



**CITY OF BATAVIA, ILLINOIS  
POLICE PENSION FUND**  
(A FIDUCIARY COMPONENT UNIT OF THE  
CITY OF BATAVIA)

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ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2021



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**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
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## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President  
Members of the Board of Trustees  
of the Police Pension Fund  
City of Batavia, Illinois

### **Opinions**

We have audited the accompanying financial statements of the Police Pension Fund (the Fund), a fiduciary component unit of the City of Batavia, Illinois (the City) as of and for the year ended December 31, 2021 and the related notes to financial statements, which collectively comprise the Fund's basic financial statements as listed in the table of contents.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the fiduciary net position of the Police Pension Fund of the City of Batavia, Illinois, as of December 31, 2021, and the changes in fiduciary net position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

### **Basis for Opinions**

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

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

In performing an audit in accordance with GAAS, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

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

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*Sikich LLP*

Naperville, Illinois  
May 31, 2022

## **BASIC FINANCIAL STATEMENTS**

**CITY OF BATAVIA, ILLINOIS**

**POLICE PENSION FUND**

**STATEMENT OF FIDUCIARY NET POSITION**

December 31, 2021

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<b>ASSETS</b>	
Cash and Short-Term Investments	\$ 13,744
Investments, at Fair Value	
Money Market Mutual Funds	501,663
U.S. Government and Agency Securities	7,455,414
Corporate Bonds and Notes	5,190,890
Domestic Corporate Equities	5,847,164
Equity Mutual Funds	22,300,358
Accrued Interest	63,096
Prepaid Expenses	8,259
	<hr/>
Total Assets	41,380,588
	<hr/>
<b>LIABILITIES</b>	
Accounts Payable	5,059
	<hr/>
Total Liabilities	5,059
	<hr/>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<b>\$ 41,375,529</b>
	<hr/> <hr/>

See accompanying notes to financial statements.

**CITY OF BATAVIA, ILLINOIS**

**POLICE PENSION FUND**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

For the Year Ended December 31, 2021

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**ADDITIONS**

Contributions

Employer Contributions	\$ 2,539,865
Plan Members Contributions	<u>448,712</u>

Total Contributions	<u>2,988,577</u>
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Investment Income

Net Appreciation in Fair Value of Investments	2,514,194
Interest	<u>1,210,253</u>

Total Investment Income	3,724,447
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Less Investment Expense	<u>(116,517)</u>
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Net Investment Income	<u>3,607,930</u>
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Total Additions	<u>6,596,507</u>
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**DEDUCTIONS**

Pension Benefits and Refunds	2,694,457
Administrative Expenses	<u>48,383</u>

Total Deductions	<u>2,742,840</u>
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NET INCREASE	3,853,667
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**NET POSITION RESTRICTED  
FOR PENSIONS**

January 1	<u>37,521,862</u>
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December 31	<u><u>\$ 41,375,529</u></u>
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See accompanying notes to financial statements.

# CITY OF BATAVIA, ILLINOIS

## POLICE PENSION FUND

### NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

##### A. Reporting Entity

The Fund is a fiduciary component unit reported as a pension trust fund of the City pursuant to GASB Statement No. 84.

##### B. Fund Accounting

The Fund uses one fund to report on its fiduciary net position and the changes in its fiduciary net position. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The Fund is classified in this report in the fiduciary fund category.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments. When pension plan assets are held under the terms of a formal trust agreement, a pension trust fund is used.

##### C. Measurement Focus and Basis of Accounting

The Fund is accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets, deferred outflows, liabilities and deferred inflows associated with the operation of this fund are included on the statement of fiduciary net position. Pension trust fund operating statements present increases (e.g., additions) and decreases (e.g., deductions) in net position restricted for pension benefits.

The accrual basis of accounting is utilized by the pension trust fund. Under this method, additions are recorded when earned and deductions are recorded at the time the liabilities are incurred.

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Investments

Investment purchases are recorded as of the trade-date. Investments are stated at fair value at December 31, 2021 for both reporting and actuarial purposes. Securities traded on national exchanges are at the last reported sale price. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

E. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**2. PLAN DESCRIPTION**

A. Plan Administration

Police sworn personnel are covered by the Fund, a single-employer defined benefit pension plan sponsored by the City. The defined benefits and employee and minimum employer contribution levels are governed by Illinois Compiled Statutes (40 ILCS 5/4 101) and may be amended only by the Illinois legislature. The City accounts for the Police Pension Plan as a pension trust fund.

The Fund is governed by a five-member Board of Trustees. Two members of the Board of Trustees are appointed by the City’s Mayor, one member is elected by pension beneficiaries and two members are elected by active police employees.

The Fund is accounted for on the economic resources measurement focus and the accrual basis of accounting. Employer and employee contributions are recognized when earned in the year that the contributions are required, benefits and refunds are recognized as an expense and liability when due and payable.

B. Plan Membership

At December 31, 2021, the measurement date, membership consisted of:

Inactive Plan Members Currently Receiving Benefits	38
Inactive Plan Members Entitled to but not yet Receiving Benefits	4
Active Plan Members	40
<b>TOTAL</b>	<b>82</b>

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. PLAN DESCRIPTION (Continued)**

C. Benefits Provided

The following is a summary of benefits of the Fund as provided for in Illinois Compiled Statutes (ILCS):

The Fund provides retirement benefits as well as death and disability benefits. Tier 1 employees (those hired prior to January 1, 2011) attaining the age of 50 or older with 20 or more years of creditable service are entitled to receive an annual retirement benefit equal to  $\frac{1}{2}$  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% of such salary. Employees with at least ten 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% of the original pension and 3% compounded annually thereafter.

Tier 2 employees (those hired on or after January 1, 2011) attaining the age of 55 or older with ten or more years of creditable service are entitled to receive an annual retirement benefit equal to the average monthly salary obtained by dividing the total salary of the police officer 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. Police officers' salary for pension purposes is capped at \$106,800, plus the lesser of  $\frac{1}{2}$  of the annual change in the Consumer Price Index or 3% 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% of such salary. Employees with at least ten years may retire at or after age 50 and receive a reduced benefit (i.e.,  $\frac{1}{2}\%$  for each month under 55). The monthly benefit of a Tier 2 police officer shall be increased annually at age 60 on the January 1st after the police officer retires, or the first anniversary of the pension starting date, whichever is later. Noncompounding increases occur annually, each January thereafter. The increase is the lesser of 3% or  $\frac{1}{2}$  of the change in the Consumer Price Index for the proceeding calendar year.

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**2. PLAN DESCRIPTION (Continued)**

**D. Contributions**

Employees are required by ILCS to contribute 9.91% of their base salary to the 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 the remaining amounts necessary to finance the Fund, as actuarially determined by an enrolled actuary. Effective January 1, 2011, ILCS requires the City to contribute a minimum amount annually calculated using the projected unit credit actuarial cost method that will result in the funding of 90% of the past service cost by the year 2040. However, the City contributes based on the entry-age normal actuarial cost method that will result in the funding of 100% of the past service cost by the year 2040. For the year ended December 31, 2021, the City's contribution was 56.77% of covered payroll.

**3. INVESTMENTS**

The deposits and investments of the Fund are held separately from those of the City and are under the control of the Fund's Board of Trustees. The Fund categorizes the fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

**A. Investment Policy**

ILCS limit the Fund's investments to those allowable by ILCS and require the Fund's Board of Trustees to adopt an investment policy which can be amended by a majority vote of the Board of Trustees. The Fund's investment policy authorizes the Fund to make deposits/invest in insured commercial banks, savings and loan institutions, obligations of the U.S. Treasury and U.S. agencies, insured credit union shares, money market mutual funds with portfolios of securities issued or guaranteed by the United States Government or agreements to repurchase these same obligations, repurchase agreements, short-term commercial paper rated within the three highest classifications by at least two standard rating services, investment-grade corporate bonds and The Illinois Funds. The Fund may also invest in certain non-U.S. obligations, Illinois municipal corporations tax anticipation warrants, veteran's loans, obligations of the State of Illinois and its political subdivisions, Illinois insurance company general and separate accounts, mutual funds, corporate equity and corporate debt securities and real estate investment trusts.

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**3. INVESTMENTS (Continued)**

A. Investment Policy (Continued)

The Fund's investment policy in accordance with ILCS establishes the following target allocation across asset classes:

Asset Class	Target	Long-Term Expected Real Rate of Return
Cash and Cash Equivalents	3.00%	0.30%
U.S. Fixed Income	32.00%	0.00%
U.S. Corporate High Yield Fixed Income	4.00%	2.27%
U.S. Large Cap Equity	14.00%	4.35%
U.S. Small Cap Equity	4.50%	4.95%
U.S. Mid Cap Equity	6.50%	4.85%
International Developed Markets Equity	12.50%	6.85%
Emerging Markets Equity	8.50%	7.84%
Real Estate	10.00%	5.27%
Commodities	5.00%	3.16%

ILCS limits the Fund's investments in equities, mutual funds and variable annuities to 65%. Securities in any one company should not exceed 5% of the total fund.

The long-term expected rate of return on the Fund's investments was determined using an asset allocation study conducted by the Fund's investment management consultant, in which best estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation 2.25%) were developed for each major assets class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are listed in the table above.

B. Concentrations

No investments (other than United States Government guaranteed obligations) in any one organization represented 5% or more of Fund's investments as of December 31, 2021.

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**3. INVESTMENTS (Continued)**

C. Rate of Return

For the year ended December 31, 2021, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.83%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

D. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of a bank's failure, the Fund's deposits may not be returned to them. The Fund's investment policy requires all bank balances to be covered by federal depository insurance. Flow-through FDIC insurance is available for the Fund's deposits with financial institutions.

E. Interest Rate Risk

The following table presents the investments and maturities of the Fund's fixed income securities as of December 31, 2021:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less than 1	1-5	6-10	Greater than 10
Corporate Bonds	\$ 5,190,890	\$ 130,711	\$ 1,069,719	\$ 2,578,479	\$ 1,411,981
U.S. Treasuries	6,067,396	370,436	2,940,536	1,416,158	1,340,266
U.S. Agencies	1,388,018	-	-	1,941	1,386,077
<b>TOTAL</b>	<b>\$ 12,646,304</b>	<b>\$ 501,147</b>	<b>\$ 4,010,255</b>	<b>\$ 3,996,578</b>	<b>\$ 4,138,324</b>

In accordance with its investment policy, the Fund limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed for expected current cash flows. The investment policy does not limit the maximum maturity length of investments in the Fund.

The Fund has the following recurring fair value measurements as of December 31, 2021: the equities and equity mutual funds are valued using quoted prices in active markets for identical assets (Level 1 inputs). The U.S. Treasury obligations, U.S. agency obligations and the corporate bonds are valued using quoted matrix pricing models (Level 2 inputs).

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**3. INVESTMENTS (Continued)**

F. Credit Risk

The Fund limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by primarily investing in securities issued by the United States Government and/or its agencies that are implicitly guaranteed by the United States Government and investment-grade corporate and state and local government bonds rated at or above BBB- by Standard and Poor's, Baa3 by Moody's and BBB- by Fitch by at least two of the three rating agencies. The U.S. agencies are rated AA+ by Standard and Poor's. The Police Pension Fund's corporate bonds are rated between Aa1 and Baa1 by Moody's.

G. Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Fund will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Fund requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Fund's agent separate from where the investment was purchased in the Fund's name. The money market mutual funds and equity mutual funds are not subject to custodial credit risk.

**4. PENSION LIABILITY OF THE CITY**

A. Net Pension Liability

The components of the net pension liability of the Police Pension Plan as of December 31, 2021 were as follows:

Total Pension Liability	\$ 65,595,267
Plan Fiduciary Net Position	41,375,529
City's Net Pension Liability	24,219,738
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.08%

See the schedule of changes in the employer's net pension liability and related ratios on pages 15 to 16 of the required supplementary information for additional information related to the funded status of the Fund.

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
NOTES TO FINANCIAL STATEMENTS (Continued)

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**4. PENSION LIABILITY OF THE CITY (Continued)**

**B. Actuarial Assumptions**

The total pension liability above was determined by an actuarial valuation performed as of December 31, 2021 using the following actuarial methods and assumptions.

Actuarial Valuation Date	December 31, 2021
Actuarial Cost Method	Entry-Age Normal
Assumptions	
Inflation	2.25%
Salary Increases	3.75% to 7.75%
Interest Rate (Net of Expenses)	7.00%
Cost of Living Adjustments	3.25%
Asset Valuation Method	Fair Value

Mortality rates were based on the Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data.

**C. Discount Rate**

The discount rate used to measure the total pension liability was 7%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that the City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projects benefit payments to determine the total pension liability.

**CITY OF BATAVIA, ILLINOIS**  
**POLICE PENSION FUND**  
 NOTES TO FINANCIAL STATEMENTS (Continued)

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**4. PENSION LIABILITY OF THE CITY (Continued)**

D. Discount Rate Sensitivity

The following is a sensitive analysis of the net pension liability to changes in the discount rate. The table below presents the pension liability of the City calculated using the discount rate of 7% as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6%) or 1 percentage point higher (8%) than the current rate:

	1% Decrease (6%)	Current Discount Rate (7%)	1% Increase (8%)
Net Pension Liability	\$ 33,552,000	\$ 24,219,738	\$ 16,599,864

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF BATAVIA, ILLINOIS**

**POLICE PENSION FUND**

SCHEDULE OF CHANGES IN THE EMPLOYER'S  
NET PENSION LIABILITY AND RELATED RATIOS

Last Eight Fiscal Years

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>TOTAL PENSION LIABILITY</b>								
Service Cost	\$ 902,645	\$ 751,477	\$ 828,191	\$ 826,580	\$ 884,441	\$ 890,914	\$ 1,023,108	\$ 1,047,955
Interest	2,877,952	3,269,569	3,371,349	3,529,860	3,736,756	3,923,118	4,165,642	4,244,276
Changes of Benefit Terms	-	-	-	-	-	139,707	-	-
Differences Between Expected and Actual Experience	710,283	244,574	163,870	781,091	280,638	925,698	366,491	(1,186,782)
Changes of Assumptions*	2,719,062	(992,104)	(30,610)	-	-	354,210	-	-
Benefit Payments, Including Refunds of Member Contributions	(1,535,002)	(1,695,836)	(1,943,189)	(2,193,541)	(2,170,190)	(2,308,857)	(2,494,727)	(2,694,457)
Net Change in Total Pension Liability	5,674,940	1,577,680	2,389,611	2,943,990	2,731,645	3,924,790	3,060,514	1,410,992
Total Pension Liability - Beginning	41,881,105	47,556,045	49,133,725	51,523,336	54,467,326	57,198,971	61,123,761	64,184,275
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 47,556,045</b>	<b>\$ 49,133,725</b>	<b>\$ 51,523,336</b>	<b>\$ 54,467,326</b>	<b>\$ 57,198,971</b>	<b>\$ 61,123,761</b>	<b>\$ 64,184,275</b>	<b>\$ 65,595,267</b>
<b>PLAN FIDUCIARY NET POSITION</b>								
Contributions - Employer	\$ 1,357,815	\$ 1,450,502	\$ 1,808,325	\$ 1,803,057	\$ 1,909,286	\$ 2,050,041	\$ 2,266,449	\$ 2,539,865
Contributions - Member	421,125	374,120	397,333	387,415	409,531	426,490	494,826	448,712
Contributions - Other	-	-	92,225	-	-	-	-	-
Net Investment Income	1,218,959	(909,088)	1,553,512	2,902,742	(2,322,388)	5,241,065	3,883,354	3,607,930
Benefit Payments, Including Refunds of Member Contributions	(1,535,002)	(1,695,836)	(1,943,189)	(2,193,540)	(2,170,190)	(2,308,857)	(2,494,727)	(2,694,457)
Administrative Expense	(51,493)	(76,997)	(53,614)	(48,011)	(45,053)	(46,974)	(44,471)	(48,383)
Net Change in Plan Fiduciary Net Position	1,411,404	(857,299)	1,854,592	2,851,663	(2,218,814)	5,361,765	4,105,431	3,853,667
Plan Fiduciary Net Position - Beginning	25,013,120	26,424,524	25,567,225	27,421,817	30,273,480	28,054,666	33,416,431	37,521,862
<b>PLAN FIDUCIARY NET POSITION - ENDING</b>	<b>\$ 26,424,524</b>	<b>\$ 25,567,225</b>	<b>\$ 27,421,817</b>	<b>\$ 30,273,480</b>	<b>\$ 28,054,666</b>	<b>\$ 33,416,431</b>	<b>\$ 37,521,862</b>	<b>\$ 41,375,529</b>
<b>EMPLOYER'S NET PENSION LIABILITY</b>	<b>\$ 21,131,521</b>	<b>\$ 23,566,500</b>	<b>\$ 24,101,519</b>	<b>\$ 24,193,846</b>	<b>\$ 29,144,305</b>	<b>\$ 27,707,330</b>	<b>\$ 26,662,413</b>	<b>\$ 24,219,738</b>

<b>MEASUREMENT DATE DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	55.57%	52.04%	53.22%	55.58%	49.05%	54.67%	58.46%	63.08%
Covered Payroll	\$ 3,658,156	\$ 4,156,802	\$ 4,375,957	\$ 4,003,554	\$ 4,089,794	\$ 4,464,413	\$ 4,480,726	\$ 4,474,057
Employer's Net Pension Liability as a Percentage of Covered Payroll	577.70%	566.90%	550.80%	604.30%	712.60%	620.60%	595.00%	541.30%

\*Changes in mortality assumptions relates to 2014, 2015 and 2016. Changes in projected individual pay increases, inflation rate, mortality rates, mortality improvements, retirement rates, termination rates, disability rates and marital assumptions were made in the 2019 actuarial valuation.

Ultimately, this schedule should present information for the last ten years. However, until ten years of information can be compiled, information should be presented for as many years as is available.

(See independent auditor's report.)

CITY OF BATAVIA, ILLINOIS

POLICE PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Last Ten Fiscal Years

FISCAL YEAR ENDED DECEMBER 31,	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actuarially Determined Contribution	\$ 1,126,765	\$ 1,145,104	\$ 1,307,815	\$ 1,327,365	\$ 1,598,325	\$ 1,763,057	\$ 1,899,286	\$ 2,029,041	\$ 2,266,449	\$ 2,519,865
Contributions in Relation to the Actuarially Determined Contribution	1,126,765	1,145,104	1,307,815	1,327,365	1,598,325	1,763,057	1,899,286	2,029,041	2,266,449	2,519,865
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<b>\$ -</b>									
Additional voluntary contribution	\$ 141,603	\$ 165,478	\$ 50,000	\$ 123,137	\$ 210,000	\$ 40,000	\$ 10,000	\$ 21,000	\$ -	\$ 20,000
Covered Payroll	\$ 3,575,344	\$ 3,565,299	\$ 3,658,156	\$ 4,156,802	\$ 4,375,957	\$ 4,003,554	\$ 4,089,794	\$ 4,464,413	\$ 4,480,726	\$ 4,474,057
Contributions as a Percentage of Covered Payroll	35.48%	36.76%	37.12%	34.89%	41.32%	45.04%	46.68%	45.92%	50.58%	56.77%

Notes to Required Supplementary Information

Valuation Date Actuarially determined contribution rates are calculated as of January 1 of the prior fiscal year.

Methods and Assumptions Used to Determine Contribution Rates

Actuarial Cost Method	Entry-Age Normal
Amortization Method	Level Percent of Pay, Closed; 100%
Remaining Amortization Period	21 years
Asset Valuation Method	5 Year Smoothed Market
Inflation	2.50%
Salary Increases	3.75% to 7.75%
Investment Rate of Return	7.00%
Retirement Age	See Note 2 in Notes to Financial Statements
Mortality	Mortality Rates were based on the Pub-2010 Adjusted for Plan Status, Demographics, and Illinois Public Pension Data

(See independent auditor's report.)

**CITY OF BATAVIA, ILLINOIS**

**POLICE PENSION FUND**

**SCHEDULE OF INVESTMENT RETURNS**

Last Eight Fiscal Years

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<b>FISCAL YEAR ENDED DECEMBER 31,</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Annual Money-Weighted Rate of Return, Net of Investment Expense	4.83%	(3.49%)	6.91%	10.66%	(7.43%)	18.83%	5.69%	10.83%

Ultimately, this schedule should present return information for the last ten years. However, until ten years of information can be compiled, information will be presented for as many years as is available.

(See independent auditor's report.)