the next tax year is **$3,925,208** or **52.62%** of current payroll. This contribution coupled with the anticipated $674,877 or 9.455% of current payroll to be collected from participating firefighters will be sufficient to meet the State statutory requirements described in 40 ILCS 5/4. Further information is provided within our report.

Alternatively, under the current statute, our valuation results indicate the statutory minimum contribution for the City for the next tax year to be $2,861,552 or 38.36%.

With the publication of Statement No. 25 of the Governmental Accounting Standards Board, we our report includes the calculation of the unadjusted Annual Required Contribution. (ARC) We have chosen to calculate this contribution as a level percentage of payroll funded amortization of the unfunded liability over a closed 40 year period beginning with the date of adoption of GASB 25. This amount is $3,545,575 or 47.53% of participating payroll.

The increase in employer pension contributions resulting from the implementation of P.A. 93-0689 has been estimated to be **$ 95,059.**

We ask that you review the sections entitled "Selection of the Actuarial Cost Method", "Actuarial experience since the last actuarial valuation" and "Factors Influencing the Choice of Actuarial Assumptions" beginning on page 2 for a complete explanation of what has occurred since the last actuarial valuation.

Please do not hesitate to contact us if you have any questions concerning our report.

Sincerely,

TEPFER CONSULTING GROUP, LTD.

Arthur H. Tepfer, A.S.A., M.A.A.A.
Consulting Actuary

AHT/lf
Encl.

CITY OF BLOOMINGTON
FIREFIGHTERS' PENSION FUND

ACTUARIAL VALUATION
AS OF MAY 1, 2011 FOR THE
FISCAL YEAR ENDING APRIL 30, 2012

December 5, 2011

Tepfer Consulting Group, Ltd. was retained by the **City of Bloomington and City of Bloomington Firefighters' Pension Plan** to perform an independent actuarial valuation for the Firefighters' Pension Fund. This valuation is permitted under 40 ILCS 5/22, Section 503.2.

The actuarial valuation was performed for the year ended April 30, 2012 and indicates a **statutorily required contribution in accordance with 40 ILCS 5/4, Section 118 of $2,861,552 or 38.36% of member payroll, a recommended minimum contribution of $3,925,208 or 52.62% of payroll, and an Annual Required Contribution in accordance with paragraph 36f of Statement No. 25 of the Governmental Accounting Standards Board of $3,545,575 or 47.53% of payroll.** These contributions are net of contributions made by active member firefighters during the fiscal year.

The results shown in this report have been calculated under the supervision of a qualified Actuary as defined in appropriate State statutes. All results are based upon demographic data submitted by the Firefighters' Pension Fund, financial data submitted by the Firefighters' Pension Fund, applications of actuarial assumptions, and generally accepted actuarial methods.

In our opinion, all calculations and procedures are in conformity with generally accepted actuarial principles and practices; and the results presented comply with the requirements of the applicable State statute, Actuarial Standards Board, or Statements of Governmental Accounting Standards, as applicable.

In our opinion, the actuarial assumptions used are reasonable, taking into account the experience of the plan and future expectations, and represent a reasonable and adequate approach to the financing of the retirement program. The costs, actuarial liabilities and other information presented in this report, in our opinion, fully and fairly disclose the actuarial position of the plan.

I, Arthur H. Tepfer, am the President of Tepfer Consulting Group, Ltd. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. I certify that the results presented in this report are accurate and correct to the best of my knowledge.

TEPFER CONSULTING GROUP, LTD.

Arthur H. Tepfer, A.S.A., M.A.A.A.
Enrolled Actuary #11-02352

December 5, 2011

VALUATION OBJECTIVES

The **City of Bloomington Firefighters' Pension Plan** provides benefits to members when they retire, die, become disabled or terminate employment. As with any plan providing these types of benefits, an appropriate budgeting pattern must be established to enable appropriate funds to be accumulated to meet all payments when due. The actual cost of the plan can best be expressed in the following simplistic manner:

ACTUAL COST EQUALS Benefits Paid

Plus

Expenses Paid

Less

Investment Income Earned

If the actual cost is incurred on a "pay as you go" basis, then the future generations of members will be paying for the benefits of current plan participants. Proper financial planning calls for budgeting the actual cost of the plan over the working lifetime of current plan membership in order to establish an equitable allocation. An actuarial valuation is the procedure used to determine an appropriate amount to be contributed to the pension plan each year in order to attain this equity.

An actuarial valuation is an estimate at a particular point in time of the predicted incidence of the future benefit costs. Since the actual cost of the plan is essentially unknown, pre-funding (budgeting for future benefit costs) requires certain assumptions about future events. Assumptions are made for such things as salary increases, terminations of participants, disablement of participants, death of participants and anticipated investment earnings. These assumptions although not affecting the actual costs of the plan will affect the incidence of predicted future costs. For proper funding, it is required that the Actuary select assumptions which are appropriate in light of the economic, demographic, and legislative environment as they relate to the pension program. The assumptions we have made concerning these future events are described more fully in Appendix 2 of this report. Based on these assumptions, a projection of future benefits was made and a current contribution level sufficient to provide the anticipated benefit payments was determined through the use of an actuarial cost method.

VALUATION OBJECTIVES
(Continued)

Selection of the Actuarial Cost Method

An actuarial cost method, sometimes called a "funding method", therefore, is essentially an approach to budgeting the estimated future costs. There are many actuarial cost methods which are available to the actuary and each method operates differently. However, all funding methods accomplish the same objective—to assign to each fiscal year of the employer the portion assumed to have accrued in that year. The portion of the actuarial value of benefits assigned to a particular year in respect of an individual participant or the fund as a whole is called the ***normal cost.*** All funding methods are described by how the normal cost is calculated.

The actuarial cost method prescribed by the State statutes to determine the ***statutorily minimum required contribution*** for periods on or after January 1, 2011 is the Projected Unit Credit Cost Method. Under this actuarial cost method, the ongoing cost as a percentage of total payroll will increase. In this method, the normal cost is determined by first calculating the projected dollar amount of each participant's accumulated benefit under the plan as of both the first day of the fiscal year and as of the last day of the fiscal year and then determining the difference between these two amounts. The second step in deriving the normal cost for a given participant is to multiply the dollar amount of this difference by the actuarial present value of $1 of benefit.

The actuarial cost method selected by our firm to determine the ***recommended plan contribution*** is the Entry Age Normal Cost Method. Under this actuarial cost method, ideally, the ongoing cost as a percentage of total payroll should remain fairly stable. In this method, the normal cost is determined by assuming each participant covered by the plan entered the plan under the same conditions that will apply to future plan entrants. The annual normal cost assigned to each year of an employee's career is calculated as a level percentage of the employees assumed earnings each year. These normal costs accumulate to the present value of the employee's benefit at retirement age.

Under both the Entry Age Normal Cost Method and the Projected Unit Credit Cost Method, the total funding of projected benefit costs is allocated between an ***unfunded liability***, representing past benefit history, and future normal costs. This allocation is based on the assumption that the municipality will pay the normal cost for each plan year on a regular basis. It should be noted that although the term "unfunded liability" is applied to both funding methods, the resulting amount is different because of the method of calculation. Another feature of these methods is that only the unfunded liability is affected by the experience of the plan, and therefore any adjustments are made in the future amortization payments.

In addition to the methodology changes described above, P.A. 96-1495 also addressed the valuation of pension fund assets—the second component in the determination of the unfunded liability. The statute now provides that the actuarial value of a pension fund's assets be set equal to the market value of the assets on March 30, 2011 and that, in determining the actuarial value of assets after that date, any actuarial gains or losses from investment returns incurred in a fiscal year be recognized in equal amounts over the 5-year period following that fiscal year.

VALUATION OBJECTIVES
(Continued)

The actuarial valuation process is usually repeated each year and is to a certain extent self-correcting. As part of these actuarial cost methods, any deviation of actual experience from the chosen actuarial assumptions will be reflected in future contributions. A complete description of these actuarial cost methods is explained in Appendix 4 of this report.

Appendix 3 of this report contains a summary of the principal provisions of the applicable statute.

Despite the statutory language which requires an application of the Projected Unit Credit method, we feel that funding under this method as a ***level percentage of payroll*** severely undermines the benefit security of the retirement system and transfers the payment for currently earned pensions to future generations of taxpayers. **For these reasons, our valuation report presents a recommended minimum contribution which will operate to maintain the fundamental fiscal soundness of the retirement program**, although a statutorily required contribution has also been calculated. The calculation of the recommended minimum contribution is based upon an amortization payment of 90% of any unfunded accrued liabilities as a ***level dollar amount*** over 30 years from January 1, 2011, the effective date of P.A. 96-1495. The calculation of the statutorily required contribution is based upon an amortization payment of 90% of any unfunded accrued liabilities as a ***level percentage of payroll*** over 30 years from January 1, 2011, the effective date of P.L. 96-1495.

Although, I do not agree with the statutorily required level percentage of payroll methodology of determining the amortization of the unfunded accrued liability, I would be remiss if I did not advise my funds as to a "statutorily" acceptable calculation under the State law. *I patently consider the calculation methodology under the statute to be actuarially unsound for funding of municipal retirement programs.*

Effective for periods beginning after June 15, 1996, the Governmental Accounting Standards Board has issued Statement No. 25 "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans". This Statement establishes a financial reporting framework for defined benefit pension plans that distinguishes between two categories of information: (a) current financial information about plan assets and financial activities and (b) actuarially determined information, from a long-term perspective, about the funded status of the plan and the progress being made in accumulating sufficient assets to pay benefits when due. The calculation of the Annual Required Contribution (ARC) is described in paragraph 36f of the Statement and is based upon an amortization payment of any unfunded accrued liabilities as either a level dollar amount or a level percentage of total payroll over a maximum of 40 years from the effective date of the Statement. Any significant increase in the total unfunded actuarial liability resulting from a change in actuarial methodology should be amortized over a period not less than 10 years.

Actuarial experience since the last actuarial valuation

As part of the actuarial valuation process, it is helpful to examine the actual experience of the fund as compared to the experience which is expected by the actuarial assumptions. The measurement of any deviations of actual to expected experience is commonly referred to as a

VALUATION OBJECTIVES
(Continued)

"Gain and Loss Analysis". In performing this analysis, the actuary analyzes each actuarial assumption used in the valuation process. It is highly unlikely that actual experience will follow expected experience on a year-by-year basis. It is hoped that over the long term, if the actuarial assumptions are "reasonable", the total gains and losses will offset each other.

A "gain and loss analysis' is a useful tool to examine whether the actuarial assumptions used to determine the municipal tax levy are suitable. Care must be taken in placing too much credibility in a short-term analysis as the assumptions are more appropriately measured over the long term. Nonetheless, an annual evaluation of the actuarial assumptions will assist in identifying trends which, if unnoticed, can lead to inappropriate conclusions. When these trends are recognized, it is the actuary's responsibility to modify one or more of the assumptions to better anticipate future experience.

Some assumptions are easier to measure than others. In small plans, credible analysis can generally be made regarding the economic (financial) assumptions. These primarily include investment and salary increase assumptions. Unfortunately, it is often impossible to establish credible long term analysis of demographic assumptions (rates of termination, disability, retirement and mortality). Therefore, in choosing demographic assumptions, the actuary generally relies upon standardized tabular assumptions modified only by fund-specific characteristics.

The actuarial gain and loss analysis for the current year is presented in Exhibit 3-C and 3-D of the report. Exhibit 3-C shows the impact of the actuarial gains or losses on the statutorily required contribution through a reconciliation of this contribution from the end of the prior valuation year to the end of the current valuation year. Exhibit 3-D derives the actuarial gain or loss in total as well as separating the individual financial and demographic components.

The overall experience gain (loss) for the year was $160,087 or 0.21% of the accrued liability at the beginning of the plan year. The dollar amount for the plan's current statutorily required contribution is 83.98% of the prior year's contribution. When measured as a percentage of payroll, the contribution level has changed from 48.31% to 38.36%.

<u>Factors Influencing the Choice of Actuarial Assumptions</u>

As part of the consulting process, it is our policy to talk with selected members of the Board of Trustees and the Sponsor's representatives for the **City of Bloomington Firefighters' Pension Plan** in order to obtain information which will enable the Actuary to properly choose the actuarial assumptions which are most appropriate for the current cost determination for the pension fund.

VALUATION OBJECTIVES
(Continued)

Prior to the meeting, statistics are compiled concerning historical investment returns, salary increases, retirement incidence and other factors which are influential in the actuarial assumption setting process. Based upon an analysis of the specifics as they relate to the **City of Bloomington Firefighters' Pension Plan** and a general understanding of the inter-relationships of the actuarial assumptions, the Board, the Sponsor and the Actuary reach a mutual agreement as to the assumptions which will be used in the current actuarial valuation.

Published statistics regarding experience for police and firefighters are available from the State of Illinois Department of Insurance. These statistics form the basis of the actuarial assumptions selected by the State Actuary in the valuation of pension funds covered under the Downstate Pension System. We have found in our consulting, that whenever appropriate, the actuarial assumptions used by the State Actuary are relied upon as a starting point. However, in order to make the calculations more "***Bloomington-sensitive***", the analysis of the actual historical performance is carefully examined.

Experience Analysis

The results of our experience analysis indicates that the fund has experienced small gains overall. Despite the size of the gain, there is no measurable experience present and therefore, we are not recommending a change in actuarial assumptions this year.

Demographic considerations

For this valuation it was noted that the force continues to remain reasonably stable as to its size and demographic composition. In the current valuation, it was observed that the number of inactive participants (83 exclusive of terminated employees who are entitled to a return of contributions) as compared to active participants (102) in the Fund is slightly higher than the State average (45% of the total participants are inactive as compared to a State average of 40%); on a liability basis the Fund is also slightly higher the State averages. Approximately 60%-64% of the Fund's total liability is attributed to inactive participants compared to a State average of about 53%. This means that the fund is in a comparatively weaker position to other funds in the State.

The average age and service of the active participating group is slightly below the State average. As of May 1, 2011, there are ten (10) active firefighters who are currently eligible to retire, and an additional 16 active firefighters who will become eligible to retire within the next five years. This represents over 25% of the total active group. For the short term pension payments are generally fixed and overall financial planning can be achieved. Absent a large growth in the active force, with proper funding the fund's position should become more favorable for the foreseeable future. We will continue to monitor closely the retirement patterns which emerge in later years to assure that the appropriate retirement rates are in place for our analysis.

VALUATION OBJECTIVES
(Continued)

However, over 120% of the assets available for investment have been committed to provide benefits for existing pensioners and beneficiaries. . Essentially then, all of the assets in the plan are already dedicated to cover the liabilities for the currently retired participants. This is a potentially dangerous situation We are somewhat concerned given that over $3.5 million is disbursed each year in pension payments. *Despite the adequate funding ratios, the fund is currently not in an overly strong financial situation.*

Financial considerations

In these uncertain times, except for the 2008 year, the fund continues to experience limited short-term investment growth as can be noted in the charts in Section 5B and 5C of this valuation. The rate of return during the 2011 year was 11.27%. Please refer to the chart in Exhibit 2 which illustrates the pattern of growth. The funds continue to earn acceptable rates of return over the long term. As shown in Exhibit 5-C of our report, the composite rate of return for the fund since 2003 is 4.90%. However, if we eliminate the 2009 year, the composite rate jumps to 8.21%.

Selection of assumptions

Based mainly upon the comparative rate of funding, as well as a comparison of actual rates of investment return to salary increases, a 7.50% assumed investment return rate was deemed acceptable as a long-term assumption to be used in determining the funding requirements for the 2011 year.

This represents no change in assumption. This rate was chosen to reflect the portfolio composition, investment philosophy and historical performance as compared to other funds in the State. This 7.50% rate includes an inflation component of 3.00%. The actuarial smoothing method used in prior years has also been retained. The actuarial smoothing methodology used in the valuation of assets will be changed for next year as required by State law.

The demographic actuarial assumptions used for this valuation represent no change from those used in the prior valuation performed by our firm. These include, as a result of the publication of a recent independent study analyzing demographic experience among police and fire pension funds in the Downstate System, changes in the retirement, disability and withdrawal assumptions, as well as the use of a more modern mortality table from those used by the State Actuary.

VALUATION OBJECTIVES
(Continued)

Comparison with Other Funds

We are including a comparison to certain State averages which may prove helpful in assessing how the fund compares to similarly situated programs.

	Bloomington (2011)		State*
	EANC	*PUC*	
Funded Ratio	**51.38%**	**54.50%**	55.07%
Percentage of Liability for Inactives	**60.17%**	**63.83%**	52.94%
Percentage of Total Assets for Inactives (market basis)	**121.63%**		96.13%

* Based upon published reports for FYE 2008

Thirty-year Projection of Liabilities

The final section of our report illustrates projected payments from the Trust Fund for a 30-year period commencing with the valuation date. These projections are based upon the actuarial assumptions selected for the fund concerning death, disability and retirement actually occurring. Care should be taken in interpreting or relying on these results—particularly for Funds with fewer than 200 participants. The credibility of this type of projection is rarely realized beyond 10 years. Exhibit 5D presents this projection.

RESULTS OF VALUATION

The following exhibits present the results of our actuarial valuation of the **City of Bloomington Firefighters' Pension Plan** for the fiscal year May 1, 2011 through April 30, 2012.

Exhibit 1 indicates that the recommended minimum contribution, calculated using the Entry Age Normal Cost method (EANC), from the City is $3,925,208 or 52.62% of total participating payroll. **Under the Entry Age Normal actuarial cost method selected, this percentage of payroll should remain reasonably level over the lifetime of the plan.**

Exhibit 1 also indicates that the statutory minimum contribution, calculated using the Projected Unit Credit method (PUC), from the City is $2,861,552 or 38.36% of total participating payroll. **Under the Projected Unit Credit actuarial cost method selected, this percentage of payroll should increase over the lifetime of the plan.**

Exhibits 2 and 3 provide specific information used to develop the recommended minimum and statutorily required City contribution.

Exhibit 4 presents a brief description of the demographic characteristics of the current member group.

Exhibit 5 shows information relating to the pension assets.

Appendix 1 provides information in accordance with the Governmental Accounting Standards Board relating to financial disclosure of pension costs in the auditor's report.

GENERAL VALUATION RESULTS FOR FISCAL YEAR MAY 1, 2011 THROUGH APRIL 30, 2012

Recommended Minimum Contribution

1.	Entry Age Normal Cost:	$ 1,901,172
2.	Unfunded Actuarial Accrued Liability (or Surplus):	37,640,948
3.	Actuarial Value of Assets:	39,770,280
4.	Annual Salaries of Active Firefighters:	7,137,776
5.	Recommended Minimum Contribution from the City:	3,925,208
	Contribution Percentage:	52.62%*

Statutory Minimum Contribution

1.	Projected Unit Credit Normal Cost:	$ 1,998,521
2.	Unfunded Actuarial Accrued Liability (or Surplus):	33,204,889
3.	Actuarial Value of Assets:	39,770,280
4.	Annual Salaries of Active Firefighters:	7,137,776
5.	Statutory Minimum Contribution from the City:	2,861,552
	Contribution Percentage:	38.36%*

* Projected for the fiscal year ending April 30, 2012.

SUMMARY OF SPECIFIC VALUATION RESULTS

	Number	Actuarial Present Value of Projected Benefits	Entry Age Normal Cost	Projected Unit Credit Normal Cost
1. Active Firefighters:	102			
Retirement Pension:		$39,060,711	$1,298,037	$1,416,827
Survivors Pension:		1,126,144	51,810	50,396
Disability Pension:		10,922,057	514,433	502,175
Withdrawal Pension:		474,822	36,892	29,123
TOTAL	102	$51,583,734	$1,901,172	$1,998,521
2. Inactive Firefighters and Survivors:				
Normal Retirees:	53	$36,628,006		
Widows (Survivors):	15	2,930,277		
Children (Survivors):	0	0		
Disabled Retirees:	15	7,008,158		
Deferred Vested:	0	0		
Terminated/Separated:	4	9,660		
TOTAL	87	$46,576,101		

SUMMARY OF SPECIFIC VALUATION RESULTS
(Continued)

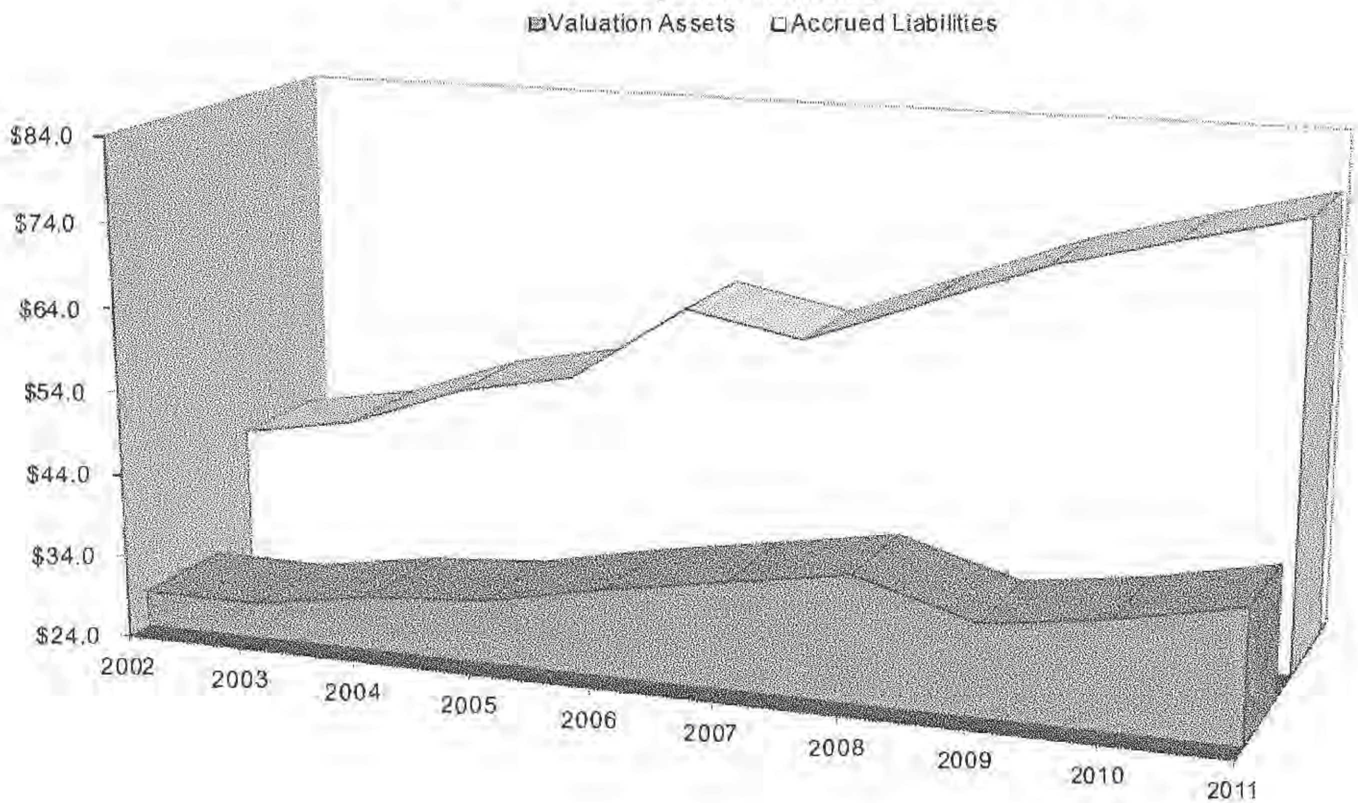
		Entry Age Normal (EAN)	Projected Unit Credit (PUC)
3.	Total Actuarial Present Value of Projected Benefits:	$98,159,835	N/A
4.	Actuarial Present Value of Future Normal Costs:	20,748,607	N/A
5.	Actuarial Accrued Liability: [(3) - (4)]	77,411,228	72,975,169
6.	Actuarial Value of Assets:	39,770,280	39,770,280
7.	Unfunded Actuarial Accrued Liability (or Surplus): [(5) - (6)]	37,640,948	33,204,889
8.	Funded Ratio Percentage: [(6) ÷ (5)] x 100	51.38%	54.50%

HISTORY OF FUNDED PERCENTAGES

For the Year beginning May 1	Valuation Assets	EAN Accrued Liabilities	EAN Funded Percentage	PUC Accrued Liabilities	PUC Funded Percentage
2011	$39,770,280	$77,411,228	51.38%	$72,975,169	54.50%
2010	36,832,670	73,891,946	49.85%	N/A	N/A
2009	34,880,656	70,089,350	49.77%	N/A	N/A
2008	39,077,302	64,675,814	60.42%	N/A	N/A
2007	36,720,534	59,245,402	61.98%	N/A	N/A
2006	34,408,977	61,968,657	55.50%	N/A	N/A
2005	31,579,001	52,474,118	60.20%	N/A	N/A
2004	30,547,302	49,675,449	61.50%	N/A	N/A
2003	28,280,545	44,545,200	63.50%	N/A	N/A
2002	28,367,668	42,134,932	67.30%	N/A	

The chart on the following page presents a progression of these percentages in graphical form.

COMPARISON OF ASSETS AND LIABILITIES
(amount in millions)



DEVELOPMENT OF RECOMMENDED MINIMUM CITY CONTRIBUTION

		Fiscal Year May 1, 2011 through April 30, 2012
1.	Entry Age Normal Cost:	$1,901,172
	Interest to April 30, 2012:	142,588
	(a) Total	$2,043,760
	(b) 17½% of Projected Payroll	1,249,111
	(c) Minimum Cost Payable, greater of (a) and (b):	$2,043,760
2.	Recommended Minimum Payment to Amortize 90 % of the Entry Age Normal Unfunded Accrued Liability as a level dollar amount over 29.00205 Years from May 1, 2011 with interest to April 30, 2012 :	2,556,325
3.	Credit for Surplus:	0
4.	Initial Recommended Minimum Contribution for Fiscal Year 2012: [(1) + (2) + (3)]	4,600,085
5.	Statutory Minimum Contribution (Exhibit 3B line 5)	3,536,429
6.	Total Recommended Minimum Contribution for Fiscal Year 2012: [Greater of Line 4 and Line 5]	4,600,085
7.	Active Member Contributions (9.91% of Salaries):	674,877
8.	Net Recommended Minimum City Contribution: [(6) - (7)]	3,925,208

DEVELOPMENT OF STATUTORILY REQUIRED CITY CONTRIBUTION
(NOTE THAT THIS CONTRIBUTION CALCULATION IS NOT RECOMMENDED)

		Fiscal Year May 1, 2011 through April 30, 2012
1.	Projected Unit Credit Normal Cost:	$1,998,521
	Interest to April 30, 2012:	149,889
	(a) Total	$2,148,410
	(b) 17½% of Projected Payroll	1,249,111
	(c) Minimum Cost Payable, greater of (a) and (b):	$2,148,410
2.	Minimum Payment to Amortize 90% of the Projected Unit Credit Unfunded Accrued Liability as a level percentage of payroll over 29.00205 Years from May 1, 2011 with interest to April 30, 2012:	1,388,019
3.	Credit for Surplus:	0
4.	Total Statutorily Required Contribution for Fiscal Year April 30, 2012: [(1) + (2) + (3)]	3,536,429
5.	Active Member Contributions (9.455% of Salaries):	674,877
6.	Statutorily Required City Contribution: [(4) - (5)]	2,861,552

RECONCILIATION OF THE CHANGE IN THE STATUTORILY REQUIRED CITY CONTRIBUTION

1.	Statutorily Required Contribution for Year ending April 30, 2011:	$3,407,498
2.	Increase in Normal Cost and Amortization Payment due to anticipated pay changes:	164,146
3.	Increase/(Decrease) in Normal Cost resulting from actual pay changes:	18,197
4.	Effect of Asset Smoothing:	0
5.	Increase/(Decrease) resulting from changes in assumptions:	0
6	Increase/(Decrease) resulting from other demographic and financial sources (retirements, deaths, new entrants, salary changes, etc.):	(291,141)
7.	Increase/(Decrease) resulting from change in actuarial cost method	$ (437,149)
8.	Statutorily Required Contribution for Year ending April 30, 2012:	$2,861,552

DERIVATION OF EXPERIENCE GAIN(LOSS) AND COST METHOD CHANGE AS OF MAY 1, 2011

1.	Unfunded Actuarial Accrued Liability at May 1, 2010:	$37,059,276
2.	Normal Cost Due at May 1, 2010:	1,792,420
3.	Interest on (1) and (2) to May 1, 2011 (at 7.50% per year):	2,913,877
4.	Contributions made for the prior year with interest to May 1, 2011:	3,964,538
5.	Expected Unfunded Actuarial Accrued Liability at May 1, 2011 Before Assumption Changes [(1) + (2) + (3) - (4)]:	37,801,035
6.	Change in Unfunded Actuarial Accrued Liability due to Assumptions Change at May 1, 2011:	0
7.	Expected Unfunded Actuarial Accrued Liability at May 1, 2011 [(5) + (6)]:	37,801,035
8.	Actual Unfunded Actuarial Accrued Liability at May 1, 2011:	37,640,948
9.	Gain (Loss) for the prior Plan Year [(7) – (8)]:	**$160,087**
10.	Actual PUC Unfunded Actuarial Liability at May 1, 2011	$33,204,889
11.	Additional liability resulting from Cost Method change (10) –(8)	$ (4,436,059)

DERIVATION OF EXPERIENCE GAIN(LOSS) AS OF MAY 1, 2011

The experience gain (loss) reported above is the net result of the following:

1.	FINANCIAL SOURCES	
	a) Investment experience (based upon market value of assets):	$ 1,137,303
	b) Contribution experience:	(249,898)
	c) Benefit Payments experience:	146,337
	d) Salary increases (greater)/lower than expected:	(84,561)
	Total from Financial Sources:	949,181
2.	DEMOGRAPHIC SOURCES	
	Mortality, retirement, disability, termination, etc.:	244,648
3.	ACTUARIAL ADJUSTMENTS	
	Market value adjustment for asset smoothing, including expenses	(1,033,742)
4.	GAIN (LOSS) ALL SOURCES	
	Total Gain (Loss) for the prior Plan Year [(1) + (2) + (3)]	$160,087

SUMMARY OF DEMOGRAPHIC INFORMATION AS OF MAY 1, 2011

	Number	Projected Annual Salaries (Fiscal Year 2012)
Active Firefighters:	102	$7,137,776

	Number	Total Monthly Benefits
Normal Retirees:	53	$ 226,271
Survivors (Widows):	15	30,686
Survivors (Children):	0	0
Disabled Retirees:	15	44,598
Deferred Vested:	0	0
Terminated/Separated:	4	9,660 *

* Return of Contributions

The actuarial valuation was performed as of May 1, 2011 to determine contribution requirements for fiscal year 2012.

AGE AND SERVICE DISTRIBUTION

Attained Age	COMPLETED YEARS OF SERVICE											Average Salaries
	0-1	2-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total	
15-19											0	-
20-24	1	1									2	50,389
25-29		9									9	57,673
30-34		12	4	1							17	64,059
35-39	1	4	8	10							23	64,532
40-44		2	5	6	6						19	71,896
45-49				4	8	5					17	78,459
50-54				2	3	4	2				11	82,335
55-59						1	2	1			4	84,782
60-64											0	-
65+											0	-
TOTAL	2	28	17	23	17	10	4	1	0	0	102	69,978

Age = 39.95 Years

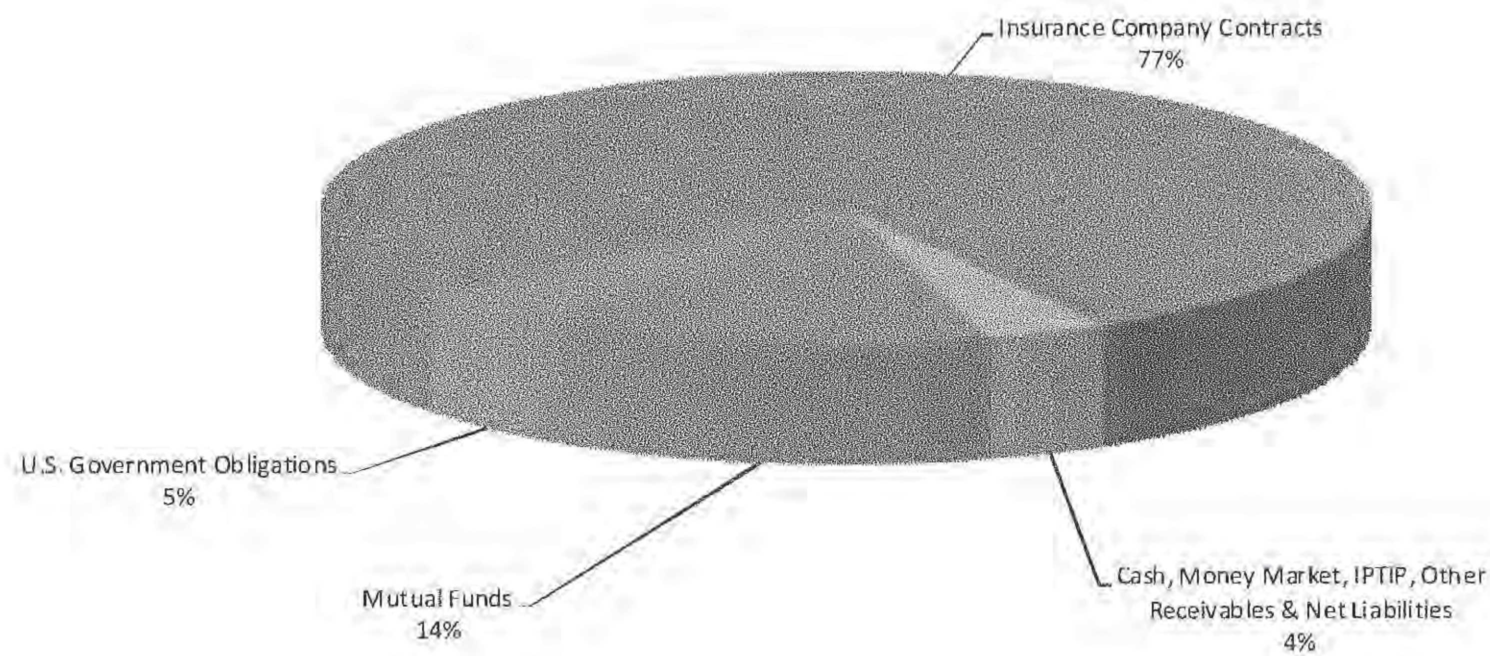
Service = 12.07 Years

ASSET INFORMATION

Cash, Money Market, IPTIP	$1,347,962
Certificates of Deposit	0
State and Local Obligations	0
U.S. Government Obligations	1,784,396
Insurance Company Contracts	29,671,156
Pooled Investment Accounts	0
Mutual Funds	5,423,054
Common & Preferred Stock	0
Taxes Receivable	0
Accrued Interest	0
Other Receivables	72,121
Net Liabilities	3,085
Net Present Assets at Market Value	$38,295,604

The chart on the following page shows a percentage of invested assets.

ASSET INFORMATION



DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS

1.	Actuarial Value of Assets, May 1, 2010*	$36,832,670
2.	Contributions Received During 2010-2011	3,832,786
3.	Benefit Payments and Expenses Made During 2010-2011	3,663,447
4.	Assumed Interest at 7.50% on (1), (2) and (3)	2,768,271
5.	Preliminary Actuarial Value of Assets: [(1) + (2) - (3) + (4)]	39,770,280
6.	Market Value, May 1, 2011*	38,295,604
7.	Preliminary Adjustment Account:	
	a) Amount: [(5) - (6)]	1,474,676
	b) Percentage: [(7a) ÷ (6) x 100%]	3.85%
8.	Final Adjustment Amount	
	a) Amount	1,474,676
	b) Percentage	3.85%
	c) Taxes receivable	0
9.	Adjusted Actuarial Value of Assets, May 1, 2011: [(6) + (8a) + (8c)]	39,770,280
10.	Final Actuarial Value of Assets for funding purposes May 1, 2011 [Greater of (6) and (9)]:	39,770,280
11.	Final Actuarial Value of Assets for GASB reporting [(10)-(8c)]*	39,770,280

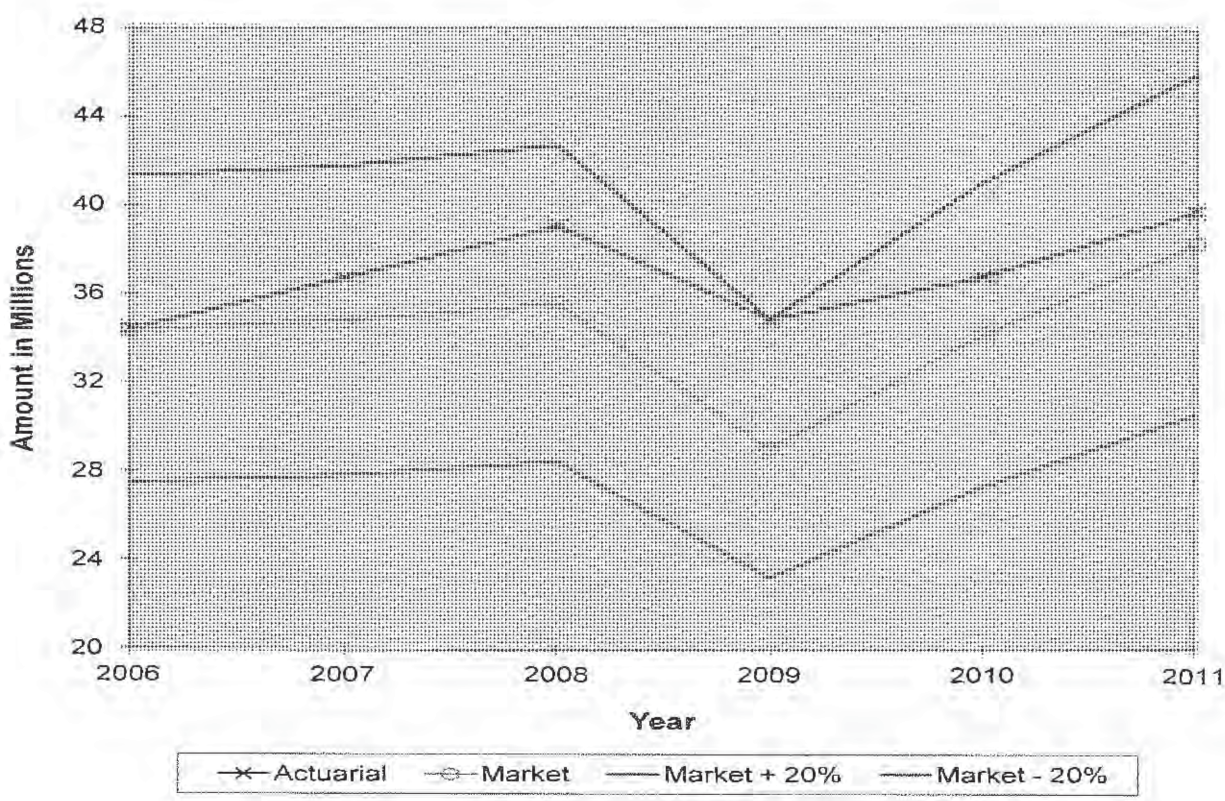
*excluding taxes receivable

ASSET HISTORY

For the Year beginning May 1	Actuarial Value of Assets	Market Value of Assets
2011	$39,770,280	$38,295,604
2010	36,832,670	34,231,927 *
2009	34,880,656	29,067,213
2008	39,077,302	35,599,602
2007	36,720,534	34,811,378 *
2006	34,408,977	34,408,977

* Adjusted for correction

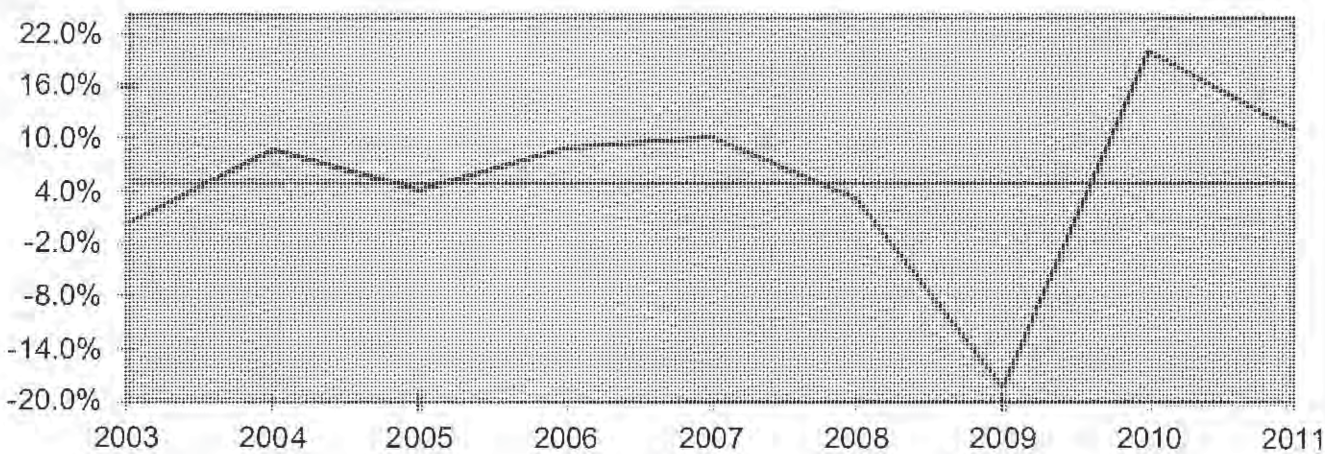
The chart below presents a comparison between the Actuarial Value of Assets and the Market Value of Assets for the current year and the five preceding years. The chart also illustrates the corridor 20% above and 20% below the Market Value of Assets.



ANALYSIS OF INVESTMENT RETURN

Fiscal Year Ending April 30	Annual Rate of Return
2011	11.27%
2010	20.02
2009	-18.21
2008	3.13
2007	10.33
2006	9.00
2005	4.15
2004	8.82
2003	0.14
Composite	
2003-2011	4.90%

The following chart presents a progression of these percentages in graphical form.



THIRTY - YEAR PROJECTION OF PAYMENTS

	Payouts from Active Group Upon					Pauts from		Tsl
	Termination		Deth	Retirement	Disability	RetiredGroup	Deferred Pensioners	
Year	Lump Sum	Deferred Pension						
2011	6,842	0	11,348	87,112	40,715	3,618,324	9,660	3,774,001
2012	6,596	0	18,046	187,029	83,651	3,636,572	0	3,931,894
2013	5,938	0	18,015	296,476	129,346	3,647,258	0	4,097,033
2014	3,965	0	25,891	433,312	179,321	3,644,056	0	4,286,545
2015	2,724	0	31,015	594,118	230,427	3,634,674	0	4,492,958
2016	565	0	39,228	749,435	284,927	3,618,823	0	4,692,978
2017	616	0	44,701	944,249	342,935	3,596,217	0	4,928,718
2018	0	0	53,179	1,155,552	405,237	3,574,838	0	5,188,806
2019	0	0	59,907	1,389,654	469,114	3,538,826	0	5,457,501
2020	0	0	68,678	1,597,520	534,189	3,495,470	0	5,695,857
2021	0	0	76,419	1,790,807	601,707	3,444,723	0	5,913,656
2022	0	0	85,071	2,039,836	672,536	3,386,662	0	6,184,105
2023	0	0	93,291	2,318,294	747,017	3,321,526	0	6,480,128
2024	0	0	101,650	2,595,221	822,488	3,249,464	0	6,768,823
2025	0	0	110,067	2,876,303	897,243	3,170,572	0	7,054,185
2026	0	0	117,956	3,218,510	973,178	3,085,125	0	7,394,769
2027	0	0	126,304	3,557,052	1,053,549	2,993,402	0	7,730,307
2028	0	0	133,422	3,869,644	1,129,328	2,895,450	0	8,027,844
2029	0	0	141,502	4,210,291	1,206,400	2,791,460	0	8,349,653
2030	0	0	147,591	4,584,564	1,284,410	2,681,489	0	8,698,054
2031	0	0	155,041	4,945,071	1,356,157	2,565,571	0	9,021,840
2032	0	0	159,898	5,289,454	1,436,313	2,443,875	0	9,329,540
2033	0	0	166,640	5,634,862	1,509,128	2,342,328	0	9,652,958
2034	0	0	170,109	5,957,736	1,575,952	2,210,564	0	9,914,361
2035	0	0	175,762	6,269,860	1,640,438	2,074,244	0	10,160,304
2036	0	0	177,593	6,564,633	1,711,818	1,934,003	0	10,388,047
2037	0	0	181,893	6,850,919	1,763,582	1,790,609	0	10,587,003
2038	0	0	179,352	7,111,419	1,811,708	1,645,279	0	10,747,758
2039	0	0	182,047	7,328,416	1,857,460	1,499,160	0	10,867,083
2040	0	0	178,999	7,510,840	1,899,753	1,353,797	0	10,943,389

GASB STATEMENT NO. 25 DISCLOSURE INFORMATION

DEVELOPMENT OF THE ANNUAL REQUIRED CONTRIBUTION OF THE MUNICIPALITY

		Fiscal Year May 1, 2011 through April 30, 2012
1.	Entry Age Normal Cost	$1,901,172
2.	Actuarial Accrued Liability	77,411,228
3.	Actuarial Value of Assets*	39,770,280
4.	Unfunded Actuarial Accrued Liability	37,640,948
5.	Payment to Amortize Unfunded Actuarial Accrued Liability Over 40 Years from the Effective Date of Application of GASB 25 (22 years remaining)	2,319,280
6.	Total Annual Required Contribution for Fiscal Year April 30, 2012: [(1) + (5)]	4,220,452
7.	Active Member Contributions (9.455% of Salaries):	674,877
8.	**Annual Required Contribution (ARC) payable at the beginning of the current fiscal year: [(6) - (7)]**	**3,545,575**

*Excluding Contributions Receivable

GASB STATEMENT NO. 25 DISCLOSURE INFORMATION
(Continued)

NOTES:

- The Annual Required Contribution as of May 1, 2011 has been determined under the Governmental Accounting Standards Board Statement No. 25 and is required disclosure for the fiscal year ending April 30, 2012. The Entry Age Normal Cost and the Actuarial Accrued Liability were determined using the Entry Age Normal Cost Actuarial Cost Method.

- The Entry Age Normal Cost has been determined as a level percentage of projected payroll of the active members of the group. The amortization method for the Unfunded Actuarial Accrued Liability is determined as a level percentage of payroll amount over a closed Amortization Period as permitted in Governmental Accounting Standards Board Statement No. 25.

- All values were determined on the basis of the actuarial assumptions and methods as more fully described in Appendix 2 of this report.

ACTUARIAL ASSUMPTIONS
(*Economic*)

Investment Return
7.50% per annum, compounded annualy (net of expenses).

Salary Increases
Representative values of assumed salary increases are as follows:

Age	Increase %
25	4.8611
30	2.9848
35	2.0341
40	1.5239
45	1.3083
50	1.1846
55	1.1220

An additional inflation allowance of 3.00% per year is added to the above.

Payroll Growth
It was assumed that payroll will grow 4.50% per year.

Actuarial Asset Basis
A preliminary actuarial value of assets is calculated by accumulating the prior year's actuarial value with adjustments for contributions and benefit payments at the valuation interest rate. The market value is subtracted from the preliminary actuarial value. The difference, the preliminary adjustment account, is divided by the market value. Then using the following table, the final actuarial value of assets is calculated by adding the final adjustment account to the market value.

Percentage of Market Value (Plus or Minus)	
Preliminary Adjustment Account	Final Adjustment Account
0% to 10%	Preliminary adjustment account
10% to 20%	0% plus 1/3 of the excess over 10%
20% to 30%	16 2/3% plus 1/3 of the excess over 20%
Over 30%	20%

ACTUARIAL ASSUMPTIONS
(Demographic)

Effective May 1, 2012, a 5-year cumulative analysis of the actuarial value of assets will be made. If the final actuarial value differentiates by more than 10% (plus or minus) from the market value of assets, the final actuarial value of assets will be further adjusted to equal 90% or 110% of the market value of assets.

Mortality
Active Lives
RP-2000 Combined Healthy Mortality Table (male and female). Five percent (5%) of deaths amongst active firefighters are assumed to be in the performance of their duty.

Non-Active Lives
RP-2000 Combined Healthy Mortality Table (male and female).

Termination
Illustrative rates of withdrawal from the plan for reasons other than death or disability are as follows:

Age	Rate of Withdrawal
20	.0397
25	.0250
30	.0146
35	.0079
40	.0042
45	.0029
50	---

It is assumed that terminated firefighters will not be rehired.

ACTUARIAL ASSUMPTIONS
(Demographic)

Disability Rates
Incidence of disability amongst firefighters eligible for disability benefits:

Age	Rate
25	.0009
30	.0025
35	.0046
40	.0065
45	.0097
50	.0166
55	.0314

15% of disabilities amongst active firefighters are assumed to be in the performance of their duty.

Retirement Rates
Retirements are assumed to occur between the ages of 50 and 69 in accordance with the following table:

Age	Rate of Retirement	Age	Rate of Retirement
50	.19	60	.28
51	.12	61	.36
52	.04	62	.44
53	.06	63	.52
54	.09	64	.60
55	.12	65	.68
56	.15	66	.76
57	.19	67	.84
58	.22	68	.92
59	.25	69	1.00

Marital Status
85% of firefighters are assumed to be married.

ACTUARIAL ASSUMPTIONS
(Demographic)

Spouse's Age
Wives are assumed to be 3 years younger than their husbands.

ACTUARIAL ASSUMPTIONS
(Additional)

Expenses
None assumed.

Actuarial Cost Method
Projected Unit Credit for statutory minimum
Entry Age Normal for recommended and GASB reporting

SUMMARY OF PRINCIPAL PLAN PROVISIONS

Definitions

Tier 1 – For Firefighters first entering Article 4 prior to January 1, 2011

Tier 2 – For Firefighters first entering Article 4 after December 31, 2010

Firefighter (4-106): Any person employed in the municipality's fire service as a firefighter, fire engineer, marine engineer, fire pilot, bomb technician or scuba diver.

Creditable Service (4-108): Time served by a firefighter, excluding furloughs and leaves of absence in excess of 30 days, but including leaves of absence for illness or accident and periods of disability where no disability pension payments are received and also including up to 3 years during which disability payments have been received provided contributions are made.

Creditable Service from other specified agencies is also included. Combined service credit option is available on a voluntary basis.

Pension (4-109)

Normal Pension Age
Tier 1 - Age 50 with 20 or more years of creditable service.

Tier 2 - Age 55 with 10 or more years of creditable service.

Normal Pension Amount
Tier 1 - 50% of the greater of the annual salary held in the year preceding retirement or the annual salary held on the last day of service, plus 2½% of such annual salary for service from 20 to 30 year (maximum 25%)].

Tier 2 - 2½% of Final Average salary for each year of service. Final Average Salary is the highest salary based on the highest consecutive 96 months of the final 120 months of service

Early Retirement at age 50 with 10 or more years of service but with a penalty of ½% for each month prior to age 55.

Annual Salary capped at $106,800 increased yearly by the lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3%.

Minimum Monthly Benefit: $1,000

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

Maximum Benefit Percentage: 75% of salary
Minimum Monthly Benefit: Annual step rate increases from $1,030.00 to $1,159.27.

Maximum Benefit Percentage: 75% of salary except line of duty.

Termination Pension Amount
Any firefighter who retires or is separated from service with at least 10, but less than 20 years of credited service, shall be entitled to a monthly pension commencing at age 60 equal to the monthly rate of compensation based on rank at separation multiplied by the applicable percentage below:

Years of Credited Service	Applicable Percentage
10	15.0 %
11	17.6
12	20.4
13	23.4
14	26.6
15	30.0
16	33.6
17	37.4
18	41.4
19	45.6

Pension Increase

<u>Non-Disabled</u>
Tier 1 - 3% increase of the original pension amount after attainment of age 55 for each year elapsed since retirement, followed by an additional 3% of the original pension amount on each January thereafter. Effective July 1, 1993, 3% of the amount of pension payable at the time of the increase including increases previously granted, rather than 3% of the originally granted pension amount.

Tier 2 - The lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3% increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount on each January 1 thereafter.
For firefighters who retire after January 1, 1986, 3% increase of the original pension amount after attainment of age 55 for each year elapsed since retirement, followed by an additional 3% in each January thereafter.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

For firefighters who retire prior to January 1, 1986, but after July 1, 1971, the 3% increase commences at age 60, and for firefighters who retire before July 1, 1971, the 3% increase commences at age 65.

Disabled
3% increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount in each January thereafter.

Pension to Survivors (4-114)

Eligibility
Death of a firefighter:

(1) on active duty as a result of any illness or accident;

(2) on disability retirement;

(3) on retirement with 20 years of service;

(4) as a terminated member who has rights to a benefit at age 60; and

(5) as a deferred pensioner.

Death Benefit
Tier 1 - 54% of annual salary based on attained rank at date of separation of service to surviving spouse, plus 12% of such salary to dependent children under 18.

100% of annual salary if death occurs in the line of duty.

Depending upon the survival of the spouse, dependent children benefits may increase to a level of 20% of firefighter's salary.

Greater of 100% of monthly retirement benefit or 54% of annual salary if completed 20 years of service or on disability retirement.

Tier 2 – 66 2/3% of pension amount to surviving spouse (or dependent children), subject to the following increase: the lesser of ½ of the Consumer Price Index- Urban (CPI-U) or 3%.increase of the original pension amount after attainment of age 60, followed by an additional 3% of the original pension amount on each January 1 thereafter.

Minimum Monthly Survivor Pension
Annual step rate increases from $1,030.00 to $1,159.27.

Maximum Survivor Pension
75% of such firefighter's salary.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

Disability Pension - Line of Duty (4-110)

Eligibility
Suspension or retirement from fire service due to sickness, accident or injury while on duty.

Pension
Greater of 65% of salary attached to rank at date of suspension or retirement and the retirement pension available.

Minimum Monthly Benefit: Annual step rate increases from $1,030.00 to $1,159.27.

For each dependent child under 18, an additional $20 per month increased annually is granted each disabled member. Maximum total benefit is 75% of salary.

Disability Pension - Not on Duty (4-111)

Eligibility
Suspension or retirement from fire service for any cause other than while on duty. Member must have at least 7 years of credited service.

Pension
50% of salary attached to rank at date of suspension or retirement.

Disability Pension - Occupational Disease (4-110.1)

Eligibility
Suspension or retirement from service after 5 years of service from causes of heart disease, cancer, tuberculosis or other lung disease.

Pension
Same pension as in line of duty.

SUMMARY OF PRINCIPAL PLAN PROVISIONS
(Continued)

Disability Pension Option A (4-113(a))

Eligibility
Member receiving a disabled pension who attains age 50 and whose years of creditable service and years of disablement total 20 years.

Pension Option
Eligible for pension increase upon conversion to retirement. Pension amount remains the same at date of conversion but subject to annualpension increases.

Disability Pension Option B (4-113(b))

Eligibility
Member receiving disability pension who attains age 50 and who had 20 years of creditable service at date of disablement.

Pension Option
Convert to normal pension based upon years of service at disablement and salary attached to rank on date of election.

Other Provisions

Refund (4-116)
At death with no survivors, contributions are returned to estate.

At termination with less than 20 years of service, contributions are refunded upon request.

Contributions by Firefighters (4.118.1)
9.455% of salary, including longevity, but excluding overtime pay, holiday pay, bonus pay, merit pay or other cash benefit. Additional 1% of salary if combined service credit option is selected.

GLOSSARY

Actuarial Accrued Liability
See ***Entry Age Normal Cost*** *Method and* ***Projected Unit Credit Cost*** *Method.*

Actuarial Assumptions
The economic and demographic predictions used to estimate the present value of the plan's future obligations. They include estimates of investment earnings, salary increases, mortality, withdrawal and other related items. The *Actuarial Assumptions* are used in connection with the *Actuarial Cost Method* to allocate plan costs over the working lifetimes of plan participants.

Actuarial Cost Method
The method used to allocate the projected obligations of the plan over the working lifetimes of the plan participants. Also referred to as an *Actuarial Funding Method.*

Actuarial Funding Method
See *Actuarial Cost Method*

Actuarial Gain (Loss)
The excess of the actual *Unfunded Actuarial Accrued Liability* over the expected *Unfunded Actuarial Accrued Liability* represents an *Actuarial Loss.* If the expected *Unfunded Actuarial Accrued Liability* is greater, an *Actuarial Gain* has occurred.

Actuarial Present Value
The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of *Actuarial Assumptions.*

Actuarial Value of Assets
The asset value derived by using the plan's *Asset Valuation Method.*

Asset Valuation Method
A valuation method designed to smooth random fluctuations in asset values. The objective underlying the use of an asset valuation method is to provide for the long-term stability of employer contributions.

Employee Retirement Income Security Act of 1974 (ERISA)
The primary federal legislative act establishing funding, participation, vesting, benefit accrual, reporting, and disclosure standards for pension and welfare plans.

GLOSSARY
(Continued)

Entry Age Normal Cost Method
One of the standard actuarial funding methods in which the *Present Value of Projected Plan Benefits* of each individual included in the *Actuarial Valuation* is allocated on a level basis over the earnings of the individual between entry age and assumed exit age(s). The portion of this *Actuarial Present Value* allocated to a valuation year is called the *Normal Cost*. The portion of this *Actuarial Present Value* not provided for at a valuation date by the *Actuarial Present Value* of future *Normal Costs* is called the *Actuarial Accrued Liability*.

Normal Cost
The portion of the *Present Value of Projected Plan Benefits* that is allocated to a particular plan year by the *Actuarial Cost Method*. See *Entry Age Normal Cost Method* for a description of the Normal Cost under the *Entry Age Normal Cost Method*. See *Projected Unit Credit Cost Method* for a description of the Normal Cost under the *Projected Unit Credit Cost Method*.

Present Value of Future Normal Costs
The present value of future normal costs determined based on the *Actuarial Cost Method* for the plan. Under the *Entry Age Normal Cost Method*, this amount is equal to the excess of the *Present Value of Projected Plan Benefits* over the sum of the *Actuarial Value of Assets* and *Unfunded Actuarial Accrued Liability*.

Present Value of Projected Plan Benefits
The present value of future plan benefits reflecting projected credited service and salaries. The present value is determined based on the plan's actuarial assumptions.

Projected Unit Credit Cost Method
One of the standard actuarial funding methods in which the *Present Value of Projected Plan Benefits* of each individual included in the *Actuarial Valuation* is allocated by a consistent formula to valuation years. The *Actuarial Present Value* allocated to a valuation year is called the *Normal Cost*. The *Actuarial Present Value* of benefits allocated to all periods prior to a valuation year is called the *Actuarial Accrued Liability*.

Statement No. 25 of the Governmental Accounting Standards Board (GASB No. 25)
The accounting statement that established the standards of financial accounting and reporting for the financial statements of defined benefit pension plans.

Unfunded Actuarial Accrued Liability
The excess of the *Actuarial Accrued Liability* over the *Actuarial Value of Assets*.

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CITY OF BLOOMINGTON FIREFIGHTERS' PENSION FUND AUDITOR'S PACKAGE

GASB DISCLOSURE

APRIL 30, 2012

(FOR INTERNAL USE ONLY)

Date Issued: June 14, 2012

TCG Public Consulting, Ltd. is affiliated with Tepfer Consulting Group, Ltd.

SUPPLEMENTAL ACTUARIAL CERTIFICATION

This certification provides supplemental information as required by the Governmental Accounting, Auditing and Financial Reporting, GFOA 2005. The enclosed schedules included with this "Auditor's Package" were prepared by the undersigned to provide general information to assist in the preparation of the Comprehensive Annual Financial Report.

Tepfer Consulting Group, Ltd. was retained by the City of Bloomington and the City of Bloomington Firefighters' Pension Fund to perform an **annual** independent actuarial valuation for the Firefighters' Pension Fund. This valuation is permitted under 40 ILCS 5/1A, Section 111. The Actuarial Valuation Report includes additional disclosures which are made a part hereto.

An actuarial valuation was performed to calculate the Annual Required Contribution in accordance with paragraph 36f of Statement No. 25 of the Governmental Accounting Standards Board. This contribution is net of contributions made by active members during the fiscal year.

The assumptions and methods used in the preparation of this disclosure meet the parameters set for the disclosures presented in the financial section by Governmental Accounting Standards Board Statement No. 25. All actuarial assumptions are selected by the undersigned and are effective commencing with the valuation as of May 1, 2011 except where otherwise indicated

Exhibit 2 of the Actuarial Valuation Report prepared for the year beginning May 1, 2011 provides information concerning the Funding Progress of the Retirement Fund. This is supplemented by the Schedule of Funding Progress contained herein.

Additional information is also provided solely to assist the auditors in preparation of the required footnote disclosure. Tepfer Consulting Group, Ltd. makes no statement as to the suitability for Statement No. 27 disclosure.

I, Arthur H. Tepfer, am an Enrolled Actuary in good standing under the Employee Retirement Income Security Act of 1974. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. I certify that the results presented in this report are accurate and correct to the best of my knowledge.

TEPFER CONSULTING GROUP, LTD.

Arthur H. Tepfer, A.S.A., M.A.A.A. M.S.P.A.
Enrolled Actuary #11-02352

CITY OF BLOOMINGTON FIREFIGHTERS' PENSION FUND

GASB STATEMENT NO. 27 DISCLOSURE INFORMATION

DEVELOPMENT OF THE ANNUAL PENSION COST OF THE MUNICIPALITY

FISCAL YEAR 5/1/11 - 4/30/12

1.	**Annual Required Contribution**	**3,202,697**
2.	Net Pension Obligation Balance	(1,709,586) *
3.	Interest on the Net Pension Obligation	(128,219)
4.	Payment to Amortize Net Pension Obligation Over 40 Years from Effective Date of Application of GASB 25 (5/1/1993)	(105,315)
5.	Increase (Decrease) in Net Pension Obligation [(3) - (4)]	(22,904)
6.	**Total Annual Pension Cost for Fiscal Year ending April 30, 2012: [(1) + (5)]**	**3,179,793**
7.	Employer Contribution for the Fiscal Year ending April 30, 2012	3,460,591
8.	**Net Pension Obligation Balance at April 30, 2012 [(2) + (6) - (7)]**	**(1,990,384)**

* The Net Pension Obligation Balance is the cumulative difference between the annual pension cost and the employer's contributions to the plan, including the pension liability or asset at transition. This balance was assumed to be zero if not independently calculated.

CITY OF BLOOMINGTON
FIREFIGHTERS' PENSION FUND

SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS

The information requested in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation Date	May 1, 2011
Actuarial Cost Method	Entry Age Normal Cost
Actuarial Value of Assets	5-year smoothed market
Amortization Method	Level Percent of Payroll Closed
Remaining Amortization Period	22 years 2 months

Actuarial Assumptions:

Investment Rate of Return	7.50% per year
Projected Salary Increases	TCG Basic Salary Table providiing graded increases from 1.12% to 4.86% varying by age, plus the inflation rate shown below
Inflation Rate	3.00% per year
Payroll Growth	4.50% per year
Cost of Living Increases	3.00% per year
Assumed Mortality	RP-2000 Combined Healthy Mortality Table (male)

Additional Assumptions as disclosed in the actuarial valuation report

CITY OF BLOOMINGTON FIREFIGHTERS' PENSION FUND

GASB STATEMENT NO. 27 DISCLOSURE INFORMATION

PLAN MEMBERSHIP

ON 5/1/11

Retirees and beneficiaries currently receiving benefits	83
Terminated employees entitled to benefits but not yet Receiving them	4
Current employees	
Vested	65
Nonvested	37
TOTAL	189

CITY OF BLOOMINGTON
FIREFIGHTERS' PENSION FUND

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF FUNDING PROGRESS

Fiscal Year End	Actuarial Valuation Date	GASB Value of Assets* (a)	Actuarial Accrued Liability (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll*** (c)	UAAL as a Percentage of Payroll [(b-a)/c]
4/30/2002	5/1/2001	29,351,692	39,154,645	9,802,953	74.96%	4,301,614	227.89%
4/30/2003	5/1/2002	28,367,668	42,134,932	13,767,264	67.33%	4,514,155	304.98%
4/30/2004	5/1/2003	28,280,545	44,545,200	16,264,655	63.49%	4,733,615	343.60%
4/30/2005	5/1/2004	30,547,302	49,675,449	19,128,147	61.49%	4,889,807	391.18%
4/30/2006	5/1/2005	31,579,001	52,474,118	20,895,117	60.18%	5,163,224	404.69%
4/30/2007	5/1/2006	34,408,977	61,968,657	27,559,680	55.53%	6,586,507	418.43%
4/30/2008	5/1/2007	36,720,534	59,245,402	22,524,868	61.98%	5,590,814	402.89%
4/30/2009	5/1/2008	39,077,302	64,675,814	25,598,512	60.42%	6,379,893	401.24%
4/30/2010	5/1/2009	34,880,656	70,089,350	35,208,694	49.77%	6,470,110	544.17%
4/30/2011	5/1/2010	36,832,670	73,891,946	37,059,276	49.85%	6,729,062	550.73%
4/30/2012	5/1/2011	39,770,280	77,411,228	37,640,948	51.38%	7,137,776	527.35%

* Actuarial Value of Assets implemented with change in methodology for the period beginning May 1, 2007

** Liabities are calculated reflecting changes in assumptions for the period beginning May 1, 2007

***Covered Payroll is calculated by the Actuary from the IDPFR submission for the prior fiscal year.

CITY OF BLOOMINGTON
FIREFIGHTERS' PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year Ended	Annual Required Contribution (a)	Total Employer Contribution (b)	Percentage Contributed (b/a)
4/30/2006	1,726,093	1,851,299	107.25%
4/30/2007	1,726,093	1,863,268	107.95%
4/30/2008	1,772,416	1,904,995	107.48%
4/30/2009	2,493,809	2,640,429	105.88%
4/30/2010	2,376,491	2,364,899	99.51%
4/30/2011	3,116,325	3,140,841	100.79%
4/30/2012	3,202,697	3,460,591	108.05%

The employer contribution for the year ended April 30, 2007 has been retroactively restated to conform to the change in the method of recognizing revenues that was adopted during the year ended April 30, 2008

CITY OF BLOOMINGTON
FIREFIGHTERS' PENSION FUND

PENSION COST SUMMARY FOR GASB #27

Fiscal Year Ended	Annual Pension Cost (a)	Total Employer Contribution (b)	% of Annual Pension Cost Contributed (b/a)	Net Pension Obligation (Asset) (c)
4/30/2006	1,700,763	1,851,299	108.85%	(1,137,677)
4/30/2007	1,698,371	1,863,268	109.71%	(1,302,573)
4/30/2008	1,742,494	1,904,995	109.33%	(1,465,074)
4/30/2009	2,462,465	2,640,429	107.23%	(1,643,238)
4/30/2010	2,348,471	2,364,899	100.70%	(1,659,666)
4/30/2011	3,090,922	3,140,841	101.62%	(1,709,586)
4/30/2012	3,179,793	3,460,591	108.83%	(1,990,384)

The employer contribution for the year ended April 30, 2007 has been retroactively restated to conform to the change in the method of recognizing revenues that was adopted during the year ended April 30, 2008

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF ACTIVE MEMBER VALUATION DATA

Valuation Date	Number of Participants	Annual Payroll*	Annual Average Pay	Percent Increase in Average Pay
April 30, 2007	91	5,590,814	61,438	5.04%
April 30, 2008	103	6,379,893	61,941	0.82%
April 30, 2009	99	6,470,110	65,355	5.51%
April 30, 2010	100	6,729,062	67,291	2.96%
April 30, 2011	102	7,137,776	69,978	3.99%
April 30, 2012	103	7,359,893	71,455	2.11%

* For the valuation date given, this amount equals the annualized ending payroll for that year.

Prepared by the City of Bloomington Firemen's Pension Fund.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF RETIRANTS AND BENEFICIARIES
ADDED TO AND REMOVED FROM ROLLS

	Added to Rolls		Removed from Rolls		Rolls - End of Year	
Year Ended	Number	Annual Allowances	Number	Annual Allowances	Number	Annual Allowances
April 30, 2007	5	165,632	2	73,685	72	2,662,807
April 30, 2008	4	248,648	1	19,255	75	2,951,005
April 30, 2009	7	402,289	-	-	82	3,438,806
April 30, 2010	2	105,418	2	55,211	82	3,599,368
April 30, 2011	1	36,625	3	104,406	80	3,629,959
April 30, 2012	4	222,045	2	61,617	82	3,884,659

Year Ended	Percent Change in Annual Allowances	Average Annual Allowance
April 30, 2007	10.00%	34,582
April 30, 2008	10.82%	39,347
April 30, 2009	16.53%	41,937
April 30, 2010	4.67%	43,895
April 30, 2011	0.85%	45,374
April 30, 2012	7.02%	47,374

Prepared by the City of Bloomington Firemen's Pension Fund.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

REPORT ON PROGRESS BEING MADE TOWARD THE FUNDING OBJECTIVE

	Aggregate Accrued Liabilities for						
	(1)	(2)	(3)				
Valuation Date	Active Member Contributions	Retirants and Beneficiaries	Active Members (Employer-Financed Portion)	Reported Assets	Portion of Accrued Liabilities Covered by Reported Assets (1)	(2)	(3)
May 1, 2006	4,582,222	29,617,837	27,768,598	34,408,977	100.00%	100.00%	0.75%
May 1, 2007	4,646,982	33,967,924	20,630,496	36,720,534	100.00%	94.42%	0.00%
May 1, 2008	4,710,422	38,183,063	21,782,329	39,077,302	100.00%	90.01%	0.00%
May 1, 2009A	5,180,317	44,723,291	20,185,742	34,880,656	100.00%	66.41%	0.00%
May 1, 2010	5,800,929	46,556,610	21,534,407	36,832,670	100.00%	66.65%	0.00%
May 1, 2011	6,527,344	46,576,101	24,307,783	39,770,280	100.00%	71.37%	0.00%

A - Actuarial report was not issued as of May 1, 2009.

Prepared by the City of Bloomington Firemen's Pension Fund.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

ANALYSIS OF FINANCIAL EXPERIENCE

GAINS AND LOSSES IN ACCRUED LIABILITIES RESULTING FROM DIFFERENCES BETWEEN ASSUMED EXPERIENCE AND ACTUAL EXPERIENCE

	May 1, 2006	May 1, 2007	May 1, 2008	May 1, 2010	May 1, 2011
Demographics - This includes the gain or (loss) pertaining to mortality retirement, disability, termination, etc.	$ (650,000)	$ 4,239,737	$ (1,862,086)	$ (484,964)	$ 244,648
Salary Increases - This includes gain or (loss) pertaining to salary increase assumptions.	(6,000,000)	1,325,018	(528,386)	52,975	(84,561)
Asset Valuation - This includes the gain or (loss) pertaining to contribution income and investment income.	(550,000)	(705,396)	-	-	-
COMPOSITE GAIN OR (LOSS) DURING YEAR	$ (7,200,000)	$ 4,859,359	$ (2,390,472)	$ (431,989)	$ 160,087

The Pension Fund did not have an actuarial report completed as of May 1, 2009.

Prepared by the City of Bloomington Firemen's Pension Fund.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

STATISTICAL SECTION SUMMARY

The purpose of the statistical section is to provide the reader with data, which is considered to be pertinent to the financial and economic condition of the Fund. Each schedule is defined below with an explanation of the schedule and an identification of the source of the data.

Schedule of Changes in Net Assets

This schedule provides the additions and deductions to the plan for the past ten fiscal years. The change in net assets is provided to illustrate whether or not sufficient resources are available in the current fiscal year to cover plan benefits. This schedule is developed using the Statements of Changes in Plan Net Assets for the past ten fiscal years.

Schedule of Benefit Expense by Type

This schedule provides the benefit expenses of the plan by type for the last ten fiscal years. The Fund's benefits include payments for age and service benefits (retirees and survivors), death in service benefits, disability benefits (duty, non-duty, and survivors), as well as refunds of employee contributions. This schedule is developed using reports from the Fund's accounting system. The expenses can be found in the Fund's Statement of Changes in Plan Net Assets for the past ten fiscal years.

Schedule of Retired Members by Type of Benefit

This schedule provides the number of retired members by type of benefit. The Fund plan benefits include payments for normal retirement benefits, early retirement benefits, survivor benefits (normal early retirement, death in service, disability, and non-duty death in service), and disability (duty and non-duty) benefits. The schedule is developed using the Fund's benefit payment payroll records.

Schedule of Average Benefit Payment Amounts

This schedule provides the average benefit payments per years of credited service. This information is provided to illustrate the changes in benefit payment amounts as the amount of service earned increases. This schedule is developed using the Fund's benefit payment payroll records.

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF CHANGES IN PLAN NET ASSETS
For the Years Ended April 30

	Fiscal Year			
	2012	2011	2010	2009
Additions:				
Member contributions	$ 677,666	$ 692,076	$ 639,711	$ 626,934
Employer contributions	3,460,505	3,140,710	2,364,899	2,640,429
Other	-	-	-	-
Net investment income (loss)	593,291	3,871,334	5,806,682	(6,387,373)
Total additions to plan net assets	4,731,462	7,704,120	8,811,292	(3,120,010)
Deductions:				
Benefit payments:				
Retired members	2,948,298	2,687,899	2,631,118	2,368,995
Widows	374,532	368,617	401,202	412,697
Disability	541,874	529,340	544,148	526,021
Return of pension contributions terminated members	4,115	-	4,115	15,692
Administrative expenses	96,267	77,592	47,105	88,975
Total deductions to plan net assets	3,965,086	3,663,448	3,627,688	3,412,380
Change in plan net assets	$ 766,376	$ 4,040,672	$ 5,183,604	$ (6,532,390)

Fiscal Year					
2008	2007	2006	2005	2004	2003
$ 606,955	$ 519,784	$ 510,024	$ 465,391	$ 418,813	$ 397,909
1,904,995	1,909,591	1,851,299	1,533,448	1,495,594	1,402,301
-	100	-	-	21	-
1,172,292	3,583,739	2,887,717	1,305,634	2,525,162	86,053
3,684,242	6,013,214	5,249,040	3,304,473	4,439,590	1,886,263
1,930,401	1,757,799	1,554,707	1,467,821	1,367,617	1,195,332
391,381	387,353	352,488	258,711	211,822	224,489
486,251	472,963	463,449	504,394	516,172	507,891
429	29,428	2,000	-	37,993	-
87,554	42,075	46,420	41,848	39,229	45,674
2,896,016	2,689,618	2,419,064	2,272,774	2,172,833	1,973,386
$ 788,226	$ 3,323,596	$ 2,829,976	$ 1,031,699	$ 2,266,757	$ (87,123)

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF BENEFIT EXPENSES BY TYPE

	Fiscal Year			
	2012	2011	2010	2009
Age and service benefits:				
Retirees	$ 2,948,298	$ 2,687,899	$ 2,631,118	$ 2,368,995
Survivors	240,399	234,484	267,069	278,767
Death in service benefits	68,397	68,397	68,397	68,329
Disability benefits:				
Retirees - duty	531,389	497,884	511,639	496,971
Retirees - nonduty	10,485	31,456	32,509	29,050
Survivors	65,736	65,736	65,736	65,601
TOTAL BENEFITS	$ 3,864,704	$ 3,585,856	$ 3,576,468	$ 3,307,713
Type of refund:				
Death	$ -	$ -	$ -	$ -
Separation	4,115	-	-	15,692
TOTAL REFUNDS	$ 4,115	$ -	$ -	$ 15,692

Fiscal Year					
2008	2007	2006	2005	2004	2003
$ 1,930,401	$ 1,757,799	$ 1,554,707	$ 1,467,821	$ 1,367,617	$ 1,194,778
258,650	268,794	220,992	155,721	124,067	133,933
67,936	54,547	65,872	66,549	64,755	64,756
472,758	472,963	463,449	504,394	516,172	510,245
13,493	-	-	-	-	-
64,795	64,012	65,624	36,441	24,000	24,000
$ 2,808,033	$ 2,618,115	$ 2,370,644	$ 2,230,926	$ 2,096,611	$ 1,927,712
$ -	$ -	$ -	$ -	$ -	$ -
429	29,428	2,000	-	37,993	-
$ 429	$ 29,428	$ 2,000	$ -	$ 37,993	$ -

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF RETIRED MEMBERS BY TYPE OF BENEFIT

Amount of Monthly Benefit	Number of Retirants	1	2	3	4	5	6	7	8
Deferred									
$ 1 - $ 250	-	-	-	-	-	-	-	-	-
251 - 500	1	1	-	-	-	-	-	-	-
501 - 750	1	1	-	-	-	-	-	-	-
751 - 1,000	1	1	-	-	-	-	-	-	-
1,001 - 1,250	9	-	-	4	-	2	-	2	1
1,251 - 1,500	2	1	-	-	-	1	-	-	-
1,501 - 1,750	0	-	-	-	-	-	-	-	-
1,751 - 2,000	3	1	-	2	-	-	-	-	-
2,001 - 2,250	2	1	-	1	-	-	-	-	-
2,251 - 2,500	2	1	-	-	-	1	-	-	-
2,501 - 2,750	2	-	-	-	-	1	1	-	-
2,751 - 3,000	4	1	-	2	-	-	-	1	-
3,001 - 3,250	4	1	-	1	-	1	-	1	-
3,250 - 3,500	4	2	-	-	-	2	-	-	-
3,501 - 3,750	4	2	-	-	-	2	-	-	-
3,751 - 4,000	4	2	-	1	-	1	-	-	-
over 4,000	43	40	-	-	-	3	-	-	-
TOTALS	86	55	-	11	-	14	1	4	1

*Type of retirement

1 Normal retirement for age and service
2 Early retirement
3 Survivor payment - normal early retirement
4 Survivor payment - death in service
5 Duty disability retirement
6 Nonduty disability retirement
7 Survivor payment - disability retirement
8 Survivor payment - nonduty death in service

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF AVERAGE BENEFIT PAYMENTS
April 30, 2012

Retirement Effective Dates	Years of credited service					
5/1/02 to 4/30/12	1-10	10-15	15-20	20-25	25-30	30+
Period 5/1/02 to 4/30/03						
Normal retirants:						
Average monthly benefit	$ -	$ -	$ -	$ 1,882	$ 3,107	$ 2,615
Average final salary	-	-	-	25,389	43,939	47,299
Number of active retirants	-	-	-	10	14	11
Disability retirants:						
Average monthly benefit	2,353	1,579	1,392	2,949	3,031	2,943
Average final salary	43,456	17,829	19,399	51,159	47,074	39,792
Number of active retirants	1	2	3	4	6	1
Period 5/1/03 - 4/30/04						
Normal retirants:						
Average monthly benefit	-	-	-	1,927	3,231	3,856
Average final salary	-	-	-	25,389	45,800	50,707
Number of active retirants	-	-	-	10	16	11
Disability retirants:						
Average monthly benefit	2,354	1,604	1,403	3,170	3,062	2,996
Average final salary	43,456	17,829	19,399	51,159	47,074	39,792
Number of active retirants	1	2	3	4	6	1
Period 5/1/04 to 4/30/05						
Normal retirants:						
Average monthly benefit	-	-	-	2,460	3,696	3,941
Average final salary	-	-	-	34,707	52,352	47,210
Number of active retirants	-	-	-	12	21	5
Disability retirants:						
Average monthly benefit	2,354	1,629	1,415	3,207	3,178	3,061
Average final salary	43,456	17,829	19,399	53,593	49,331	39,792
Number of active retirants	1	2	3	3	5	1
Period 5/1/05 to 4/30/06						
Normal retirants:						
Average monthly benefit	-	-	-	2,248	3,621	4,024
Average final salary	-	-	-	31,997	50,875	52,062
Number of active retirants	-	-	-	9	17	14
Disability retirants:						
Average monthly benefit	2,354	1,667	1,426	3,241	3,225	3,125
Average final salary	43,456	17,829	19,399	53,593	49,331	39,792
Number of active retirants	1	2	3	3	5	1
Period 5/1/06 to 4/30/07						
Normal retirants:						
Average monthly benefit	-	-	-	2,503	3,655	3,927
Average final salary	-	-	-	31,997	53,285	52,062
Number of active retirants	-	-	-	9	19	14
Disability retirants:						
Average monthly benefit	2,354	1,704	1,442	3,555	3,272	3,190
Average final salary	43,456	17,829	19,399	53,593	49,331	39,792
Number of active retirants	1	2	3	3	5	1

FIREMEN'S PENSION FUND
(A PENSION TRUST FUND OF THE CITY OF BLOOMINGTON, ILLINOIS)

SCHEDULE OF AVERAGE BENEFIT PAYMENTS
April 30, 2012

Retirement Effective Dates	Years of credited service					
5/1/02 to 4/30/12	1-10	10-15	15-20	20-25	25-30	30+
Period 5/1/07 to 4/30/08						
Normal retirants:						
Average monthly benefit	$ -	$ -	$ -	$ 2,899	$ 4,017	$ 4,477
Average final salary	-	-	-	43,500	59,781	54,523
Number of active retirants	-	-	-	7	23	13
Disability retirants:						
Average monthly benefit	2,554	1,559	1,592	3,626	3,023	3,255
Average final salary	43,456	15,557	23,592	55,832	42,759	39,792
Number of active retirants	1	3	2	5	3	1
Period 5/1/08 to 4/30/09						
Normal retirants:						
Average monthly benefit	-	-	-	4,002	4,557	5,721
Average final salary	-	-	-	65,291	66,881	72,133
Number of active retirants	-	-	-	9	25	15
Disability retirants:						
Average monthly benefit	2,354	1,821	2,068	3,681	3,140	3,319
Average final salary	43,457	26,864	23,592	55,832	42,759	39,792
Number of active retirants	1	4	2	5	3	1
Period 5/1/09 to 4/30/10						
Normal retirants:						
Average monthly benefit	-	691	-	3,225	4,352	5,267
Average final salary	-	31,176	-	50,782	61,530	66,701
Number of active retirants	-	1	-	9	25	16
Disability retirants:						
Average monthly benefit	2,354	1,865	2,106	4,071	3,052	3,384
Average final salary	43,456	26,864	23,592	55,832	45,985	39,792
Number of active retirants	1	4	2	5	2	1
Period 5/1/10 to 4/30/11						
Normal retirants:						
Average monthly benefit	-	691	-	3,393	4,365	5,414
Average final salary	-	31,176	-	50,782	60,446	66,701
Number of active retirants	-	1	-	9	24	16
Disability retirants:						
Average monthly benefit	2,354	1,882	2,145	4,162	3,085	3,449
Average final salary	43,456	26,864	23,592	55,832	45,985	39,792
Number of active retirants	1	4	2	5	2	1
Period 5/1/11 to 4/30/12						
Normal retirants:						
Average monthly benefit	-	691	-	3,490	4,869	5,571
Average final salary	-	31,176	-	51,608	68,637	68,243
Number of active retirants	-	1	-	9	23	17
Disability retirants:						
Average monthly benefit	2,354	1,899	2,183	4,252	3,591	3,513
Average final salary	43,456	26,864	23,852	55,832	45,985	39,782
Number of active retirants	1	4	2	5	2	1