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**Public School Teachers' Pension
and Retirement Fund of Chicago**

***106th Comprehensive
Annual Financial Report***

*for the year ended
June 30, 2001
Chicago, Illinois*



106th COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2001

Public School Teachers' Pension And Retirement Fund Of Chicago



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Introductory Section

Introductory Section

Board Of Trustees

As of June 30, 2001

OFFICERS

Mary Sharon Reilly
President

Patricia A. Knazze
Vice President

Maria J. Rodriguez
Recording Secretary

Jack Silver
Financial Secretary

Michael J. Nehf
Executive Director

Kevin Huber
Chief Financial Officer

MEMBERS

Elected by the contributors...

Shirley J. Anderson
Patricia A. Knazze
John F. O'Brill
Mary Sharon Reilly
Maria J. Rodriguez
Jack Silver

Representing the principals...

Walter E. Pilditch

Representing the annuitants...

Carole Nolan
Edward A. O'Farrell
James F. Ward

Appointed by the Board of Education...

Michael N. Mayo
Gene R. Saffold

Introductory Section

Consultants

LEGAL COUNSEL

Mr. Joseph Burns

*Jacobs, Burns, Orlove, Stanton & Hernandez
300 W. Washington Street, Suite 1200
Chicago, Illinois 60606*

INVESTMENT CONSULTANTS

Mr. Brad Blalock

*Mercer Investment Consulting, Inc.
10 South Wacker Drive
Chicago, Illinois 60606*

Mr. Terry Ahern

*The Townsend Group
1500 West Third Street, Suite 410
Cleveland, Ohio 44113*

HEALTH INSURANCE CONSULTANT

Mr. Mitch Bramstaedt

*The Segal Company
101 North Wacker Drive, Suite 500
Chicago, Illinois 60606*

BANK CUSTODIAN

Ms. Kathryn M. Stevenson

*The Northern Trust Company
50 South LaSalle Street
Chicago, Illinois 60675*

AUDITORS

Mr. Jeffrey N. Markert

*KPMG LLP
303 East Wacker Drive
Chicago, Illinois 60601*

CUSTODIAN

Ms. Judith Rice

*City Treasurer
121 North LaSalle Street
Chicago, Illinois 60602*

CONSULTING ACTUARY

Mr. Sandor Goldstein

*Goldstein & Associates
29 S. LaSalle Street, Suite 735
Chicago, Illinois 60603*

INVESTMENT ADVISORS

Adams Street Partners, LLC

Ariel Capital Management

Banc of America

The Blackstone Group, L.P.

Brinson Partners, Inc.

Capri/Capital Advisors, LLC

Dimensional Fund Advisors Inc.

Fidelity Management Trust Co.

HarbourVest Partners, LLC

Harris Investment Management, Inc.

Holland Capital Management

Iridian Asset Management, LLC

J. P. Morgan Fleming

LaSalle Investment Management

Lazard Asset Management

Lend Lease Real Estate Investments

Lincoln Capital Management Co.

MDL Capital Management, Inc.

Mesirow Financial, Inc.

Miller Anderson & Sherrerd

Morgan Stanley Investments, L.P.

New Amsterdam Partners

The Northern Trust Co.

Northern Trust Global Investments (NTGI)

Olympus Real Estate Corp.

Oppenheimer Capital

Pantheon Ventures, Inc. (USA Fund III, USA Fund IV and Europe Fund II)

Prudential Financial (PRISA, PRISA II)

RREEF America Reit, Inc.

Schroder Investment Management North America

J. & W. Seligman & Co., Inc.

Smith Graham & Co.

SSR Tower-Metropolitan Life

Times Square Real Estate Investors

UBS Realty Investors, LLC

Waddell & Reed Investment Management Co.

Walton Street Real Estate, L.P. (Fund I, Fund II and Fund III)

Wellington Management Co., LLP

William Blair & Co.

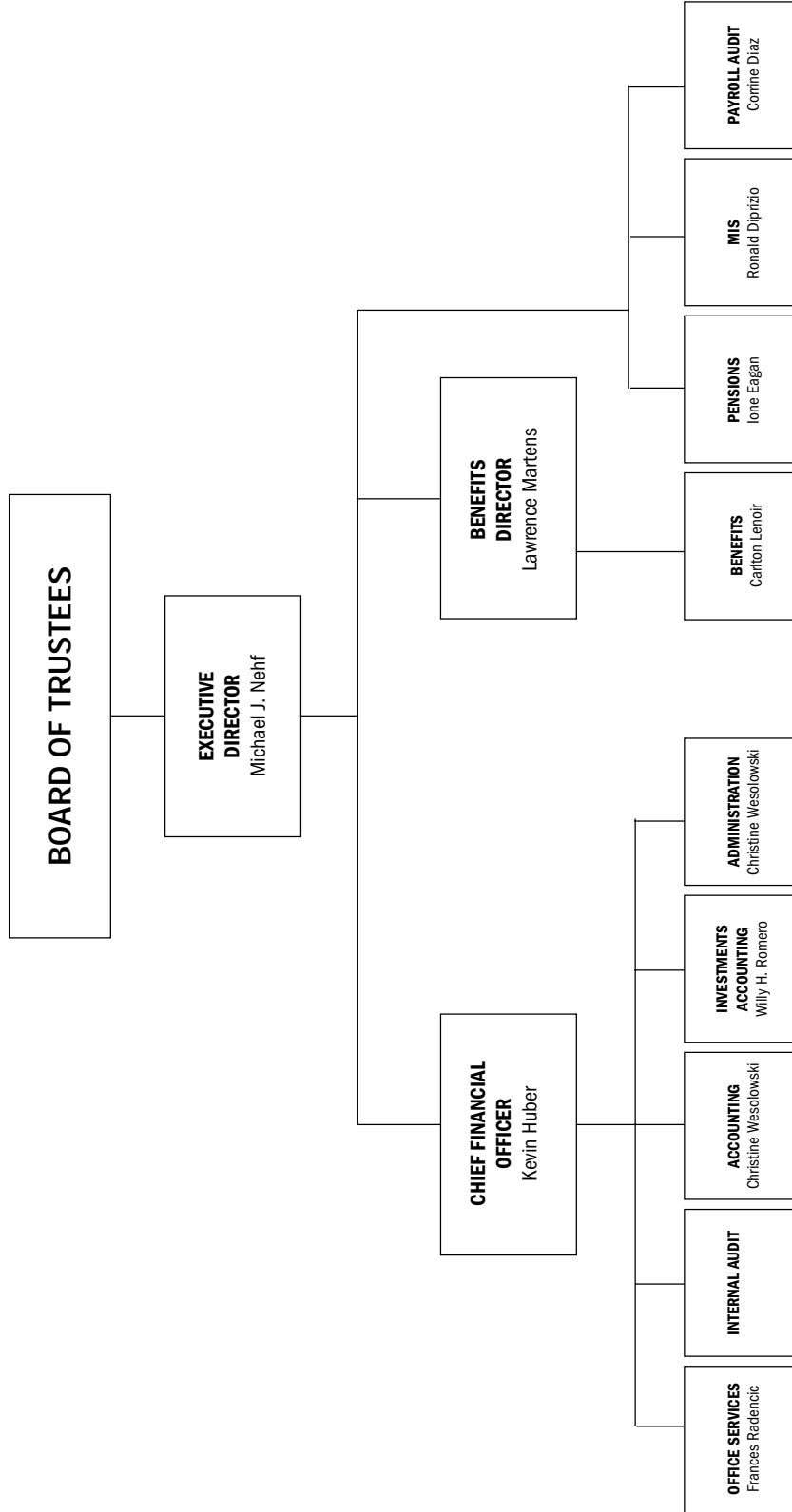
Woodford Capital Management, LLC

Zevenbergen Capital Inc.

Zurich Scudder Investment, Inc.

Introductory Section

Organization Chart As of June 30, 2001



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Public School Teachers'
Pension and Retirement
Fund of Chicago, Illinois

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2000

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Timothy A. Brewer
President

Jeffrey L. Essler
Executive Director

Introductory Section

Letter of Transmittal

December 12, 2001

The Pension Board of Trustees and Fund Members
Public School Teachers' Pension & Retirement
Fund of Chicago
55 West Wacker Drive
Chicago, Illinois 60601

Dear Pension Board of Trustees, Contributors, and Pensioners:

This is the 106th Comprehensive Annual Report of the Public School Teachers' Pension and Retirement Fund of Chicago (Fund) that covers the fiscal year ending June 30, 2001. Illinois statutes provide for a Board of Trustees to be responsible for the administration of the Fund. An important aspect of the administration is the presentation of a detailed annual report of system finances and operations. This publication is intended for all parties-at-interest as well as for the public at large.

This report provides a review of the financial, actuarial, and operational conditions of the Fund. It contains comparative financial statements which were subject to an independent audit conducted by Illinois licensed certified public accountants, an actuarial valuation prepared by the Fund's consulting actuary, a description of benefits as specified in Illinois law, and other relevant information.

The Fund is a public employee retirement system established by the State of Illinois to provide annuity, disability, survivor, and death benefits for certain certified teachers and other employees of the Chicago Public Schools and approved City of Chicago charter schools. It is administered in accordance with Chapter 40, Act 5, Articles 1, 17, and 20 of the Illinois Compiled Statutes. The report consists of five sections.

1. The Introductory Section contains this letter of transmittal and administrative and organizational information.
2. The Financial Section contains the report of the independent public accountants, the financial statements of the Fund, and selected supplemental financial information.
3. The Investment Section contains a synopsis of the Fund's investment authority, summary tables of investment data, and a digest of the current year's investment activity and performance.
4. The Actuarial Section contains a report of the Consulting Actuary, a summary of the major actuarial assumptions, and other data.
5. The Statistical Section contains relevant statistical summaries on contributors, pensioners, and revenue sources and uses.

Introductory Section

OVERVIEW

The 106th year of continuous operations provided many challenges for the Fund, mostly driven by the uncertain economy and its impact on the Fund's investment portfolio. The June 30, 2001 value of net assets held in trust for pension benefits amounted to \$10.112 billion, a 4.5% decrease from the \$10.589 billion of the previous year. The actuarial value of assets, calculated on a 4 year smoothed market value basis and used in the determination of the funding ratio, amounted to \$10.388 billion. When comparing the actuarial value of assets to the actuarial accrued liabilities of \$10.393 billion, it provides for an actuarial funding ratio of assets to liabilities of approximately 99.95%.

The Financial Statements in this report were prepared in accordance with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board. The specific accounting treatment of transactions is described in the Summary of Accounting Policies in the Notes to the Financial Statements.

ACTUARIAL VALUATION AND FUNDING

The Fund's consulting actuary has certified the total actuarial liability of the Fund to be \$10.393 billion as of June 30, 2001. This represents an increase in the total actuarial liability of \$453 million compared to the valuation of \$9.940 billion as of June 30, 2000. The unfunded actuarial liability decreased from approximately \$328.2 million to \$5.1 million during the year. Refer to the Actuarial Section of the report for more valuation and funding information.

ADDITIONS TO PLAN ASSETS

Additions to plan assets that are needed to finance statutory benefit obligations may come from public sources such as State of Illinois appropriations, employee payroll deductions, net earnings on investments, and miscellaneous sources. For the year ending June 30, 2001, these additions totaled \$34.7 million, representing a 97% decrease from 2000 additions of \$1.167 billion. This decrease resulted from unrealized depreciation on the Fund's portfolio due to the poor investment environment; the Fund's portfolios lost approximately 1.5% for the year ended June 30, 2001 versus earning 9.5% for the year ended June 30, 2000.

Additions to Plan Assets (millions)	FY 2001	FY 2000
Employer contributions	\$ 77.1	\$ 79.5
Employee contributions	149.1	145.5
Net investment income	(191.5)	941.8
Miscellaneous	—	.2
Total Additions	\$ 34.7	\$ 1,167.0

Introductory Section

DEDUCTIONS FROM PLAN ASSETS

Deductions from plan assets represent many characteristics of an actuarially mature employee group, with modest increases in most benefit categories. Pension benefits increased as new pensioners were added to the pension payroll, with their benefits based on higher salaries and an improved benefit formula. The health insurance premium rebate, changed by state law from a maximum of \$25 million to \$40 million plus any carryover from prior periods, was disbursed at 85% of covered premiums for the 2001 fiscal period. Total deductions from plan assets amounted to \$512.5 million, compared to \$454.8 million for the previous year, as reflected below:

Deductions from Plan Assets (millions)	FY 2001	FY 2000
Pensions	\$ 445.2	\$ 406.1
Refunds	15.0	14.7
Death benefits	3.3	3.4
Insurance premiums	44.1	26.1
Administration	4.9	4.5
Total Deductions	\$ 512.5	\$ 454.8

INVESTMENT AUTHORITY AND PERFORMANCE

The Trustees' investment authority is found in the Illinois Compiled Statutes, Chapter 40, Act 5, Articles 1 and 17. A discussion of the specific investment authority, policy provisions, diversification posture, performance objective and asset allocation is provided in the Investment Section of this report.

As of June 30, 2001 investments at fair market value totaled \$9.7 billion. This compares with \$10.2 billion as of June 30, 2000. The Fund's investment performance rate of return for the year ending June 30, 2001 was (1.5%), compared to 9.5%, for the year ending June 30, 2000. The ten-year rate of return posted by the Fund for the period ending June 30, 2001 was 11.7%, which is a slight decrease from the previous year's ten-year return of 13.8%. Refer to the Investment Section of this report for more detailed performance information.

The Board of Trustees, with their professional staff, consultants, and multiple investment managers, maintain an asset allocation program designed to obtain the highest expected return on investments consistent with a level of risk appropriate for a large public employee retirement system. The Trustees continue to monitor and adjust their strategic asset allocation among investment types and manager styles. Opportunities to improve the financial strength of the Fund will continue to be explored in accordance with high standards long in effect.

ECONOMIC REVIEW AND OUTLOOK

The twelve-month period ended June 30, 2001 was a turbulent year for investment performance. Economic growth weakened substantially during fiscal year 2001 with an annualized growth rate of only 1.4%, much lower than the 3.5%-4% rate predicted by economists at the beginning of the year. The unemployment rate rose to 4.5% at June 30, 2001 from 4.0% a

Introductory Section

year earlier; this is the highest level since November 1992. The underlying rate of inflation in fiscal year 2001 remained calm, increasing 3.2% for the year, down from 2000's increase of 3.5%. The economy's performance has shifted from good to anemic. The Fed eased monetary policy through six interest rate decreases (275 basis points) with the hopes of stimulating business and consumer spending. The federal funds rate at June 30, 2001 was 3.75%, its lowest level in seven years. The Government also attempted to stave off recession by passing the Economic Growth and Tax Relief Reconciliation Act of 2001. This fiscal stimulus and the Fed's monetary easing were expected to prevent further erosion of the gross domestic product.

ACCOUNTING SYSTEM AND INTERNAL CONTROLS

This report was prepared to conform to the principles of governmental accounting and reporting as pronounced by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. The accrual basis of accounting was used to record the assets, liabilities, revenues and expenses of the Fund. Revenues are recognized in the accounting period in which they are earned, without regard to the date of collection, and expenses are recorded when the corresponding liabilities are incurred, regardless of when payment is made.

In developing the Fund's accounting system, consideration is given to the adequacy of internal accounting controls. These controls are designed to provide reasonable assurance regarding the safekeeping of assets and the reliability of financial records. Constant effort is directed by the Fund administration at improving the level of internal accounting control to ensure the members of the Fund of a financially sound retirement system.

LEGISLATIVE DEVELOPMENTS

Many legislative developments occurred in 2001 that had an impact on the Fund. Major pension legislation that passed during the year and was signed into law by the Governor included the following:

House Bill 4435 (Public Act 91-705) appropriated \$65,044,700 for the Fund from the State of Illinois for the period July 1, 2000- June 30, 2001;

House Bill 3756 (Public Act 91-852) increased the health insurance subsidy for eligible pensioners by \$15 million annually to \$40 million; the Act will allow the Trustees to continue, at their discretion, to subsidize health insurance premiums in the foreseeable future;

House Bill 1583 (Public Act 91-887) was signed by the Governor on July 6, 2001. Its key features were (1) removing the suspension of pensions of retired teachers that work in a school district outside of the Chicago Public Schools and (2) providing that disability pensions be computed using the 2.2% pension formula provided that the teacher completes all necessary upgrade payments.

House Bill 2157 (Public Act 92-0416) was passed by both houses of the Illinois General Assembly on May 31, 2001 and signed by the Governor on August 17, 2001. It provided for additional benefits to pensioner members who retired under the 1993 Early Retirement Incentive program offered by the Chicago Public Schools. Additionally, it eliminated the 2.2 upgrade costs for any teacher member who had at least 30 years of creditable service and all pensioner members who retired on or

Introductory Section

after July 1, 1998 with at least 30 years of creditable service.

The Trustees and Fund administrators will continue to work diligently to represent the interests of the members through further accomplishment of the Trustees' legislative agenda.

MAJOR INITIATIVES

The Fund and its Trustees continued to work to enhance the Fund's investment program, strengthen the Fund's benefits, and improve office operations.

The Fund continued to attempt to maximize investment performance while maintaining acceptable levels of risk. The Board reviewed its target allocations and increased international equity exposure to 12.5% of the portfolio from 10%; this increase was offset by a decrease in domestic equity exposure. Additionally, the Board performed due diligence over its fixed income managers, large cap equity managers, and its public REIT managers in order to monitor performance and compliance. Finally, as the Fund continues to invest in real estate (5% of portfolio), the Board implemented recommendations of its real estate investment consultant to rebalance the real estate portfolio. There was a special emphasis placed by the Board this year in further refining its minority brokerage policy and monitoring the Fund's investment manager compliance with the policy.

The Board, in conjunction with the Fund's consultants, continued to work in Springfield toward improving benefits for the members. Approved legislation has been discussed previously.

Fund operations continued to focus on strengthening operations, improving internal controls, and developing formalized policies and procedures. The Board approved numerous technology projects in fiscal year 2001.

- The Fund initiated converting and storing all paper records electronically and thus commenced the conversion to a paper-free office. This project is a major undertaking due to imaging over 3 million existing records and also establishing a sound process for imaging future documents. This project will not only improve the operations of the Fund, but also provide a new level of security over our records.
- The Board and management continued to investigate possible database solutions to the Fund's processing of pension payments, pensioner records, and active teacher records management, including contributions and membership statements. A vendor was selected by the Board in August 2001 and will commence work January 2002.
- Finally, the Fund completed development of its website which provides current information about the pension fund and benefits.

The Board has supported management and is committed to moving into an automated work environment.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting for the twelfth consecutive year to the Fund for the period ending June 30, 2000. In order to be awarded the Certificate, the Fund must publish an easily readable and efficiently organized comprehensive annual financial report, whose

Introductory Section

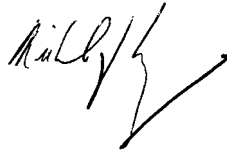
contents conform to the GFOA program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement is valid for a period of one year only. We believe that our current report continues to conform to the Certificate of Achievement requirements, and we are submitting it to the GFOA for continued eligibility.

CONCLUDING COMMENTS

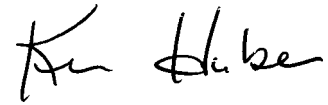
At the November 2000 meeting of the Board, Mary Sharon Reilly was re-elected President. Further organization of the Board included Patricia A. Knazze, Vice President, Maria J. Rodriguez, Recording Secretary, and Jack Silver, Financial Secretary. Chairs of standing committees included Dr. Walter E. Pilditch, Claims and Service Credits, Jack Silver, Finance, John F. O'Brill, Pension Laws and Rules, and Shirley J. Anderson, Investments.

This annual report of the Public School Teachers' Pension and Retirement Fund of Chicago was prepared through the combined efforts of the Pension Board of Trustees, the Fund's actuary, certified public accountants, and administrative staff. We want to express our gratitude and appreciation for the diligence of all contributors in the preparation of this publication.



MICHAEL J. NEHF

Executive Director



KEVIN HUBER

Chief Financial Officer



Financial Section

Financial Section



303 East Wacker Drive
Chicago, IL 60601-5212

Telephone 312 665 1000
Fax 312 665 6000

Independent Auditors' Report

The Board of Trustees
Public School Teachers' Pension and
Retirement Fund of Chicago
Chicago, Illinois:

We have audited the accompanying Statements of Plan Net Assets of the Public School Teachers' Pension and Retirement Fund of Chicago (Fund) as of June 30, 2001 and 2000, and the related Statements of Changes in Plan Net Assets for the years then ended. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audits.

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 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 opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Public School Teachers' Pension and Retirement Fund of Chicago as of June 30, 2001 and 2000, and the results of its operations for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The other supplementary information included in Schedules 4 through 7 is presented for the purpose of additional analysis and is not a required part of the basic financial statements of the Fund. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects in relation to the basic financial statements taken as a whole.

The required supplementary information listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures to the required supplementary information in Schedules 1 through 3, which consisted principally of inquiries of management regarding the method of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

November 9, 2001

KPMG LLP



KPMG LLP, KPMG LLP, a U.S. limited liability partnership, is a member of KPMG International, a Swiss association.

Financial Section

Statements of Plan Net Assets

June 30, 2001 and 2000

	2001	2000
ASSETS		
Cash and cash equivalents	\$ 470,282,798	388,323,946
Receivables:		
Intergovernmental	14,569,454	18,524,944
Employee	31,847,464	38,035,322
Accrued investment income	59,343,290	54,687,251
Due from brokers	170,978,228	86,317,371
Participating teachers' accounts for contributions	1,838,732	1,161,105
Other receivables	670,265	449,449
	279,247,433	199,175,442
Investments, at fair value:		
Fixed income	2,884,065,768	2,804,998,583
Equity	6,244,578,940	6,857,967,651
Real estate	557,938,843	517,133,923
	9,686,583,551	10,180,100,157
Securities lending collateral	1,258,880,972	1,364,470,354
Prepaid expenses	1,816	1,667,655
Fixed assets net of accumulated depreciation	248,056	80,623
TOTAL ASSETS	11,695,244,626	12,133,818,177
LIABILITIES		
Benefits payable	3,122,611	3,170,438
Refunds payable	2,755,499	1,518,569
Accounts and administrative expenses payable	7,775,148	6,812,147
Securities lending collateral	1,258,880,972	1,364,470,354
Due to brokers	311,161,450	168,470,489
TOTAL LIABILITIES	1,583,695,680	1,544,441,997
Net assets held in trust for pension benefits (an unaudited schedule of funding progress is presented on page 30)	\$10,111,548,946	10,589,376,180

See accompanying notes to financial statements.

Financial Section

Statements of Changes in Plan Net Assets

Years ended June 30, 2001 and 2000

	2001	2000
ADDITIONS:		
Contributions:		
Intergovernmental, net	\$ 77,065,122	79,519,385
Employee contributions	149,094,964	145,458,741
	226,160,086	224,978,126
Investment income:		
Net appreciation (depreciation) in fair value	(509,220,567)	632,425,737
Interest	255,667,530	247,393,544
Dividends	84,517,978	82,756,036
Securities lending	6,483,772	7,330,521
Less investment expense:		
Investment advisory and custodial fees	27,021,678	25,870,513
Securities lending expense	1,974,425	2,199,154
	(191,547,390)	941,836,171
Miscellaneous	70,078	209,760
TOTAL ADDITIONS	34,682,774	1,167,024,057
DEDUCTIONS:		
Pension benefits	445,265,874	406,094,675
Refunds	14,988,165	14,719,999
Death benefits	3,310,913	3,393,797
	463,564,952	424,208,471
Refund of insurance premiums	44,088,569	26,144,939
Administrative and miscellaneous expenses	4,856,487	4,509,764
TOTAL DEDUCTIONS	512,510,008	454,863,174
NET INCREASE (decrease)	(477,827,234)	712,160,883
Net assets held in trust for pension benefits at beginning of period	10,589,376,180	9,877,215,297
Net assets held in trust for pension benefits at end of period	\$10,111,548,946	10,589,376,180

See accompanying notes to financial statements.

Financial Section

Notes to Financial Statements

June 30, 2001 and 2000

(1) DESCRIPTION OF PLAN

The Public School Teachers' Pension and Retirement Fund of Chicago (Fund) is the administrator of a multi-employer defined benefit public employee retirement system. The state legislature established the Fund in 1895 to provide retirement, survivor, and disability benefits for certain certified teachers and employees of the Chicago public schools and City of Chicago Charter Schools. The Fund is administered in accordance with Illinois Compiled Statutes (ILCS) Article 40 Chapter 5/17. The Fund is governed by a 12-member Board of Trustees (six elected by the teacher contributors, three elected by the annuitants, one elected by the principal contributors, and two appointed by the principal employer, the Chicago Board of Education). The Board of Trustees is authorized by state law to make investments, pay benefits, hire staff and consultants, and carry out all the necessary functions of the Illinois Pension Code.

As of June 30, 2001 and June 30, 2000, the Fund membership consisted of the following:

	2001	2000
Retirees and beneficiaries currently receiving benefits	17,298	16,688
Terminated members entitled to benefits but not yet receiving them	1,316	1,233
Current members:		
Vested	23,930	24,116
Nonvested	13,718	11,284
	56,262	53,321

A member with at least 20 years of service and who has attained 55 years of age is entitled to a pension. A member with at least five years of service but less than 20 years of service is entitled to a pension on attainment of age 62. In the case of retirement prior to age 60 with less than 35 years of service, the retirement pension is reduced one-half of 1% for each month that the member is under age 60.

A retirement pension is determined by either (1) applying specified percentages which vary with years of service to the average salary earned or (2) applying a flat 2.2% to the average salary earned for each year of service. Public act 90-852 increased the retirement annuity formula to 2.2% of final average salary for each year of service earned after June 30, 1998. Employees may upgrade service to the 2.2 formula for years prior to July 1, 1998 by making certain additional contributions to the Fund. Beginning July 1, 1998, employee contributions increased from 8% to 9% of salary to account for the increased

Financial Section

benefit. Annuitants who retired after 1959 receive an annual 3% increase in the retirement pension beginning January 1 following attainment of age 61 or following the first anniversary of retirement, whichever is later.

A survivor pension is payable upon the death of a contributor or pension member of the Fund. The benefit is the greater of 50% of earned pension or an amount based on the average of the four highest years of salary in the last ten years of service or on the average salary for the total service, if less than four years, with certain qualifications. A 3% automatic annual increase is paid on survivor pension benefits. A single sum death benefit is also payable on the death of a contributor or pension member of the Fund, with certain qualifications.

A disability pension is payable in the event of total or permanent disability with certain qualifications and service requirements. A duty disability benefit, equal to 75% of final salary, is provided upon the total incapacity for further teaching as a result of an injury sustained while in teaching service. A non-duty disability is payable after ten or more years of service and is 1 2/3% of average annual rate of salary for every year of creditable service earned by the member. A 3% automatic annual increase is paid on disability pensions after the first anniversary of the pension or the pensioner's 61st birthday, whichever is later.

A recipient of a retirement pension, survivor pension, or disability pension may be eligible to participate in a health insurance program and premium rebate sponsored by the Fund, provided the Fund is the recipient's final pension system prior to retirement. The purpose of the program is to help defray the pension member's premium cost for health insurance. The total health insurance benefits provided in any one year are established by the Illinois Compiled Statutes and may not exceed \$40,000,000 plus any previous year amounts authorized but not yet expended. The Fund has total discretion over the program, and no employee or employer contributions are made for the subsidy. The Fund's Board may discontinue the program at any time by eliminating its funding.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of a primary government, as well as its component units, which are legally separate organizations for which the elected officials of the primary government are financially accountable. Financial accountability is defined as:

- (1) Appointment of a voting majority of the component unit's board and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or
- (2) Fiscal dependency on the primary government.

Based upon the required criteria, the Fund has no component units and is not a component unit of any other entity.

Financial Section

Basis of Accounting

The Fund's financial statements are prepared using the accrual basis of accounting, following standards promulgated by GASB. Employee and employer contributions are recognized as additions in the period in which the employee services are performed. Benefits and refunds are recognized as deductions when due and payable in accordance with the terms of the plan.

Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits and uninvested funds held by the Fund's investment managers. Short-term investments consist of investments, which mature within six months of the date acquired by the Fund.

Investments are governed by Section 5/15, Chapter 40 of the Illinois Compiled Statutes. These statutes authorize the Fund to invest in accordance with the prudent person rule, which states that fiduciaries will exercise the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent man acting in a like capacity with such matters would use in the conduct of an enterprise of a like character with like aims.

Plan investments are reported at fair value. Fair value for equities is determined by using the closing price listed on the national securities exchanges as of June 30. Fair value for fixed income securities is determined principally by using quoted market prices provided by independent pricing services. Fair value for real estate investments is determined by appraisals.

Property and Equipment

Property and equipment are carried at cost. Depreciation is computed by the straight-line method based upon estimated useful lives of 50 years for building and improvements and three to 5 years for furniture and equipment.

Administrative Expenses

Administrative expenses are budgeted and approved by the Fund's Board of Trustees. Funding for these expenses is included in the employer contributions as determined by the annual actuarial valuation.

Reclassifications

Certain June 30, 2000 amounts have been reclassified to conform with the June 30, 2001 financial statement presentation.

Financial Section

(3) RECEIVABLES

As of June 30, 2001 and 2000, intergovernmental receivables include contributions due from the Board of Education, appropriations due from the State of Illinois and federal funds due for employees working under federal grants as follows:

	2001	2000
Board of Education —		
Early retirement programs	\$ 8,399,459	12,466,140
State of Illinois appropriations	5,420,392	5,420,392
Federal funds	749,603	638,412
	\$14,569,454	18,524,944

Employee contributions include amounts deducted from the employee's compensation during the year to be remitted to the Fund by the Employer as well as contributions made by the employees to upgrade their service cost to the 2.2 formula. The Employer owed on behalf of the employees \$15,327,505 and \$17,350,117 at June 30, 2001 and 2000, respectively. Employees owed the Fund \$16,519,959 and \$20,685,205 for the 2.2 formula upgrade at June 30, 2001 and 2000, respectively.

(4) DEPOSITS AND INVESTMENTS

At June 30, 2001, the bank balance and carrying amount of the Fund's deposits, excluding \$200 of petty cash, amounted to \$471,877,043 and \$470,282,598, respectively. At June 30, 2000, the bank balance and carrying amount of the funds deposits, excluding \$200 of petty cash were \$391,861,945 and \$388,323,746, respectively.

The deposits of the Fund are insured or collateralized by securities recorded in the Fund's name and held by the Fund's agent. The following table presents a summarization of the fair values of the Fund's investments at June 30, 2001 and June 30, 2000. All categorized investments are insured or collateralized and are held by the Fund's master custodian (Northern Trust Bank) in the Fund's name. Investments in commingled funds are not categorized because the relationship between the Fund and the investment agent is a direct contractual relationship, and a transferable instrument that evidences ownership or creditorship does not support the investments.

Financial Section

	Fair Value	
	June 30, 2001	June 30, 2000
CATEGORIZED:		
Fixed income securities:		
Government	\$ 799,047,751	834,119,812
Corporate	944,743,435	790,083,238
Other miscellaneous	184,166,242	149,518,428
	1,927,957,428	1,773,721,478
Equity securities	5,642,084,245	6,224,588,348
TOTAL CATEGORIZED	7,570,041,673	7,998,309,826
NON-CATEGORIZED:		
Real estate	557,938,843	517,133,923
Private equity	87,175,989	75,376,515
Securities lending:		
Investments held by master trustee		
under securities loans	1,471,427,046	1,589,279,893
Securities received from securities lending	1,258,880,972	1,364,470,354
TOTAL INVESTMENTS	\$10,945,464,523	11,544,570,511

Ownership of Greater than 5% of Net Assets Available for Benefits

There are no significant investments in any organization that represent 5% or more of net assets available for benefits.

Derivatives

The Fund periodically invests in forward and futures contracts representing agreements to buy or sell a specified amount of an underlying security at a given delivery or maturity date for an agreed-upon price. The Fund's use of these securities is limited to small positions in the Fund's international equity and commingled minicap domestic equity portfolios established for hedging or risk reducing, not for speculative purposes.

As of June 30, 2001 and 2000, the Fund held forward currency contracts representing agreements to buy or sell U.S. dollars, Japanese yen, U.K. sterling, French francs, Spanish pesetas, Swedish kroners, Australian dollars, Deutsche marks, Austrian shillings, Netherland guilders and Swiss francs upon established future dates for agreed-upon prices. These forward currency contracts held by the Fund allow it to lock in future foreign exchange rates, thus reducing risk stemming from currency fluctuations. As of June 30, 2001 and 2000, the fair values of the obligations under the purchase side of these forward contracts amounted to \$75,037,494 and \$81,060,870, respectively, and the fair values of the obligations under the sale side of these forward contracts amounted to \$77,152,699 and \$79,413,536, respectively.

Financial Section

Additionally, as of June 30, 2001, the Fund held 20,180,905 units (33.7%) of two commingled equity trust funds managed by a national bank. The total obligation to purchase stocks under the futures contracts held by this commingled fund represented 1.6 % of the commingled funds total assets. As of June 30, 2000, the Fund held 20,189,076 units (28.9 %) of two commingled equity trust funds managed by a national bank. The total obligation to purchase stocks under the futures contracts held by this commingled fund represented 2.2% of the commingled fund's total assets. These futures contracts held allow the commingled fund to maintain exposure to the market without incurring the transaction costs involved in immediate reinvestment of dividend payments. Since these futures positions are covered by the cash received through dividend payments on stocks held in the commingled fund, this does not represent a leveraged or speculative position. Rather, in order to reduce the risk of being out of the market, the investment manager has chosen to use futures contracts as a low-cost substitute for direct ownership of the underlying securities.

Securities Lending

Fund policies permit the Fund to lend its securities to broker-dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The Northern Trust Company, the Fund's master custodian, lends securities of the type on loan at year-end for collateral in the form of cash, irrevocable letters of credit or other securities of at least 102 percent of the lent securities' fair value, and international securities for collateral of at least 105 percent. Securities lent at year end for cash collateral are presented as not categorized in the preceding schedule of custodial credit risk; securities lent for securities collateral are classified according to the risk categorization for the collateral received. At year-end, the Fund has no credit risk exposure to borrowers because the amount the Fund owes to the borrowers exceeds the amounts the borrowers owe to the Fund. The contract with the Fund's master custodian requires it to indemnify the Fund if the borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the Fund for income distributions by the securities issuers while the securities are out on loan. All securities loans can be terminated on demand by either the Fund or the borrower, although the average term of the loans is one week. Cash collateral is invested in the lending agent's short-term investment pool, which at year-end has a weighted average maturity of 72 days.

The relationship between the maturities of the investment pool and the Fund's loans is affected by the maturities of the securities loans made by other entities that use the agent's pool, which the Fund cannot determine. The Fund has the ability to pledge or sell collateral securities.

Loans outstanding as of	June 30, 2001	June 30, 2000
Fair value of securities loaned	\$1,471,427,046	1,589,279,893
Fair value of cash collateral from borrowers	1,258,880,972	1,364,470,354
Fair value of non cash collateral from borrowers	255,563,958	265,055,173

(5) CONTRIBUTIONS AND RESERVES

The funding policy of the Fund provides for employer contributions which, when added to contributions received from employee members and earnings on investments, will be sufficient for the requirements of the Fund.

On annual basis, an actuarial valuation is performed in order to determine the amount of required contributions on behalf of the Fund. The Illinois Compiled Statutes (Public Act 89-15) provide for an actuarially determined funding plan intended to maintain the assets of the Fund to a level equal to 90% of the liabilities of the Fund.

The Chicago Board of Education (employer) is required by law to make contributions to the Fund only to the extent that the Fund's actuarially determined funding level drops below 90% by the end of the fiscal year. The employer is then required to make contributions to the Fund in order to ensure the actuarial value of assets is 90% of the actuarial value of liabilities. In years where the funding rate exceeds 90%, no employer contribution is required.

Member Contributions

Member contributions, established by the Illinois Compiled Statutes, are 9% of the full salary rate, of which 1% applies to survivors' and children's pensions benefits.

Other Contributions

The State of Illinois makes an annual contribution to the Fund to supplement any employer contribution. This contribution is considered an intergovernmental contribution.

Federal funds are actuarially based amounts contributed to the Fund for the accruing pension cost of teachers whose salaries are paid from special trusts or federal funds.

Early Retirement Programs

Incentive Program — In accordance with the Illinois Compiled Statutes, early retirements were made available to eligible Chicago teachers during the 1993 and 1994 years (early retirement incentive programs). Under the early retirement incentive programs, teachers who had attained age 50 and had at least 5 years of creditable service were able to establish up to 5 years of additional creditable service by making such election. An employer contribution of \$5,541,713 at June 30, 2001 and June 30, 2000 is shown as an intergovernmental receivable in the accompanying financial statements.

Optional Program — Eligible Chicago Teachers age 55 to 60 may retire without discount if the Board of Education passes a resolution for the early retirement without discount program in accordance with the Illinois Compiled Statutes. A contributor is eligible if they:

- have at least 20 but less than 34 years of service or 33.95 years of service upgraded to 2.2;
- retire within 6 months of the last day of teaching service (or payroll period) for which pension contributions were made.

Financial Section

The contributor and the Board of Education must each make a one-time contribution to the Fund. The employee contribution equals 7% of the member's last full-time salary rate multiplied by (1) the number of years the member is under 60, or (2) the number of years the employee's creditable service is less than 34, whichever is less. The employer contribution equals 20% of such salary multiplied by the number of years used in the employee contribution calculation. The number of teachers who may retire under this election may be limited by the Board of Education.

The Board of Education paid \$7,468,784 and \$0 of the required employer contributions related to early retirement optional program during the year ended June 30, 2001 and June 2000, respectively. The remaining employer contribution of \$2,857,746 and \$6,924,427 at June 30, 2001 and June 30, 2000 is shown as an intergovernmental receivable in the accompanying financial statements.

(6) INSURANCE COVERAGE

The Fund is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Fund has minimized the risk of loss through private insurance carriers with deductibles for coverage ranging from \$250 to \$500 per occurrence. The amount of settlements has not exceeded insurance coverage in any of the previous three fiscal years.

(7) LITIGATION

There are several pending lawsuits in which the Fund is involved. Management believes that the potential claims against the Fund would not materially affect the financial statements of the Fund.

(8) SUBSEQUENT EVENTS

Decrease in Fair Value of Investments

The Fund had a significant decrease in its investment portfolio subsequent to year-end due to declining market conditions as a result of a softening economy and the terrorist acts of September 11, 2001. During the period from July 1, 2001 through October 31, 2001, the fair value of the Fund's investments decreased approximately \$712,870,281 (7.4 %).

Legislation

Illinois House Bill 2157 was signed into law on August 17, 2001. The law provides additional benefits to (1) pensioner members who retired under the 1993 ERI program and (2) any teacher member or pensioner member who reached 30 years of service and who paid contributions to upgrade to the 2.2% augmented retirement rate. The additional benefits provided under the 1993 ERI program include a lump sum benefit payment made after a retroactive calculation of their annuity. The additional benefits provided under the 2.2 revision include a refund to members who made contributions in order to upgrade to the 2.2% augmented retirement rate. As a result of these changes, the Fund will record pension benefits and refunds of approximately \$40.1 million and \$15.3 million, respectively, in the statement of changes in plan net assets for the year ended June 30, 2002.

Financial Section

Schedule of Funding Progress (Unaudited)

June 30, 2001

(In thousands, except for percentages)

Schedule 1

Valuation date	Net assets available for benefits (A)	Actuarial accrued liability (AAL)	Unfunded (assets in excess of) actuarial accrued liability (UAAL)	AAL funding ratio	Annual covered payroll	UAAL as a percent of annual covered payroll
August 31, 1996	\$ 6,533,032	6,949,832	416,800	94.00%	\$1,278,739	32.59%
August 31, 1997	7,264,692	7,248,110	(16,582)	100.23	1,362,611	(1.22)
August 31, 1998 (B)	7,798,404	8,015,603	217,199	97.29	1,434,015	15.15
June 30, 1999 (C)	8,620,060	8,551,880	(68,180)	100.80	1,521,182	(4.48)
June 30, 2000 (D)	9,612,203	9,940,372	328,169	96.70	1,651,810	19.87
June 30, 2001	10,387,569	10,392,704	5,135	99.95	1,690,264	.30

(A) The actuarial value of assets available for benefits was determined by adjusting the value of assets at cost by the average excess of the market value of assets over assets at cost as of the last four fiscal periods.

(B) Public act 90-582 increased the retirement annuity formula effective July 1, 1999 which resulted in an increase in the actuarial accrued liability of approximately \$491 million as of August 31, 1999.

(C) During 1999, the Fund elected to change its fiscal year end from August 31 to June 30.

(D) The Fund made changes in the mortality, retirement, disability, termination and salary increases assumptions for the fiscal year ended June 30, 2000. The impact of the assumption changes increased the total actuarial liability by \$524,787,368.

See accompanying independent auditors' report.

Financial Section

Schedule of Contributions (Unaudited)

June 30, 2001

Schedule 2

Period ended	Contributions			Total contribution as a percentage of annual required contribution
	Annual required	Employee	Employer	
August 31, 1996	\$238,285,247	97,743,118	72,580,416	71.48%
August 31, 1997	244,818,090	103,870,728	91,776,705	79.92
August 31, 1998	228,875,569	115,155,574	75,069,133	83.11
June 30, 1999 (A)	254,396,505	150,421,632	60,201,082	82.79
June 30, 2000	275,346,879	145,458,741	79,519,385	81.71
June 30, 2001	337,585,414	149,094,964	77,065,122	66.99

(A) During 1999, the Fund elected to change its fiscal year end from August 31 to June 30. As a result, the 1999 contributions are reported for a ten-month period.

See accompanying independent auditors' report.

Financial Section

Notes to Trend Data (Unaudited)

June 30, 2001

Schedule 3

Valuation Date	June 30, 2001
Actuarial cost method	Projected unit credit
Amortization method	40 year level percent of payroll amortization of the unfunded liability
Amortization approach	Open
Remaining amortization period	40 years
Asset valuation method	4 year smoothed market value
Actuarial Assumptions:	
Investment rate of return	8.0% per year
Projected salary increases *	Rate of increase varying by age. In terms of the impact on liabilities and costs, the assumed rates of increase are equivalent to an average salary increase of 5.5%per year.
Inflation rate	3% per year
Postretirement benefit increase	3% per year

* Includes inflation at cost-of-living adjustments

See accompanying independent auditors' report.

Financial Section

Administrative and Miscellaneous Expenses

Years ended June 30, 2001 and 2000

Schedule 4

	2001	2000
Salaries	\$2,766,610	2,610,503
Actuary fees	45,500	41,750
Auditing	31,000	30,500
Conferences, seminars, and membership dues	27,373	15,975
Consulting fees	76,095	27,415
Data processing	29,463	27,163
Depreciation	90,836	133,812
Document imaging	9,767	—
Election expense	1,035	23,987
Employees' health insurance	461,078	406,940
Health insurance consulting	69,870	45,730
Insurance premium	14,452	11,496
Legal fees	162,538	118,880
Legislative expense	83,055	74,550
Maintenance of equipment, systems, software, and support	54,353	66,394
Medical fees	19,820	12,998
Office forms and supplies	52,296	59,975
Office rent and utilities	340,266	343,169
Postage	161,141	149,704
Printing and binding	212,047	171,900
Temporary staffing	4,096	36,724
Trustee conferences, seminars, and meetings	70,547	53,434
Legacy fund disbursements	6,307	8,429
Miscellaneous	66,942	38,336
Total	\$4,856,487	4,509,764

See accompanying independent auditors' report.

Financial Section

Schedule of Cash Receipts and Disbursements

Years ended June 30, 2001 and 2000

Schedule 5

	2001	2000
Cash and cash equivalents at beginning of period	\$388,323,946	501,491,185
Add receipts:		
Member contributions	154,605,195	149,314,233
Public revenues	81,020,612	72,576,027
Interest and dividends	342,013,241	332,451,254
Miscellaneous	(150,738)	567,925
Total cash receipts	577,488,310	554,909,439
Less disbursements:		
Benefit payments	448,624,614	407,365,242
Refunds	13,751,235	14,639,209
Refund of insurance premiums	44,088,569	26,144,939
Investment and administrative	31,391,183	31,420,504
Net investment purchases (sales)	(42,326,143)	188,506,784
Total cash disbursements	495,529,458	668,076,678
Net increase (decrease) in cash and cash equivalents	81,958,852	(113,167,239)
Cash and cash equivalents at end of period	\$470,282,798	388,323,946

See accompanying independent auditors' report.

Financial Section

Summary Schedule of Manager Fees

Years ended June 30, 2001 and 2000

Schedule 6

	2001	2000
Adams Street Partners, LLC	\$ 642,658	327,609
Ariel Capital Management	636,823	534,874
Banc of America	135,152	154,970
Brinson Partners, Inc.	765,303	751,019
Capri Capital Advisors	149,012	137,287
Dimensional Fund Advisors	523,819	462,256
Fidelity Capital Management Trust Co.	1,703,161	1,847,220
HarbourVest Partners, LLC	730,412	576,713
Harris Investment Management Inc.	653,750	622,532
Holland Capital Management	244,973	269,859
Iridian Asset Management, LLC	756,213	722,867
J & W Seligman & Co.	1,094,220	1,170,334
J.P. Morgan Fleming	1,892,606	1,732,896
LaSalle Investment Management	458,170	320,049
Lazard Asset Management	483,229	—
Lend Lease Office Opportunity Funds, L.P.	238,576	234,318
Lincoln Capital Management Co.	268,794	269,922
MDL Capital Management, Inc.	74,710	38,512
Mesirow Financial, Inc.	327,500	427,606
Morgan Stanley Investments, LP	3,121,847	2,925,223
New Amsterdam Partners	425,786	413,291
NTGI 500 Index Fund	151,526	182,020
NTGI Fixed Income	153,329	147,925
NTGI Midcap 400 Index	26,058	23,604
NTGI Minicap	287,598	323,712
Olympus Real Estate Corp.	327,051	375,000
The Blackstone Group L.P.	306,590	357,417
Oppenheimer Capital	395,483	363,921
Pantheon Ventures, Inc.	346,803	201,800
RREEF America REIT, Inc.	755,571	587,134
Schroder Investment Management	582,230	639,604
Smith Graham & Co.	154,198	139,914
SSR Tower - Metropolitan Life	431,625	390,217

Financial Section

Schedule 6 (continued)

Times Square Real Estate Investors	938,805	841,073
UBS Realty Investors, LLC	547,591	489,489
Waddell & Reed Asset Management Co.	771,837	787,323
Walton Street Real Estate, LP	369,811	211,676
Wellington Management Co., LLP	695,679	680,934
William Blair & Co.	615,352	508,151
Woodford Capital Management, LLC	159,173	182,684
Zevenbergen Capital Inc.	480,587	692,427
Zurich Scudder Investment, Inc.	1,607,991	1,962,668
Total manager fees	\$25,431,602	24,028,050
Mercer - General investment consultant	245,000	284,917
Northern Trust - Master custodian	650,655	549,004
The Townsend Group - Real estate consultant	128,799	—
Total consultant fees	1,024,454	833,921
Fees for foreign exchange and real estate	565,622	1,008,542
Total	\$27,021,678	25,870,513

See accompanying independent auditors' report.

Financial Section

Summary Schedule of Consultant Payments

Years ended June 30, 2001 and 2000

Schedule 7

	2001	2000
Anselmo & Associates	\$ 47,460	42,600
Cahill Printing Co.	94,508	58,231
Chicago Press Corporation	120,900	98,114
CLS Group, Inc.	—	1,000
The Direct Response Resource	17,672	11,368
E. M. Barnes & Associates	35,595	31,950
Freedom Imaging Systems, Inc.	13,251	11,832
Goldstein & Associates	45,500	41,750
Jacobs, Burns, Orlove, Stanton & Hernandez	162,538	118,880
KPMG LLP	31,000	44,500
Lapley & Associates	—	7,415
Lebenson Advanced Systems	6,095	—
Levi, Ray & Shoup, Inc.	75,642	—
The Segal Company	69,870	45,730
Walker Printery, Inc.	22,919	30,184
Total consultant payments	\$742,950	543,554

See accompanying independent auditors' report.



Investment Section

Investment Section

The Northern Trust Company
50 South La Salle Street
Chicago, Illinois 60675
(312) 630-6000



Northern Trust

To the Board of Trustees and the Executive Director:

The Northern Trust Company as custodian (“Master Custodian”) of assets of the Public School Teachers’ Pension and Retirement Fund of Chicago (“Fund”) held by it in a custodial account (the “Account”) has provided annual Statements of Account for the Account to the Fund which provide a complete and accurate reflection of The Northern Trust Company’s record of the investments, receipts, disbursements, purchases and sales of securities and other transactions pertinent to the Account for the period July 1, 2000 through June 30, 2001.

In addition to the custody of assets in the Account, pursuant to and in accordance with the terms of the Master Custody Agreement among the Board of Trustees of the Fund, The City Treasurer of the City of Chicago, and The Northern Trust Company dated October 25th, 1989 as amended (the “Custody Agreement”), The Northern Trust Company provided and continues to provide the following services as Master Custodian:

1. Receive and hold all amounts paid to the Account by the Board of Trustees.
2. Accept and deliver securities in connection with investment transactions in the Account in accordance with the instructions of appointed Investment Managers.
3. Collect dividends and registered interest payments.
4. Collect matured or called securities and coupons to the extent provided in the operating guidelines of The Northern Trust Company in effect from time to time.
5. Lend Securities in the Account pursuant to a Securities Lending Agreement entered into by and between the Board of Trustees, the City Treasurer of the City of Chicago, and The Northern Trust Company.
6. Invest cash balances held from time to time in the individual investment management accounts of the Account in short term-cash equivalent securities.
7. Facilitate the exercising of rights of ownership, including but not limited to, proxy voting, stock subscriptions and conversion rights as directed by the Fund or its appointed investment managers.
8. Hold securities in the Account in the name of the Fund or nominee form or other means as provided in the Custody Agreement.
9. Use the Federal Book Entry Account System for deposit of Treasury securities and clearing corporations as defined in Article 8 of the Illinois Uniform Commercial Code for the deposit of securities.
10. Employ agents to the extent provided in the Custody Agreement.
11. Provide disbursement services.
12. Provide security fail float income to the extent provided in the operating guidelines of The Northern Trust Company in effect from time to time.

THE NORTHERN TRUST COMPANY

Kathryn M. Stevenson, Vice President

Investment Section

**WILLIAM M.
MERCER**

Investment Consulting

December 5, 2001

Board of Trustees
Public School Teachers' Pension and Retirement Fund of Chicago
55 West Wacker Drive, Suite 1500
Chicago, Illinois 60601

Dear Trustees:

William M. Mercer Investment Consulting, Inc. is pleased to provide the following summary of investment results for the fiscal year ending June 30, 2001.

As of June 30, 2001, the Public School Teachers' Pension and Retirement Fund of Chicago (the Fund) had a \$10.0 billion market value, a \$0.4 billion decrease since June 30, 2000. Negative equity markets during the twelve month period contributed to the decline in asset value.

The twelve month period ending June 30, 2001, was marked by volatility within equity markets worldwide, while bond markets performed well.

- Growth strategies, which dominated the equity markets in the late 1990s, underperformed their value counterparts by wide margins. Small capitalization stocks outpaced their large capitalization counterparts with the Russell 2000 Index posting a 0.6% return, while the S&P 500 Index declined 14.8%.
- Amidst equity market uncertainty, domestic bonds performed well. The Lehman Brothers Aggregate Index returned 11.2% during the twelve month period, as investors fled the equity markets for the relative safety of bonds.
- Developed international markets, as measured by the EAFE Index, fell 23.3%, underperforming the domestic market, due largely to a strong U.S. dollar. Within the international equity markets, as in the United States, value-oriented sectors outperformed growth sectors, such as technology, media, and telecommunications (TMT). After a strong 1999, emerging markets participated in the global slowdown, declining 25.8% in U.S. dollar terms, largely due to performance in the second half of 2000.

Within this economic backdrop, the Fund returned -1.5% during the year ending June 30, outpacing its Index benchmark. The Fund ranked in the bottom half of the Mercer Composite Universe during this time period, due primarily to the allocations to equity index strategies. While the Fund did not meet its actuarial assumed rate of return of 8.0%, relative performance remained strong amidst significant equity market volatility, due largely to the fixed income allocation, coupled with above-Index equity performance. Over the trailing five year period, the Fund surpassed its comparative measures.

The total equity portfolio returned -8.7% during the year ending June 30, surpassing the Index benchmark return of -11.8% and ranking near the Universe median. Equity performance was primarily enhanced by strong results within the mid capitalization and international equity portions of the portfolio. Over the trailing five year period, the total equity portfolio outpaced its benchmarks, returning 13.5%.

The Fund's fixed income portfolio returned 11.4% during the one year period, exceeding the 11.2% Lehman Brothers Aggregate Index return. Performance over longer time periods approximated the Index. One year performance was augmented by the longer duration of the Lehman Brothers Government/Credit Index allocation, coupled with strong performance by several active managers.

The Townsend Group stated that real estate performance results were calculated in accordance with the Association for Investment Management and Research (AIMR) performance presentation standards. Mercer calculated non-real estate performance results in accordance with AIMR standards.

The Public School Teachers' Pension and Retirement Fund maintains an appropriately diversified strategy, designed to maximize return with an acceptable risk level.

Sincerely,

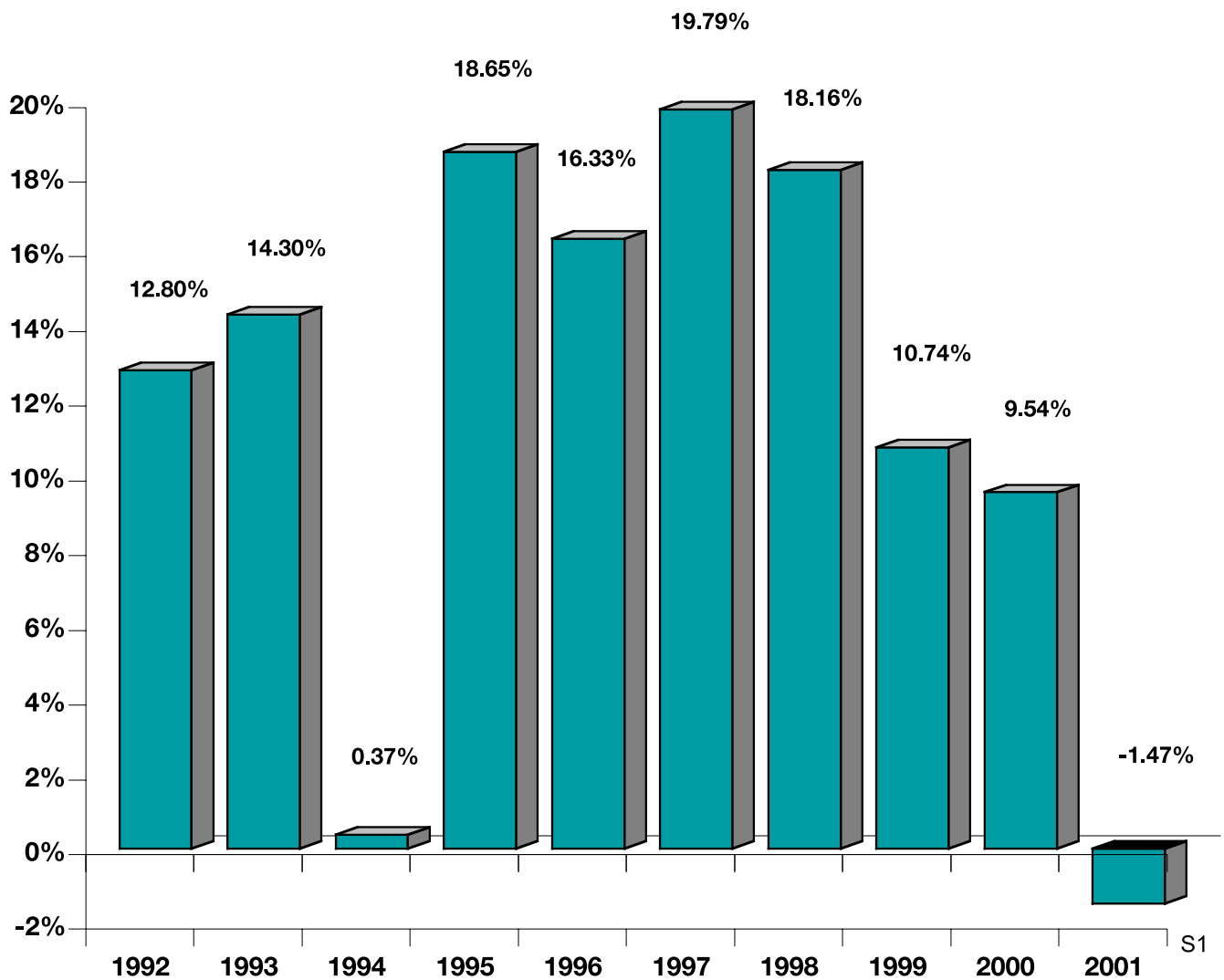
WILLIAM M. MERCER INVESTMENT CONSULTING, INC.



Brad A. Blalock, CFA
Principal

Investment Section

TOTAL ANNUAL FUND RATE OF RETURN
As of June 30
1992-2001



Investment Section

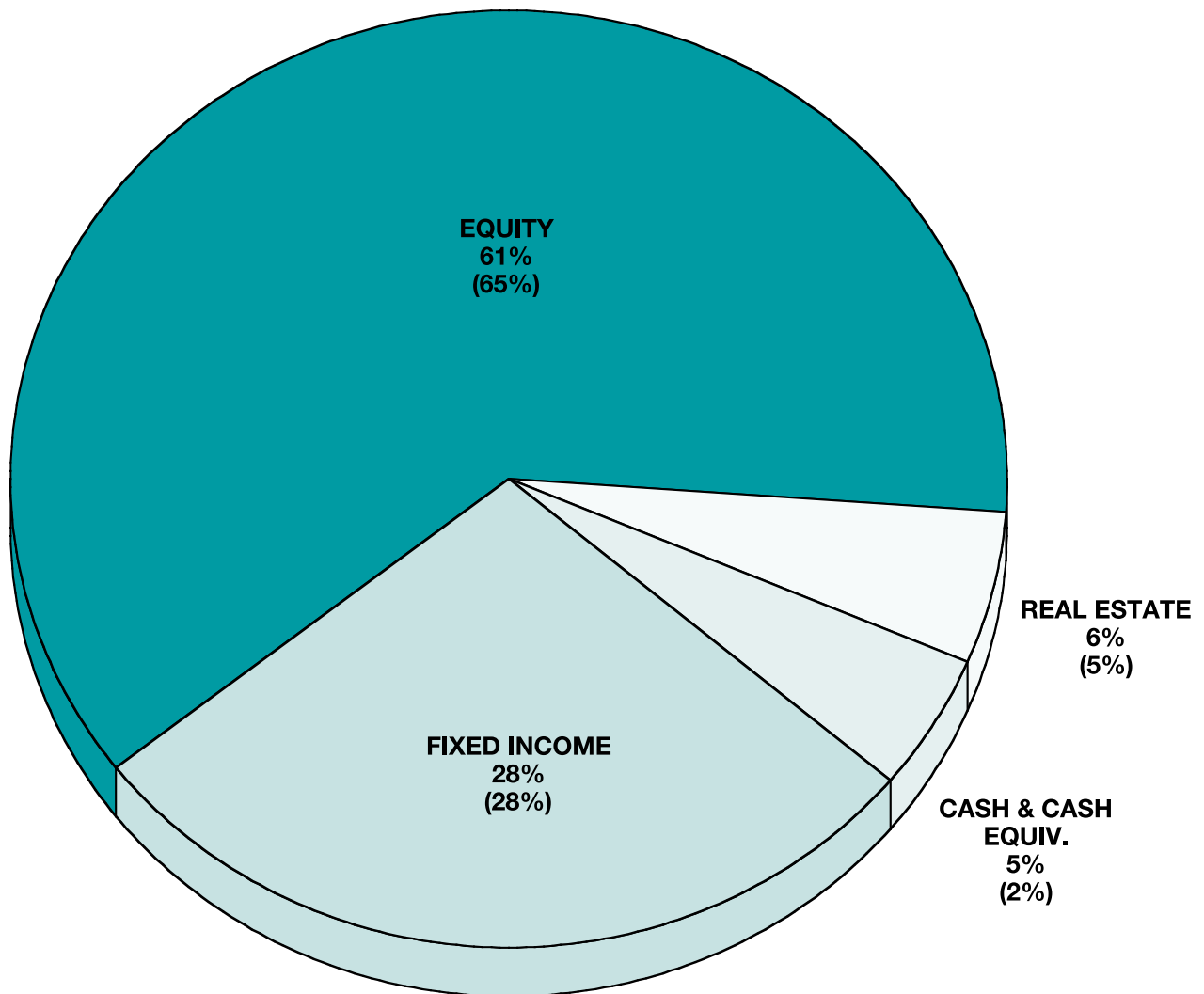
SCHEDULE OF INVESTMENT RESULTS

	FOR THE YEAR ENDED JUNE 30,					ANNUALIZED RETURNS (%)		
	1997	1998	1999	2000	2001	5 Years	3 Years	1 Year
Total Fund	19.79 %	18.16 %	10.74 %	9.54 %	-1.47 %	11.12	6.18	-1.47
Large Cap Equity	32.23	30.11	20.87	9.24	-10.38	15.28	5.77	-10.38
S&P 500	34.71	30.15	22.76	7.26	-14.83	14.48	3.90	-14.83
Mid Cap Equity	N/A	N/A	N/A	9.72	11.98	N/A	N/A	11.98
S&P Mid Cap	N/A	N/A	N/A	17.00	8.87	N/A	N/A	8.87
Small Cap Equity	21.95	21.93	1.64	18.56	-2.09	11.90	5.67	-2.09
Russell 2000	16.33	16.49	1.50	14.33	0.57	9.60	5.28	0.57
International Equity	21.35	11.23	8.62	21.97	-16.78	8.28	3.31	-16.78
MSCI EAFE	13.16	6.38	7.92	17.44	-23.32	3.19	-0.95	-23.32
Emerging Markets	19.82	-27.80	14.66	12.18	-27.56	-4.22	-2.33	-27.56
MSCI Emerging Markets Free	12.82	-39.08	28.71	9.47	-25.83	-6.40	1.48	-25.83
Fixed Income	8.08	10.94	2.85	4.32	11.44	7.47	6.14	11.44
LB Aggregate	8.16	10.55	3.13	4.56	11.23	7.48	6.25	11.23
REITs	N/A	9.68	-3.36	4.43	22.13	N/A	7.22	22.13
NAREIT	N/A	8.04	-8.98	3.03	24.42	N/A	5.28	24.42
Real Estate	12.60	17.26	14.13	13.08	11.60	13.72	12.93	11.60
NCREIF	11.43	18.20	13.60	12.59	11.51	12.70	11.90	11.20
Private Equity*	N/A	N/A	N/A	35.47	-9.81	N/A	N/A	-9.81

* Venture Capital returns may not be entirely reflective of the actual performance of the Fund due to the continual draw down of assets.

Investment Section

INVESTMENT PORTFOLIO ASSET ALLOCATION FAIR VALUE



Notes:

10.7% of fair value invested in foreign currency securities.

Private Equity represents less than 1% of the investment portfolio.

Parenthesis indicates target allocation approved by the Board of Trustees.

Investment Section

INVESTMENT PORTFOLIO SUMMARY

(IN MILLIONS OF DOLLARS)

	June 30, 2000			June 30, 2001		
	FAIR VALUE	PURCHASES	SALES (FAIR VALUE)	FAIR VALUE ADJUSTMENTS	FAIR VALUE	PERCENT OF TOTAL
FIXED INCOME						
Government	\$ 1,763.9	1,751.0	1,943.8	52.6	1,623.7	15.99%
Corporate	891.6	452.1	322.4	54.9	1,076.2	10.60
Miscellaneous	149.5	159.2	138.7	14.2	184.2	1.81
FIXED INCOME	2,805.0	2,362.3	2,404.9	121.7	2,884.1	28.40
EQUITY						
Stocks	6,611.7	2,526.7	2,531.1	(657.8)	5,949.5	58.57
Private Funds	75.4	34.3	9.5	(13.0)	87.2	0.86
Public REITS	170.9	65.6	56.1	27.5	207.9	2.05
EQUITY	6,858.0	2,626.6	2,596.7	(643.3)	6,244.6	61.48
REAL ESTATE	517.1	201.9	170.2	9.1	557.9	5.49
CASH & CASH EQUIV.	388.3	78.7*		3.3	470.3	4.63
TOTAL PORTFOLIO	\$10,568.4	5,269.5	5,171.8	(509.2)	10,156.9	100.00%

*Net of cash receipts & disbursements for year ending 6/30/01.

Investment Section

COMPARATIVE ANALYSIS INVESTMENT ASSETS AND YIELDS

INVESTMENT IN FIXED INCOME SEPTEMBER 1, 1959 - JUNE 30, 2001

August 31	Par Value (\$)	Fair Value (\$)	Average Yield (%)
1959	51,204,248	N/A	3.42
1960	61,507,248	N/A	3.71
1961	76,825,248	N/A	3.90
1962	89,663,748	N/A	4.22
1963	101,382,500	N/A	4.29
1964	113,788,500	N/A	4.30
1965	121,587,770	N/A	4.33
1966	133,356,692	N/A	4.39
1967	142,536,235	N/A	4.47
1968	156,676,589	N/A	4.68
1969	166,426,333	N/A	4.93
1970	176,850,040	N/A	6.44
1971	187,270,529	N/A	6.76
1972	207,630,761	165,500,000	6.94
1973	217,108,128	175,000,000	7.07
1974	242,088,745	172,000,000	7.48
1975	275,208,499	212,000,000	7.95
1976	308,722,152	265,000,000	8.18
1977	352,963,485	322,000,000	8.04
1978	378,978,430	329,000,000	8.06
1979	384,421,300	324,000,000	8.40
1980	542,348,526	428,500,000	9.50
1981	697,272,626	489,000,000	10.95
1982	784,789,776	646,000,000	12.09
1983	920,597,656	801,000,000	12.20
1984	972,637,768	818,000,000	12.01
1985	975,899,026	926,000,000	11.87
1986	1,054,479,986	1,101,000,000	11.25
1987	1,339,979,026	1,118,000,000	10.78
1988	1,487,011,423	1,255,000,000	10.00
1989	1,696,472,813	1,517,486,000	10.20
1990	2,006,968,966	1,800,889,881	9.63
1991	2,152,512,079	2,019,026,302	7.64
1992	1,840,674,022	1,798,456,122	7.10
1993	2,004,581,468	2,007,674,997	6.70
1994	1,948,863,801	1,961,388,352	7.40
1995	2,081,975,010	2,156,444,727	6.80
1996	2,608,252,405	2,604,193,297	7.02
1997	2,355,477,188	2,595,049,259	6.52
1998	2,800,289,621	3,214,613,051	6.08
June 30			
1999	2,554,527,358	2,794,078,376	6.22
2000	2,624,867,700	2,804,998,583	6.51
2001	2,622,642,491	2,884,065,768	6.33

N/A — Not Available

Investment Section

COMPARATIVE ANALYSIS INVESTMENT ASSETS AND YIELDS (continued)

INVESTMENT IN EQUITY MAY 14, 1964 - JUNE 30, 2001

August 31	Cost (\$)	Fair Value (\$)	Average Yield (%)*
1964	419,529	419,178	2.69
1965	1,622,530	1,665,048	3.05
1966	3,377,343	2,905,978	3.29
1967	5,198,701	5,479,112	3.34
1968	7,324,496	7,730,802	3.43
1969	13,194,933	12,948,139	3.14
1970	23,470,199	21,326,506	3.57
1971	34,727,593	38,451,156	3.61
1972	46,317,605	51,162,195	3.54
1973	55,088,695	50,162,751	3.40
1974	79,821,625	53,252,761	3.47
1975	101,429,443	95,480,746	4.02
1976	137,247,123	157,103,226	4.09
1977	162,849,550	171,455,910	4.18
1978	119,089,781	129,456,176	4.73
1979	109,213,120	122,465,859	5.40
1980	132,999,699	162,068,961	5.85
1981	196,408,551	221,103,199	5.85
1982	221,707,759	238,887,045	6.09
1983	424,439,842	528,792,404	5.22
1984	621,724,653	734,673,049	4.66
1985	790,212,674	1,014,840,382	4.18
1986	910,349,902	1,395,822,723	4.20
1987	1,313,251,426	1,980,057,396	3.68
1988	857,059,825	941,691,073	3.34
1989	679,137,244	1,006,057,307	3.95
1990	1,143,914,400	1,091,298,560	3.55
1991	1,457,356,534	1,655,481,619	3.00
1992	2,151,226,946	2,407,441,530	2.80
1993	2,236,739,700	2,910,618,508	1.90
1994	2,571,354,776	3,087,537,990	2.10
1995	2,771,364,577	3,680,803,988	2.60
1996	2,726,684,302	3,685,821,469	1.51
1997	2,862,257,684	4,695,096,170	1.10
1998	2,939,470,658	4,135,086,162	1.36
June 30			
1999	3,944,796,228	6,099,740,748	1.05
2000	4,516,176,888	6,857,967,651	0.95
2001	4,811,874,823	6,244,578,940	1.24

* This represents cash yield only. No recognition of unrealized gain or loss is included in this calculation.

Investment Section

BROKER COMMISSION REPORT (Domestic Agency Trades Only) For the year ended June 30, 2001

Brokerage Firm	Number of Shares	Dollars Traded (\$)	Commissions Paid (\$)	Commission Per Share (\$)
Berean Capital, Inc.	5,356,546	147,243,926	271,367	0.051
Citation Group	4,695,147	191,407,877	232,559	0.050
Gardner Rich & Co.	4,514,876	166,017,542	225,586	0.050
Correspondent Services Corp.	4,126,249	149,733,812	209,764	0.051
Merrill Lynch Pierce Fenner & Smith	5,377,766	203,101,200	185,824	0.035
First Boston Corp.	2,989,350	88,506,017	154,082	0.052
Instinet	4,039,480	140,956,951	145,288	0.036
Lehman Brothers, Inc.	2,583,350	78,614,217	133,063	0.052
Nutmeg Securities	2,216,170	98,670,246	111,451	0.050
Mesirow Financial, Inc.	2,177,925	71,124,227	108,896	0.050
Smith Barney, Inc.	2,128,500	72,023,171	108,064	0.051
Goldman Sachs & Co.	2,053,425	75,331,362	100,408	0.049
Donaldson Lufkin & Jenrette Securities Corp.	2,004,356	70,117,177	100,137	0.050
Bear Stearns Securities Corp.	2,288,147	92,875,035	98,970	0.043
Montgomery Securities	1,684,422	48,736,223	85,509	0.051
Loop Capital Markets/Broadcort Capital	1,548,681	58,864,327	78,680	0.051
Morgan Stanley & Co., Inc.	1,540,274	58,428,372	78,250	0.051
J.P. Morgan Securities, Inc.	1,277,843	36,162,309	63,920	0.050
Jefferies & Co.	1,293,675	47,657,615	61,688	0.048
Warburg Dillon Read, LLC	997,900	38,266,749	51,190	0.051
Blair, William & Co.	970,225	21,975,767	49,827	0.051
Prudential Securities, Inc.	1,009,338	37,731,025	46,698	0.046
Oppenheimer & Co., Inc.	896,400	32,646,892	44,227	0.049
SG Cowen & Co.	865,500	35,275,135	43,344	0.050
Robertson Stephens & Co.	823,200	25,651,543	41,474	0.050
Guzman & Co.	1,232,232	55,340,298	40,271	0.033
Weeden & Co.	773,800	24,543,867	40,145	0.052
Bernstein, Sanford C. & C.	778,734	34,627,609	39,898	0.051
Ladenburg, Thalmann & Co.	777,000	21,294,679	38,964	0.050
ABN AMRO Securities, Inc.	749,707	28,353,854	37,624	0.050
Pryor, McClendon, Counts	600,865	14,469,579	30,058	0.050
Paine Webber, Inc.	573,190	20,737,287	28,762	0.050
Lewco Securities	559,500	31,500,822	28,241	0.050
Investment Technology Group, Inc.	1,283,456	58,028,207	27,659	0.022
Bridge Trading Co.	531,900	18,775,833	26,753	0.050
Williams Capital Group	537,200	14,184,543	26,644	0.050
DB Clearing Services	493,500	19,049,553	24,731	0.050
ISI Group, Inc.	473,100	15,108,165	24,512	0.052
First Union Capital Markets Clearance	431,200	14,513,652	22,139	0.051
Broadcort Capital Corp.	417,400	7,551,282	21,648	0.052
Scott & Stringfellow Investment	412,200	16,767,412	20,610	0.050
Ernst & Co.	502,275	14,321,199	19,333	0.038
Green Street Advisors, Inc.	375,400	11,798,103	18,770	0.050
Legg Mason Wood Walker, Inc.	363,700	14,819,509	18,363	0.050
Deutsche Banc Alex, Brown, Inc.	360,300	12,697,440	17,829	0.049
Thomas Weisel Partners, LLC	351,200	10,418,025	16,872	0.048
Factset Data Systems	315,000	8,820,746	15,872	0.050
Hoenig & Co.	308,350	9,614,044	15,418	0.050
B Trade Services	620,735	23,778,469	15,074	0.024
Others <\$15,000 (104 Brokers)	9,544,169	329,798,026	465,175	0.049
GRAND TOTAL	82,824,858	2,918,030,920	3,911,631	0.047

Investment Section

BROKER COMMISSION REPORT (International Agency Trades Only) For the year ended June 30, 2001

Brokerage Firm	Number of Shares	Dollars Traded (\$)	Commissions Paid (\$)	Commission Per Share (\$)
Merrill Lynch & Co. Inc.	18,461,001	252,233,077	277,157	0.015
Morgan Stanley & Co.	4,626,528	74,224,210	125,734	0.027
Credit Suisse First Boston	5,664,624	69,934,802	118,984	0.021
Salomon Brothers, Inc.	4,616,041	46,879,290	94,780	0.021
Lehman Brothers International	2,125,713	37,506,245	77,368	0.036
Goldman Sachs & Co.	2,138,586	47,776,932	76,383	0.036
UBS AG	3,324,579	29,990,300	65,117	0.020
Deutsche Alex Brown	724,843	32,795,667	64,274	0.089
Salomon Smith Barney	2,122,617	44,406,183	54,235	0.026
J.P. Morgan Securities, Inc.	2,015,286	25,337,520	52,028	0.026
HSBC Securities	2,514,220	27,407,035	49,543	0.020
Nomura International	1,530,954	24,252,387	43,927	0.029
Kleinwort Benson Securities	4,399,595	49,249,037	43,695	0.010
Cazenove & Co.	2,940,635	26,021,587	42,693	0.015
Robert Fleming & Co.	2,717,100	13,149,896	42,366	0.016
SG Cowen Securities	4,145,494	55,539,311	40,392	0.010
Citibank	5,834,198	36,349,479	37,365	0.006
Deutsche Bank Securities, Inc.	2,683,461	20,793,696	36,017	0.013
Exane, Inc.	311,598	16,193,852	33,837	0.109
Instinet	1,551,667	16,843,565	32,807	0.021
Ing Baring Capital Markets	504,694	15,703,004	32,546	0.064
SBC Warburg & Co.	2,161,755	25,867,411	31,315	0.014
Dresdner Kleinwort Benson	364,465	15,378,681	30,646	0.084
Daiwa Securities	1,211,682	19,936,910	29,952	0.025
ABN AMRO Securities, Inc.	2,021,008	17,583,351	27,350	0.014
Fox Pitt & Kelton	680,701	15,252,554	25,127	0.037
Cheuvreux de Virieu	146,574	11,255,363	25,091	0.171
Bank of America	860,454	10,331,260	22,290	0.026
Credit Lyonnais Securities	947,701	4,648,068	19,334	0.020
Bear Stearns International Trading	1,789,849	8,819,105	16,980	0.009
Others <\$15,000 (52 Brokers)	15,051,817	107,006,177	169,468	0.011
GRAND TOTAL	100,189,440	1,198,665,955	1,838,801	0.018

Investment Section

INVESTMENT IN FIXED INCOME As of June 30, 2001

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES						
British Columbia (Providence of), Canada, Bonds	Aa2	AA-	6.500	1/15/26	285,000	277,573
Denver Colorado City & County School Dist. #1	Aaa	AAA	7.250	12/15/18	2,500,000	2,512,400
F.N.M.A., Benchmark, Notes	Aaa	AAA	5.750	6/15/05	5,000,000	5,072,600
F.N.M.A., Bonds	Aaa	AAA	4.625	5/15/03	770,000	770,701
F.N.M.A., Bonds	Aaa	AAA	4.750	11/14/03	5,000,000	4,997,850
F.N.M.A., Bonds	Aaa	AAA	5.125	2/13/04	10,000,000	10,047,400
F.N.M.A., Bonds	Aaa	AAA	5.250	1/15/09	5,000,000	4,769,700
F.N.M.A., Bonds	Aaa	AAA	5.375	3/8/04	5,000,000	5,012,300
F.N.M.A., Bonds	Aaa	AAA	5.500	2/15/06	6,050,000	6,038,263
F.N.M.A., Bonds	Aaa	AAA	5.625	5/14/04	1,160,000	1,179,001
F.N.M.A., Bonds	Aaa	AAA	5.710	5/24/06	5,000,000	4,981,900
F.N.M.A., Bonds	Aaa	AAA	5.750	4/15/03	5,000,000	5,102,950
F.N.M.A., Bonds	Aaa	AAA	5.750	2/15/08	3,000,000	2,982,420
F.N.M.A., Bonds	Aaa	AAA	5.900	7/9/03	5,000,000	5,002,050
F.N.M.A., Bonds	Aaa	AAA	6.000	12/15/05	5,000,000	5,098,000
F.N.M.A., Bonds	Aaa	AAA	6.000	5/15/08	5,000,000	5,031,200
F.N.M.A., Bonds	Aaa	AAA	6.000	5/15/11	1,905,000	1,880,692
F.N.M.A., Bonds	Aaa	AAA	6.250	11/15/02	5,000,000	5,130,200
F.N.M.A., Bonds	Aaa	AAA	6.375	6/15/09	5,000,000	5,095,250
F.N.M.A., Bonds	Aaa	AAA	6.500	7/1/31	2,010,000	1,977,961
F.N.M.A., Bonds	Aaa	AAA	6.500	7/1/31	600,000	589,128
F.N.M.A., Bonds	Aaa	AAA	6.500	8/15/04	8,700,000	9,044,808
F.N.M.A., Bonds	Aaa	AAA	6.500	4/29/09	685,000	682,472
F.N.M.A., Bonds	Aaa	AAA	6.500	7/1/15	3,550,000	3,558,875
F.N.M.A., Bonds	Aaa	AAA	6.500	7/1/30	6,640,000	6,534,158
F.N.M.A., Bonds	Aaa	AAA	6.625	10/15/07	5,000,000	5,225,700
F.N.M.A., Bonds	Aaa	AAA	6.625	11/15/10	5,000,000	5,161,800
F.N.M.A., Bonds	Aaa	AAA	7.000	7/15/05	5,000,000	5,283,400
F.N.M.A., Bonds	Aaa	AAA	7.125	3/15/07	5,000,000	5,350,500
F.N.M.A., Bonds	Aaa	AAA	7.125	6/15/10	5,000,000	5,335,550
F.N.M.A., Bonds	Aaa	AAA	7.125	1/15/30	3,550,000	3,787,490
F.N.M.A., Bonds	Aaa	AAA	7.250	1/15/10	5,000,000	5,369,850
F.N.M.A., Bonds	Aaa	AAA	7.250	5/15/30	2,000,000	2,166,620
F.N.M.A., Bonds	Aaa	AAA	7.330	4/2/07	3,000,000	3,070,350
F.N.M.A., Bonds	Aaa	AAA	7.350	12/25/09	1,091,568	1,122,984
F.N.M.A., Bonds	Aaa	AAA	7.500	7/1/23	22,165,000	22,616,279
F.N.M.A., Debs.	Aaa	AAA	6.210	8/6/38	1,422,000	1,332,144
F.N.M.A., Debs.	Aaa	AAA	6.750	7/30/07	12,775,000	13,047,108
F.N.M.A., Medium Term Notes	Aaa	AAA	5.750	11/10/05	6,000,000	5,973,420
F.N.M.A., Medium Term Notes	Aaa	AAA	6.200	8/12/08	5,000,000	4,961,000
F.N.M.A., Medium Term Notes	Aaa	AAA	6.560	12/10/07	3,000,000	3,026,550
F.N.M.A., Pool #190031	Aaa	AAA	8.000	12/1/19	468,213	492,396
F.N.M.A., Pool #199468	Aaa	AAA	7.000	1/1/08	844,478	866,561
F.N.M.A., Pool #212901	Aaa	AAA	8.500	7/1/18	18,872	20,195
F.N.M.A., Pool #232344	Aaa	AAA	6.500	9/1/23	129,680	128,844
F.N.M.A., Pool #250553	Aaa	AAA	6.000	5/1/11	2,416,124	2,407,160
F.N.M.A., Pool #251403	Aaa	AAA	6.500	12/1/27	1,188,876	1,175,762
F.N.M.A., Pool #251568	Aaa	AAA	6.500	3/1/28	7,145,843	7,062,594
F.N.M.A., Pool #251818	Aaa	AAA	6.000	6/1/18	3,544,502	3,445,611
F.N.M.A., Pool #251853	Aaa	AAA	8.000	5/1/28	615,017	635,663
F.N.M.A., Pool #251924	Aaa	AAA	8.000	6/1/28	662,850	685,101

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
F.N.M.A., Pool #251977	Aaa	AAA	6.000	8/1/28	21,068	20,356
F.N.M.A., Pool #252206	Aaa	AAA	6.000	1/1/19	1,162,854	1,130,410
F.N.M.A., Pool #252385	Aaa	AAA	6.000	4/1/19	4,230,088	4,110,546
F.N.M.A., Pool #252434	Aaa	AAA	5.500	5/1/14	682,341	663,665
F.N.M.A., Pool #252493	Aaa	AAA	5.500	6/1/14	287,134	279,275
F.N.M.A., Pool #252571	Aaa	AAA	7.000	7/1/29	168,307	169,095
F.N.M.A., Pool #252875	Aaa	AAA	8.000	11/1/29	110,817	114,453
F.N.M.A., Pool #253346	Aaa	AAA	7.500	6/1/30	155,908	159,075
F.N.M.A., Pool #253346	Aaa	AAA	7.500	6/1/30	532,384	543,196
F.N.M.A., Pool #253436	Aaa	AAA	7.500	9/1/30	230,673	235,358
F.N.M.A., Pool #303113	Aaa	AAA	8.000	1/1/25	591,509	618,157
F.N.M.A., Pool #313876	Aaa	AAA	6.500	12/1/27	64,079	63,372
F.N.M.A., Pool #313877	Aaa	AAA	6.500	12/1/27	336,330	332,620
F.N.M.A., Pool #323129	Aaa	AAA	6.000	5/1/18	450,790	438,213
F.N.M.A., Pool #323422	Aaa	AAA	6.500	12/1/28	336,659	332,737
F.N.M.A., Pool #323424	Aaa	AAA	7.500	12/1/28	1,117,351	1,142,838
F.N.M.A., Pool #323425	Aaa	AAA	6.000	12/1/28	107,127	103,506
F.N.M.A., Pool #323579	Aaa	AAA	6.000	1/1/29	33,705	32,566
F.N.M.A., Pool #323835	Aaa	AAA	6.500	5/1/29	807,823	798,412
F.N.M.A., Pool #323842	Aaa	AAA	5.500	7/1/14	36,586	35,585
F.N.M.A., Pool #331700	Aaa	AAA	6.500	2/1/26	2,419,538	2,396,553
F.N.M.A., Pool #335203	Aaa	AAA	6.000	2/1/11	37,019	36,882
F.N.M.A., Pool #344760	Aaa	AAA	8.000	11/1/25	53,743	56,224
F.N.M.A., Pool #355664	Aaa	AAA	7.000	4/1/11	1,178,862	1,209,748
F.N.M.A., Pool #369426	Aaa	AAA	6.500	1/1/27	262,537	259,641
F.N.M.A., Pool #375577	Aaa	AAA	6.620	12/1/07	500,742	512,970
F.N.M.A., Pool #375627	Aaa	AAA	6.510	1/1/08	120,608	122,906
F.N.M.A., Pool #375634	Aaa	AAA	6.580	1/1/08	142,015	145,206
F.N.M.A., Pool #377540	Aaa	AAA	6.500	4/1/27	204,572	202,316
F.N.M.A., Pool #380010	Aaa	AAA	6.590	12/1/07	360,261	368,540
F.N.M.A., Pool #380042	Aaa	AAA	6.620	1/1/08	81,937	83,935
F.N.M.A., Pool #380048	Aaa	AAA	6.500	1/1/08	149,291	152,063
F.N.M.A., Pool #380167	Aaa	AAA	6.170	4/1/08	1,928,572	1,931,966
F.N.M.A., Pool #380337	Aaa	AAA	6.419	6/1/08	468,743	475,240
F.N.M.A., Pool #380400	Aaa	AAA	6.335	6/1/08	290,420	293,193
F.N.M.A., Pool #380430	Aaa	AAA	6.310	7/1/08	237,312	239,220
F.N.M.A., Pool #380437	Aaa	AAA	6.230	7/1/08	300,129	301,309
F.N.M.A., Pool #380478	Aaa	AAA	6.265	6/1/08	241,936	243,387
F.N.M.A., Pool #381032	Aaa	AAA	6.070	12/1/08	995,983	990,794
F.N.M.A., Pool #381050	Aaa	AAA	6.070	12/1/08	1,218,361	1,192,556
F.N.M.A., Pool #381151	Aaa	AAA	6.090	1/1/09	1,653,098	1,644,121
F.N.M.A., Pool #395582	Aaa	AAA	6.500	10/1/27	89,074	88,091
F.N.M.A., Pool #395659	Aaa	AAA	8.000	8/1/27	711,568	738,998
F.N.M.A., Pool #397751	Aaa	AAA	6.500	10/1/27	64,140	63,433
F.N.M.A., Pool #400079	Aaa	AAA	8.000	11/1/27	20,282	21,064
F.N.M.A., Pool #402830	Aaa	AAA	6.500	12/1/27	436,812	431,993
F.N.M.A., Pool #404439	Aaa	AAA	8.000	11/1/27	31,282	32,488
F.N.M.A., Pool #404587	Aaa	AAA	6.500	12/1/27	236,793	234,181
F.N.M.A., Pool #404883	Aaa	AAA	6.500	11/1/27	573,623	567,296
F.N.M.A., Pool #408195	Aaa	AAA	6.500	12/1/27	522,308	516,547
F.N.M.A., Pool #408209	Aaa	AAA	8.000	1/1/28	38,795	40,291
F.N.M.A., Pool #409231	Aaa	AAA	8.000	1/1/28	19,641	20,301
F.N.M.A., Pool #412146	Aaa	AAA	8.000	1/1/28	8,522	8,851
F.N.M.A., Pool #427810	Aaa	AAA	6.500	3/1/24	965,256	959,030
F.N.M.A., Pool #430961	Aaa	AAA	5.500	2/1/14	811,043	788,845
F.N.M.A., Pool #431496	Aaa	AAA	6.000	7/1/28	572,995	553,628

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
F.N.M.A., Pool #433239	Aaa	AAA	8.000	7/1/28	4,502	4,654
F.N.M.A., Pool #437431	Aaa	AAA	6.000	9/1/28	114,344	110,479
F.N.M.A., Pool #442336	Aaa	AAA	6.000	10/1/28	68,221	65,915
F.N.M.A., Pool #443604	Aaa	AAA	6.000	10/1/28	94,139	90,957
F.N.M.A., Pool #445635	Aaa	AAA	6.000	11/1/28	122,254	118,121
F.N.M.A., Pool #445791	Aaa	AAA	6.000	11/1/28	65,562	63,346
F.N.M.A., Pool #448305	Aaa	AAA	6.500	12/1/13	221,426	223,361
F.N.M.A., Pool #452095	Aaa	AAA	6.500	11/1/28	835,396	825,664
F.N.M.A., Pool #452481	Aaa	AAA	6.000	11/1/28	255,736	247,092
F.N.M.A., Pool #455527	Aaa	AAA	5.500	12/1/13	883,841	860,764
F.N.M.A., Pool #456078	Aaa	AAA	6.000	12/1/28	78,695	75,805
F.N.M.A., Pool #456641	Aaa	AAA	5.500	1/1/14	792,891	771,190
F.N.M.A., Pool #459367	Aaa	AAA	5.500	2/1/14	1,662,501	1,616,998
F.N.M.A., Pool #479104	Aaa	AAA	6.000	1/1/29	42,014	40,594
F.N.M.A., Pool #479572	Aaa	AAA	8.500	11/1/29	89,164	93,705
F.N.M.A., Pool #479851	Aaa	AAA	6.500	2/1/29	418,749	413,598
F.N.M.A., Pool #479963	Aaa	AAA	5.500	3/1/14	739,689	719,444
F.N.M.A., Pool #480842	Aaa	AAA	6.000	1/1/29	37,104	35,814
F.N.M.A., Pool #481165	Aaa	AAA	5.500	1/1/14	309,493	301,412
F.N.M.A., Pool #482688	Aaa	AAA	5.500	2/1/14	825,245	802,658
F.N.M.A., Pool #484490	Aaa	AAA	6.000	4/1/29	50,970	49,198
F.N.M.A., Pool #485375	Aaa	AAA	6.500	3/1/29	206,572	204,031
F.N.M.A., Pool #485532	Aaa	AAA	5.500	2/1/14	750,225	729,691
F.N.M.A., Pool #485592	Aaa	AAA	5.500	1/1/14	790,906	770,255
F.N.M.A., Pool #486467	Aaa	AAA	6.000	2/1/29	895,892	864,750
F.N.M.A., Pool #486582	Aaa	AAA	6.000	2/1/29	55,208	53,289
F.N.M.A., Pool #487408	Aaa	AAA	6.500	4/1/29	108,084	106,755
F.N.M.A., Pool #488622	Aaa	AAA	6.500	5/1/29	252,700	249,592
F.N.M.A., Pool #489423	Aaa	AAA	6.000	4/1/29	62,300	60,135
F.N.M.A., Pool #491807	Aaa	AAA	6.500	6/1/29	323,163	319,188
F.N.M.A., Pool #492656	Aaa	AAA	5.500	6/1/14	844,291	821,183
F.N.M.A., Pool #494292	Aaa	AAA	6.500	4/1/29	606,105	598,650
F.N.M.A., Pool #494329	Aaa	AAA	5.500	4/1/14	141,073	137,212
F.N.M.A., Pool #495789	Aaa	AAA	8.000	4/1/30	69,730	71,978
F.N.M.A., Pool #499350	Aaa	AAA	7.000	9/1/29	26,878	27,062
F.N.M.A., Pool #501155	Aaa	AAA	7.000	8/1/29	21,585	21,733
F.N.M.A., Pool #502270	Aaa	AAA	6.500	9/1/29	165,982	163,544
F.N.M.A., Pool #502353	Aaa	AAA	7.000	9/1/29	93,254	93,894
F.N.M.A., Pool #502997	Aaa	AAA	6.500	6/1/29	191,483	189,128
F.N.M.A., Pool #503013	Aaa	AAA	6.500	6/1/29	1,219,339	1,204,342
F.N.M.A., Pool #509107	Aaa	AAA	5.500	8/1/14	103,988	101,142
F.N.M.A., Pool #517694	Aaa	AAA	6.500	7/1/19	1,647,751	1,637,617
F.N.M.A., Pool #517812	Aaa	AAA	8.000	12/1/29	37,009	38,222
F.N.M.A., Pool #518461	Aaa	AAA	8.000	10/1/29	1,295,705	1,338,217
F.N.M.A., Pool #520441	Aaa	AAA	6.000	10/1/29	92,418	89,205
F.N.M.A., Pool #520914	Aaa	AAA	7.500	12/1/29	130,013	132,714
F.N.M.A., Pool #523871	Aaa	AAA	6.000	7/1/29	26,876	25,941
F.N.M.A., Pool #527020	Aaa	AAA	8.000	1/1/30	153,120	158,141
F.N.M.A., Pool #527243	Aaa	AAA	6.500	11/1/29	1,134,988	1,118,315
F.N.M.A., Pool #531265	Aaa	AAA	8.000	5/1/30	72,535	74,873
F.N.M.A., Pool #533614	Aaa	AAA	0.000	4/1/30	292,440	298,334
F.N.M.A., Pool #534003	Aaa	AAA	0.000	4/1/30	209,456	213,678
F.N.M.A., Pool #534161	Aaa	AAA	7.500	4/1/30	419,176	427,689
F.N.M.A., Pool #534798	Aaa	AAA	8.000	4/1/30	79,042	81,590
F.N.M.A., Pool #535300	Aaa	AAA	6.500	5/1/30	2,069,044	2,043,594
F.N.M.A., Pool #535823	Aaa	AAA	6.500	4/1/31	4,158,628	4,097,995

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
F.N.M.A., Pool #536573	Aaa	AAA	8.000	4/1/30	73,425	75,792
F.N.M.A., Pool #537981	Aaa	AAA	8.000	5/1/30	155,708	160,728
F.N.M.A., Pool #538452	Aaa	AAA	7.500	6/1/30	9,621	9,817
F.N.M.A., Pool #538650	Aaa	AAA	8.000	6/1/30	49,637	51,238
F.N.M.A., Pool #539938	Aaa	AAA	7.500	5/1/30	445,139	454,179
F.N.M.A., Pool #540567	Aaa	AAA	7.500	7/1/30	425,016	433,648
F.N.M.A., Pool #541353	Aaa	AAA	8.000	7/1/30	200,024	206,473
F.N.M.A., Pool #541501	Aaa	AAA	6.500	1/1/16	953,360	955,743
F.N.M.A., Pool #542315	Aaa	AAA	8.000	6/1/30	464,153	479,117
F.N.M.A., Pool #545069	Aaa	AAA	0.000	7/1/16	5,300,000	5,261,045
F.N.M.A., Pool #545121	Aaa	AAA	0.000	8/1/31	4,100,000	4,059,641
F.N.M.A., Pool #547307	Aaa	AAA	7.500	8/1/15	228,724	235,226
F.N.M.A., Pool #547667	Aaa	AAA	0.000	7/1/30	167,815	171,197
F.N.M.A., Pool #548158	Aaa	AAA	7.500	8/1/30	505,795	516,068
F.N.M.A., Pool #548996	Aaa	AAA	8.000	8/1/30	208,171	214,882
F.N.M.A., Pool #549886	Aaa	AAA	7.500	9/1/30	298,602	304,667
F.N.M.A., Pool #553230	Aaa	AAA	0.000	9/1/30	216,163	220,520
F.N.M.A., Pool #556841	Aaa	AAA	8.000	10/1/30	66,552	68,698
F.N.M.A., Pool #559062	Aaa	AAA	7.500	12/1/30	141,280	144,150
F.N.M.A., Pool #559634	Aaa	AAA	7.500	1/1/31	1,139,936	1,163,088
F.N.M.A., Pool #560550	Aaa	AAA	7.500	11/1/30	468,932	478,456
F.N.M.A., Pool #561072	Aaa	AAA	5.500	3/1/16	296,494	286,300
F.N.M.A., Pool #561790	Aaa	AAA	0.000	11/1/30	525,850	536,449
F.N.M.A., Pool #562328	Aaa	AAA	7.000	1/1/31	5,047,898	5,076,469
F.N.M.A., Pool #562663	Aaa	AAA	7.500	2/1/31	162,503	165,900
F.N.M.A., Pool #562890	Aaa	AAA	7.500	2/1/31	331,702	338,634
F.N.M.A., Pool #563582	Aaa	AAA	7.500	12/1/30	1,891,668	1,930,088
F.N.M.A., Pool #564859	Aaa	AAA	6.000	5/1/31	692,942	665,861
F.N.M.A., Pool #566707	Aaa	AAA	7.500	1/1/31	352,567	359,727
F.N.M.A., Pool #567317	Aaa	AAA	8.000	1/1/31	829,022	855,750
F.N.M.A., Pool #567658	Aaa	AAA	8.000	2/1/31	1,054,547	1,089,969
F.N.M.A., Pool #568102	Aaa	AAA	0.000	1/1/31	530,767	541,465
F.N.M.A., Pool #568111	Aaa	AAA	8.000	1/1/31	779,710	804,848
F.N.M.A., Pool #569563	Aaa	AAA	6.000	3/1/31	588,439	565,442
F.N.M.A., Pool #570322	Aaa	AAA	8.000	1/1/31	498,657	515,407
F.N.M.A., Pool #570644	Aaa	AAA	7.500	2/1/31	86,029	87,827
F.N.M.A., Pool #570731	Aaa	AAA	6.000	3/1/31	486,058	466,461
F.N.M.A., Pool #571106	Aaa	AAA	0.000	4/1/31	176,694	180,255
F.N.M.A., Pool #571195	Aaa	AAA	0.000	2/1/31	560,017	571,305
F.N.M.A., Pool #572816	Aaa	AAA	6.000	3/1/16	1,006,945	991,841
F.N.M.A., Pool #573121	Aaa	AAA	0.000	6/1/31	257,888	263,086
F.N.M.A., Pool #574648	Aaa	AAA	6.000	5/1/31	3,302,380	3,173,323
F.N.M.A., Pool #574650	Aaa	AAA	6.000	5/1/31	514,634	494,522
F.N.M.A., Pool #574983	Aaa	AAA	6.000	5/1/31	319,437	306,953
F.N.M.A., Pool #575436	Aaa	AAA	6.000	4/1/31	561,215	538,587
F.N.M.A., Pool #575829	Aaa	AAA	6.000	5/1/31	410,703	394,653
F.N.M.A., Pool #577320	Aaa	AAA	6.000	4/1/31	338,875	325,212
F.N.M.A., Pool #578179	Aaa	AAA	0.000	5/1/31	559,771	571,054
F.N.M.A., Pool #578300	Aaa	AAA	7.500	5/1/31	1,998,399	2,040,166
F.N.M.A., Pool #578562	Aaa	AAA	6.000	4/1/31	514,041	493,315
F.N.M.A., Pool #585236	Aaa	AAA	6.000	5/1/31	3,480,748	3,344,721
F.N.M.A., Pool #588259	Aaa	AAA	7.500	6/1/31	299,702	305,788
F.N.M.A., Pool #73203	Aaa	AAA	6.835	10/1/05	858,694	889,642
F.N.M.A., Pool #73464	Aaa	AAA	7.320	5/1/16	1,630,528	1,707,488
F.N.M.A., Remic Tr. 1997-81 CI PC	Aaa	AAA	5.000	4/18/27	1,000,000	960,930
F.N.M.A., Remic Tr. Ser. 1996 CI M3	Aaa	AAA	7.385	3/25/21	611,203	637,027

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
F.N.M.A., Remic Tr. Ser. 1996-32 CI PC	Aaa	AAA	7.000	7/25/16	67,237	67,047
F.N.M.A., Remic Tr. Ser. 1997-M5 CI C	Aaa	AAA	6.650	8/25/07	1,250,000	1,277,650
F.N.M.A., Remic Tr. Ser. 1998-M4 CI B	Aaa	AAA	6.424	12/25/23	1,085,000	1,097,868
F.N.M.A., Remic Tr. Ser. 93-134 CI H	Aaa	AAA	6.500	8/25/08	1,300,000	1,317,875
F.N.M.A., Ser. 2000-M1 CI A	Aaa	AAA	7.370	1/17/13	1,120,179	1,178,831
F.N.M.A., Ser. 2001-T5 CI A3	Aaa	AAA	7.500	6/19/30	2,965,414	3,073,414
F.N.M.A., Ser. 2001-T6 CI B	Aaa	AAA	6.088	5/25/11	1,880,000	1,848,040
Fed. Home Loan Bank, Bonds	Aaa	AAA	5.125	1/13/03	5,000,000	5,052,100
Fed. Home Loan Bank, Bonds	Aaa	AAA	5.125	9/15/03	10,000,000	10,091,000
Fed. Home Loan Bank, Bonds	Aaa	AAA	6.000	8/15/02	5,000,000	5,099,750
Fed. Home Loan Bank, Bonds	Aaa	AAA	6.375	8/15/06	5,000,000	5,178,600
Fed. Home Loan Bank, Bonds	Aaa	AAA	6.875	7/18/02	5,000,000	5,141,750
Fed. Home Loan Bank, Bonds	Aaa	AAA	7.360	7/1/04	2,000,000	2,124,640
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	0.010	3/25/21	1,960,035	1,957,566
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	5.125	10/15/08	10,000,000	9,524,500
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	5.200	5/24/04	5,000,000	4,992,800
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	5.250	1/15/06	5,000,000	4,944,050
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.000	3/15/09	3,150,000	3,142,125
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.250	10/15/02	5,000,000	5,124,600
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.279	6/15/09	3,000,000	2,974,320
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.375	11/15/03	30,000	31,053
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.500	3/1/09	2,583,064	2,625,323
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.625	9/15/09	10,000,000	10,347,500
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.750	3/15/31	4,490,000	4,579,755
Fed. Home Loan Mtg. Corp., Bonds	Aaa	AAA	6.875	9/15/10	575,000	603,325
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	4.500	6/15/03	5,000,000	4,992,750
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	5.000	1/15/04	5,000,000	5,012,600
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	5.750	3/15/09	5,000,000	4,914,600
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	6.000	6/15/11	7,995,000	7,880,831
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	6.250	7/15/04	5,000,000	5,162,250
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	6.750	9/15/29	1,000,000	1,019,000
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	6.875	1/15/05	5,000,000	5,256,250
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	7.000	2/15/03	5,000,000	5,196,200
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	7.000	3/15/10	2,070,000	2,189,715
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	7.220	6/14/06	5,300,000	5,666,018
Fed. Home Loan Mtg. Corp., Debs.	Aaa	AAA	7.375	5/15/03	5,000,000	5,247,550
Fed. Home Loan Mtg. Corp., Gold	Aaa	AAA	6.000	7/1/28	8,375,000	8,045,276
Fed. Home Loan Mtg. Corp., Gold	Aaa	AAA	7.000	7/1/31	2,940,000	2,954,700
Fed. Home Loan Mtg. Corp., Gold #C00984	Aaa	AAA	8.000	5/1/30	23,560	24,340
Fed. Home Loan Mtg. Corp., Gold #C14793	Aaa	AAA	6.500	9/1/28	1,613,807	1,596,507
Fed. Home Loan Mtg. Corp., Gold #C16485	Aaa	AAA	6.500	10/1/28	719,035	711,327
Fed. Home Loan Mtg. Corp., Gold #C26465	Aaa	AAA	6.500	5/1/29	1,538,759	1,517,124
Fed. Home Loan Mtg. Corp., Gold #C39515	Aaa	AAA	6.500	6/1/30	598,982	590,853
Fed. Home Loan Mtg. Corp., Gold #C90265	Aaa	AAA	6.500	6/1/19	1,714,271	1,705,871
Fed. Home Loan Mtg. Corp., Gold #E00077	Aaa	AAA	7.000	12/1/06	6,552	6,702
Fed. Home Loan Mtg. Corp., Gold #E00235	Aaa	AAA	6.500	5/1/08	120,717	122,759
Fed. Home Loan Mtg. Corp., Gold #E00755	Aaa	AAA	7.500	10/1/14	327,385	337,020
Fed. Home Loan Mtg. Corp., Gold #E46790	Aaa	AAA	6.500	5/1/08	31,715	32,251
Fed. Home Loan Mtg. Corp., Gold #E47095	Aaa	AAA	6.500	5/1/08	195,016	198,314
Fed. Home Loan Mtg. Corp., Gold #E47186	Aaa	AAA	6.500	5/1/08	251,187	255,435
Fed. Home Loan Mtg. Corp., Gold #E47286	Aaa	AAA	6.500	5/1/08	138,115	140,451
Fed. Home Loan Mtg. Corp., Gold #E47420	Aaa	AAA	6.500	5/1/08	206,250	209,737
Fed. Home Loan Mtg. Corp., Gold #E47547	Aaa	AAA	6.500	5/1/08	362,115	368,238
Fed. Home Loan Mtg. Corp., Gold #E47675	Aaa	AAA	6.500	6/1/08	171,718	174,622
Fed. Home Loan Mtg. Corp., Gold #E47716	Aaa	AAA	6.500	6/1/08	377,614	384,000
Fed. Home Loan Mtg. Corp., Gold #E47973	Aaa	AAA	6.500	6/1/08	501,935	510,423

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
Fed. Home Loan Mtg. Corp., Gold #E48097	Aaa	AAA	6.500	6/1/08	305,665	310,834
Fed. Home Loan Mtg. Corp., Gold #E48446	Aaa	AAA	6.500	6/1/08	577,888	587,660
Fed. Home Loan Mtg. Corp., Gold #E48891	Aaa	AAA	6.500	7/1/08	218,529	222,224
Fed. Home Loan Mtg. Corp., Gold #E49015	Aaa	AAA	6.500	6/1/08	74,650	75,913
Fed. Home Loan Mtg. Corp., Gold #E49220	Aaa	AAA	6.500	7/1/08	43,625	44,363
Fed. Home Loan Mtg. Corp., Gold #E49418	Aaa	AAA	6.500	7/1/08	129,265	131,450
Fed. Home Loan Mtg. Corp., Gold #E52769	Aaa	AAA	6.500	9/1/08	390,637	397,243
Fed. Home Loan Mtg. Corp., Gold #E53478	Aaa	AAA	6.500	12/1/08	435,506	442,870
Fed. Home Loan Mtg. Corp., Gold #E54266	Aaa	AAA	6.500	12/1/08	312,992	318,285
Fed. Home Loan Mtg. Corp., Gold #E54764	Aaa	AAA	6.500	12/1/08	347,857	353,739
Fed. Home Loan Mtg. Corp., Gold #E55348	Aaa	AAA	6.500	12/1/08	341,718	347,497
Fed. Home Loan Mtg. Corp., Gold #E76551	Aaa	AAA	6.500	4/1/14	208,282	209,926
Fed. Home Loan Mtg. Corp., Gold #E76650	Aaa	AAA	6.500	5/1/14	143,306	144,437
Fed. Home Loan Mtg. Corp., Gold #E76657	Aaa	AAA	6.500	5/1/14	446,684	450,208
Fed. Home Loan Mtg. Corp., Gold #E76754	Aaa	AAA	6.500	5/1/14	466,989	470,674
Fed. Home Loan Mtg. Corp., Gold #E76758	Aaa	AAA	6.500	5/1/14	229,829	231,643
Fed. Home Loan Mtg. Corp., Gold #E76890	Aaa	AAA	6.500	5/1/14	703,818	709,371
Fed. Home Loan Mtg. Corp., Gold #E76975	Aaa	AAA	6.500	5/1/14	326,646	329,223
Fed. Home Loan Mtg. Corp., Gold #E77020	Aaa	AAA	6.500	5/1/14	404,787	407,980
Fed. Home Loan Mtg. Corp., Gold #E78603	Aaa	AAA	6.500	9/1/14	79,273	79,898
Fed. Home Loan Mtg. Corp., Gold #E78913	Aaa	AAA	7.500	10/1/14	100,519	103,478
Fed. Home Loan Mtg. Corp., Gold #E78920	Aaa	AAA	7.500	11/1/14	394,918	406,541
Fed. Home Loan Mtg. Corp., Gold #E79982	Aaa	AAA	7.500	1/1/15	401,652	413,472
Fed. Home Loan Mtg. Corp., Gold #E80038	Aaa	AAA	7.500	2/1/15	131,970	135,776
Fed. Home Loan Mtg. Corp., Gold #E80278	Aaa	AAA	7.500	3/1/15	20,492	21,083
Fed. Home Loan Mtg. Corp., Gold #E80361	Aaa	AAA	7.500	3/1/15	54,546	56,119
Fed. Home Loan Mtg. Corp., Gold #E80735	Aaa	AAA	7.000	6/1/15	654,128	666,537
Fed. Home Loan Mtg. Corp., Gold #E80753	Aaa	AAA	7.000	6/1/15	935,714	953,465
Fed. Home Loan Mtg. Corp., Gold #G01131	Aaa	AAA	7.500	9/1/30	1,808,070	1,846,293
Fed. Home Loan Mtg. Corp., Gold TBA #9999999	Aaa	AAA	6.500	7/1/30	25,485,000	25,094,825
Fed. Home Loan Mtg. Corp., Group #55-5059	Aaa	AAA	7.500	1/1/19	324,618	333,197
Fed. Home Loan Mtg. Corp., Group #C00548	Aaa	AAA	7.000	8/1/27	42,038	42,418
Fed. Home Loan Mtg. Corp., Group #C16754	Aaa	AAA	6.500	10/1/28	839,076	830,081
Fed. Home Loan Mtg. Corp., Group #D63830	Aaa	AAA	8.000	8/1/25	743,704	772,754
Fed. Home Loan Mtg. Corp., Group #D65510	Aaa	AAA	6.500	11/1/25	473,794	469,729
Fed. Home Loan Mtg. Corp., Group #D73249	Aaa	AAA	7.500	7/1/26	1,520,322	1,559,850
Fed. Home Loan Mtg. Corp., Group #D73719	Aaa	AAA	8.500	8/1/26	490,447	521,404
Fed. Home Loan Mtg. Corp., Group #D82017	Aaa	AAA	7.000	9/1/27	234,037	236,150
Fed. Home Loan Mtg. Corp., Group #D82108	Aaa	AAA	7.000	9/1/27	356,941	360,164
Fed. Home Loan Mtg. Corp., Group #D82123	Aaa	AAA	7.000	9/1/27	325,002	327,937
Fed. Home Loan Mtg. Corp., Group #D82125	Aaa	AAA	7.000	9/1/27	261,697	264,061
Fed. Home Loan Mtg. Corp., Group #D82138	Aaa	AAA	7.000	9/1/27	236,992	239,132
Fed. Home Loan Mtg. Corp., Group #D82180	Aaa	AAA	7.000	9/1/27	38,603	38,952
Fed. Home Loan Mtg. Corp., Group #D82289	Aaa	AAA	7.000	9/1/27	319,624	322,511
Fed. Home Loan Mtg. Corp., Group #D82303	Aaa	AAA	7.000	9/1/27	168,348	169,869
Fed. Home Loan Mtg. Corp., Group #D82311	Aaa	AAA	7.000	9/1/27	95,265	96,126
Fed. Home Loan Mtg. Corp., Group #D82354	Aaa	AAA	7.000	9/1/27	428,543	432,413
Fed. Home Loan Mtg. Corp., Group #D82394	Aaa	AAA	7.000	9/1/27	123,064	124,175
Fed. Home Loan Mtg. Corp., Group #D82397	Aaa	AAA	7.000	9/1/27	368,930	372,261
Fed. Home Loan Mtg. Corp., Group #D82405	Aaa	AAA	7.000	9/1/27	228,241	230,302
Fed. Home Loan Mtg. Corp., Group #D82423	Aaa	AAA	7.000	9/1/27	187,813	189,509
Fed. Home Loan Mtg. Corp., Group #D82448	Aaa	AAA	7.000	9/1/27	63,278	63,850
Fed. Home Loan Mtg. Corp., Group #D82474	Aaa	AAA	7.000	9/1/27	341,936	345,023
Fed. Home Loan Mtg. Corp., Group #D82519	Aaa	AAA	7.000	9/1/27	91,462	92,288
Fed. Home Loan Mtg. Corp., Group #D82610	Aaa	AAA	7.000	9/1/27	75,058	75,736
Fed. Home Loan Mtg. Corp., Group #D82741	Aaa	AAA	7.000	10/1/27	256,285	258,599

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
Fed. Home Loan Mtg. Corp., Group #D82776	Aaa	AAA	7.000	10/1/27	99,688	100,588
Fed. Home Loan Mtg. Corp., Group #D82777	Aaa	AAA	7.000	10/1/27	190,957	192,681
Fed. Home Loan Mtg. Corp., Group #D82802	Aaa	AAA	7.000	10/1/27	32,713	33,009
Fed. Home Loan Mtg. Corp., Group #D82856	Aaa	AAA	7.000	10/1/27	60,531	61,077
Fed. Home Loan Mtg. Corp., Group #D82859	Aaa	AAA	7.000	10/1/27	77,770	78,472
Fed. Home Loan Mtg. Corp., Group #D83010	Aaa	AAA	7.000	10/1/27	574,287	579,473
Fed. Home Loan Mtg. Corp., Group #D88761	Aaa	AAA	6.500	4/1/28	60,074	59,430
Fed. Home Loan Mtg. Corp., Group #E00214	Aaa	AAA	6.500	5/1/08	506,661	515,229
Fed. Home Loan Mtg. Corp., Group #E20068	Aaa	AAA	6.500	11/1/08	516,607	525,343
Fed. Home Loan Mtg. Corp., Group #E48231	Aaa	AAA	6.500	6/1/08	121,541	123,596
Fed. Home Loan Mtg. Corp., Group #E69720	Aaa	AAA	5.500	4/1/13	540,466	527,203
Fed. Home Loan Mtg. Corp., Group #G00748	Aaa	AAA	7.000	8/1/27	20,441	20,626
Fed. Home Loan Mtg. Corp., Group #G10374	Aaa	AAA	7.000	8/1/10	633,497	650,297
Fed. Home Loan Mtg. Corp., Pool #C15619	Aaa	AAA	6.500	10/1/28	706,612	699,037
Fed. Home Loan Mtg. Corp., Pool #C15634	Aaa	AAA	6.500	10/1/28	881,297	871,849
Fed. Home Loan Mtg. Corp., Pool #C15704	Aaa	AAA	6.500	10/1/28	641,534	634,656
Fed. Home Loan Mtg. Corp., Pool #C16392	Aaa	AAA	6.500	10/1/28	789,224	780,763
Fed. Home Loan Mtg. Corp., Pool #E00577	Aaa	AAA	5.500	9/1/13	222,879	217,410
Fed. Home Loan Mtg. Corp., Pool #E64609	Aaa	AAA	5.500	5/1/11	80,128	78,709
Fed. Home Loan Mtg. Corp., Pool #E70847	Aaa	AAA	5.500	6/1/13	127,949	124,809
Fed. Home Loan Mtg. Corp., Pool #E71622	Aaa	AAA	5.500	8/1/13	257,853	251,525
Fed. Home Loan Mtg. Corp., Pool #E72396	Aaa	AAA	5.500	9/1/13	311,421	303,779
FHA Insd. Proj. #071-32092	Aaa	AAA	7.500	4/1/22	5,785,440	6,000,601
FHA Proj. #113-35102 Southgate Glen Apts.	Aaa	AAA	6.850	2/1/40	252,229	251,821
G.N.M.A., Gtd. Remic Tr. Ser. 1996-15 CL CA	Aaa	AAA	7.500	1/20/24	24,921	25,233
G.N.M.A., Pool #316979	Aaa	AAA	8.000	12/15/21	120,237	126,260
G.N.M.A., Pool #321536	Aaa	AAA	7.000	10/15/22	365,207	371,883
G.N.M.A., Pool #321958	Aaa	AAA	7.000	4/15/23	75,800	77,163
G.N.M.A., Pool #337793	Aaa	AAA	7.000	11/15/22	83,640	85,169
G.N.M.A., Pool #337895	Aaa	AAA	7.000	11/15/22	78,832	80,273
G.N.M.A., Pool #338369	Aaa	AAA	7.000	12/15/22	426,739	434,540
G.N.M.A., Pool #340365	Aaa	AAA	7.000	7/15/23	449,590	457,674
G.N.M.A., Pool #343185	Aaa	AAA	7.000	3/15/23	58,539	59,591
G.N.M.A., Pool #343610	Aaa	AAA	7.000	5/15/23	522,711	532,109
G.N.M.A., Pool #345441	Aaa	AAA	6.500	12/15/23	279,959	279,351
G.N.M.A., Pool #345666	Aaa	AAA	7.000	4/15/24	148,217	150,841
G.N.M.A., Pool #345706	Aaa	AAA	7.000	4/15/24	15,450	15,724
G.N.M.A., Pool #346388	Aaa	AAA	7.000	1/15/23	673,913	686,232
G.N.M.A., Pool #346725	Aaa	AAA	7.500	8/15/23	100,678	104,091
G.N.M.A., Pool #346960	Aaa	AAA	6.500	12/15/23	309,329	308,657
G.N.M.A., Pool #347017	Aaa	AAA	7.000	1/15/24	986,215	1,003,671
G.N.M.A., Pool #347149	Aaa	AAA	7.500	11/15/27	424,918	437,738
G.N.M.A., Pool #347471	Aaa	AAA	7.000	6/15/23	407,795	415,127
G.N.M.A., Pool #348883	Aaa	AAA	6.500	7/15/23	97,756	97,543
G.N.M.A., Pool #349719	Aaa	AAA	7.000	7/15/23	61,434	62,539
G.N.M.A., Pool #349772	Aaa	AAA	7.000	5/15/23	19,888	20,246
G.N.M.A., Pool #350948	Aaa	AAA	7.000	8/15/23	86,602	88,159
G.N.M.A., Pool #352106	Aaa	AAA	6.500	8/15/23	2,918,256	2,911,923
G.N.M.A., Pool #352136	Aaa	AAA	6.500	6/15/23	342,163	341,421
G.N.M.A., Pool #352191	Aaa	AAA	7.000	5/15/23	478,304	486,904
G.N.M.A., Pool #353838	Aaa	AAA	7.500	9/15/27	297,494	306,469
G.N.M.A., Pool #353881	Aaa	AAA	7.500	10/15/27	545,147	561,594
G.N.M.A., Pool #354284	Aaa	AAA	6.500	5/15/23	15,799	15,765
G.N.M.A., Pool #354293	Aaa	AAA	7.000	5/15/23	195,549	199,065
G.N.M.A., Pool #354603	Aaa	AAA	7.500	6/15/23	579,926	596,779
G.N.M.A., Pool #355501	Aaa	AAA	7.000	8/15/23	510,232	519,406

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
G.N.M.A., Pool #358219	Aaa	AAA	7.000	7/15/23	533,998	543,599
G.N.M.A., Pool #359974	Aaa	AAA	7.000	1/15/24	37,792	38,472
G.N.M.A., Pool #360199	Aaa	AAA	6.500	11/15/23	132,249	131,962
G.N.M.A., Pool #361658	Aaa	AAA	7.000	8/15/23	374,436	381,168
G.N.M.A., Pool #363074	Aaa	AAA	7.000	8/15/23	117,077	119,182
G.N.M.A., Pool #364122	Aaa	AAA	7.000	8/15/23	59,938	61,015
G.N.M.A., Pool #364592	Aaa	AAA	7.000	8/15/23	565,594	575,763
G.N.M.A., Pool #364657	Aaa	AAA	6.500	9/15/23	344,255	343,508
G.N.M.A., Pool #366679	Aaa	AAA	7.000	1/15/24	763,687	777,418
G.N.M.A., Pool #366726	Aaa	AAA	7.000	3/15/24	31,158	31,709
G.N.M.A., Pool #366793	Aaa	AAA	7.000	5/15/24	37,324	37,985
G.N.M.A., Pool #366804	Aaa	AAA	7.000	6/15/24	2,058,615	2,095,052
G.N.M.A., Pool #367748	Aaa	AAA	6.500	9/15/23	277,020	276,419
G.N.M.A., Pool #369319	Aaa	AAA	7.000	2/15/24	399,881	406,959
G.N.M.A., Pool #370681	Aaa	AAA	7.500	11/15/23	307,915	318,353
G.N.M.A., Pool #371692	Aaa	AAA	7.000	3/15/24	273,064	277,898
G.N.M.A., Pool #373315	Aaa	AAA	7.500	4/15/22	1,553,343	1,606,002
G.N.M.A., Pool #375987	Aaa	AAA	7.000	1/15/24	2,306,689	2,347,517
G.N.M.A., Pool #376466	Aaa	AAA	7.000	4/15/24	772,722	786,399
G.N.M.A., Pool #377977	Aaa	AAA	7.000	4/15/24	162,815	165,697
G.N.M.A., Pool #382213	Aaa	AAA	7.000	2/15/24	880,642	896,229
G.N.M.A., Pool #389222	Aaa	AAA	7.000	3/15/24	1,045,103	1,063,601
G.N.M.A., Pool #398880	Aaa	AAA	7.500	9/15/11	36,818	38,118
G.N.M.A., Pool #412372	Aaa	AAA	7.500	11/15/27	160,712	165,561
G.N.M.A., Pool #421162	Aaa	AAA	6.500	2/15/26	297,439	295,975
G.N.M.A., Pool #421509	Aaa	AAA	7.500	9/15/11	465,196	481,612
G.N.M.A., Pool #421641	Aaa	AAA	6.500	5/15/29	1,708,711	1,693,999
G.N.M.A., Pool #421762	Aaa	AAA	7.500	8/15/11	546,440	565,724
G.N.M.A., Pool #423130	Aaa	AAA	8.500	10/15/29	187,706	196,004
G.N.M.A., Pool #427722	Aaa	AAA	7.500	4/15/27	147,619	152,073
G.N.M.A., Pool #429220	Aaa	AAA	6.500	4/15/26	268,268	266,948
G.N.M.A., Pool #430423	Aaa	AAA	8.000	9/15/26	788,223	821,383
G.N.M.A., Pool #432741	Aaa	AAA	7.500	7/15/11	263,499	272,798
G.N.M.A., Pool #432923	Aaa	AAA	7.500	8/15/11	361,497	374,254
G.N.M.A., Pool #433161	Aaa	AAA	7.500	8/15/11	110,863	114,775
G.N.M.A., Pool #433919	Aaa	AAA	7.000	8/15/28	494,823	500,533
G.N.M.A., Pool #435414	Aaa	AAA	8.000	7/15/27	98,540	102,277
G.N.M.A., Pool #439558	Aaa	AAA	7.500	5/15/27	827,105	852,059
G.N.M.A., Pool #441782	Aaa	AAA	7.500	1/15/27	403,164	415,327
G.N.M.A., Pool #442287	Aaa	AAA	7.500	1/15/27	430,080	443,073
G.N.M.A., Pool #445558	Aaa	AAA	7.500	12/15/27	398,733	410,763
G.N.M.A., Pool #447458	Aaa	AAA	7.500	3/15/27	338,900	349,124
G.N.M.A., Pool #448704	Aaa	AAA	7.500	10/15/27	23,910	24,632
G.N.M.A., Pool #450436	Aaa	AAA	7.500	10/15/27	553,020	569,704
G.N.M.A., Pool #451929	Aaa	AAA	7.500	9/15/27	122,340	126,031
G.N.M.A., Pool #452261	Aaa	AAA	7.500	8/15/27	171,423	176,594
G.N.M.A., Pool #456216	Aaa	AAA	6.500	6/15/28	1,239,843	1,229,949
G.N.M.A., Pool #462822	Aaa	AAA	6.500	7/15/13	18,459	18,638
G.N.M.A., Pool #467288	Aaa	AAA	7.000	10/15/28	333,172	337,017
G.N.M.A., Pool #470131	Aaa	AAA	6.500	3/15/29	397,494	394,072
G.N.M.A., Pool #475835	Aaa	AAA	6.500	6/15/13	421,541	425,629
G.N.M.A., Pool #476829	Aaa	AAA	6.650	1/15/34	1,187,693	1,185,425
G.N.M.A., Pool #477287	Aaa	AAA	7.375	10/15/34	1,385,784	1,442,255
G.N.M.A., Pool #479661	Aaa	AAA	7.500	10/15/30	3,929,784	4,033,649
G.N.M.A., Pool #482410	Aaa	AAA	7.500	4/15/30	24,757	25,412
G.N.M.A., Pool #482928	Aaa	AAA	6.500	1/15/29	193,951	191,952

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
G.N.M.A., Pool #486085	Aaa	AAA	8.500	7/15/30	51,311	53,568
G.N.M.A., Pool #488313	Aaa	AAA	7.000	12/15/28	512,278	518,189
G.N.M.A., Pool #491740	Aaa	AAA	7.000	11/15/28	240,292	243,065
G.N.M.A., Pool #494508	Aaa	AAA	6.500	4/15/29	568,724	563,827
G.N.M.A., Pool #497636	Aaa	AAA	6.500	2/15/29	725,610	717,672
G.N.M.A., Pool #500137	Aaa	AAA	7.500	9/15/29	1,214,359	1,246,321
G.N.M.A., Pool #505313	Aaa	AAA	8.000	12/15/29	44,159	45,796
G.N.M.A., Pool #506457	Aaa	AAA	6.000	4/15/29	575,640	557,111
G.N.M.A., Pool #506561	Aaa	AAA	7.500	5/15/29	956,356	981,527
G.N.M.A., Pool #508397	Aaa	AAA	8.000	11/15/30	22,572	23,400
G.N.M.A., Pool #517300	Aaa	AAA	7.500	9/15/29	187,932	192,879
G.N.M.A., Pool #517385	Aaa	AAA	8.000	10/15/29	565,624	586,597
G.N.M.A., Pool #520110	Aaa	AAA	8.000	4/15/30	106,479	110,385
G.N.M.A., Pool #520777	Aaa	AAA	8.000	7/15/30	935,161	969,472
G.N.M.A., Pool #523019	Aaa	AAA	8.500	7/15/30	511,030	533,505
G.N.M.A., Pool #525140	Aaa	AAA	8.000	5/15/30	83,023	86,069
G.N.M.A., Pool #525557	Aaa	AAA	8.000	1/15/30	67,280	69,749
G.N.M.A., Pool #525960	Aaa	AAA	8.500	7/15/30	84,076	87,774
G.N.M.A., Pool #526259	Aaa	AAA	8.500	6/15/30	321,255	335,384
G.N.M.A., Pool #527004	Aaa	AAA	8.500	1/15/30	172,480	180,066
G.N.M.A., Pool #527164	Aaa	AAA	8.500	3/15/30	22,822	23,832
G.N.M.A., Pool #527271	Aaa	AAA	8.500	7/15/30	46,600	48,650
G.N.M.A., Pool #527320	Aaa	AAA	8.000	8/15/30	445,001	461,328
G.N.M.A., Pool #527744	Aaa	AAA	7.500	5/15/30	41,595	42,694
G.N.M.A., Pool #530021	Aaa	AAA	8.500	5/15/30	101,492	105,955
G.N.M.A., Pool #530164	Aaa	AAA	8.000	10/15/30	111,524	115,615
G.N.M.A., Pool #530243	Aaa	AAA	8.000	1/15/31	1,412,000	1,465,727
G.N.M.A., Pool #531153	Aaa	AAA	8.000	5/15/30	673,420	698,127
G.N.M.A., Pool #531314	Aaa	AAA	8.000	8/15/30	440,195	456,346
G.N.M.A., Pool #531748	Aaa	AAA	8.000	6/15/30	71,087	73,695
G.N.M.A., Pool #532749	Aaa	AAA	8.000	8/15/30	583,194	604,592
G.N.M.A., Pool #535388	Aaa	AAA	7.500	1/15/31	106,928	109,754
G.N.M.A., Pool #535395	Aaa	AAA	7.500	9/15/30	18,986	19,488
G.N.M.A., Pool #538555	Aaa	AAA	8.000	10/15/30	26,563	27,538
G.N.M.A., Pool #538618	Aaa	AAA	8.000	11/15/30	68,790	71,314
G.N.M.A., Pool #540204	Aaa	AAA	6.500	2/15/31	721,998	715,710
G.N.M.A., Pool #541281	Aaa	AAA	6.500	2/15/31	818,465	811,336
G.N.M.A., Pool #544848	Aaa	AAA	7.500	11/15/30	877,898	901,101
G.N.M.A., Pool #547692	Aaa	AAA	7.500	2/15/31	785,785	806,554
G.N.M.A., Pool #564647	Aaa	AAA	6.000	6/15/31	1,825,000	1,766,253
G.N.M.A., Pool #780089	Aaa	AAA	8.000	3/15/25	29,303	30,576
G.N.M.A., Pool #780397	Aaa	AAA	8.000	12/15/22	235,283	246,678
G.N.M.A., Pool #780589	Aaa	AAA	7.000	6/15/27	995,505	1,007,949
G.N.M.A., Pool #780598	Aaa	AAA	7.500	12/15/23	2,384,173	2,453,458
G.N.M.A., Pool #780705	Aaa	AAA	7.500	12/15/23	323,395	332,793
G.N.M.A., Pool #781029	Aaa	AAA	6.500	5/15/29	262,775	260,066
G.N.M.A., Pool #781038	Aaa	AAA	6.500	5/15/29	1,810,450	1,791,784
G.N.M.A., Pool #781048	Aaa	AAA	6.500	6/15/29	457,473	452,468
G.N.M.A., Pool #781070	Aaa	AAA	8.000	7/15/29	743,472	771,003
G.N.M.A., Pool #781089	Aaa	AAA	7.500	9/15/29	1,645,300	1,686,942
G.N.M.A., Pool #781118	Aaa	AAA	6.500	10/15/29	1,447,973	1,432,133
G.N.M.A., Pool #781158	Aaa	AAA	8.000	4/15/30	1,445,734	1,497,679
G.N.M.A., Pool #781162	Aaa	AAA	7.000	12/15/12	387,422	396,984
G.N.M.A., Pool #781185	Aaa	AAA	8.000	5/15/30	657,924	681,563
G.N.M.A., Pool #781226	Aaa	AAA	6.500	12/15/30	5,066,907	5,011,475
G.N.M.A., Pool #781234	Aaa	AAA	6.500	1/15/31	2,033,681	2,011,433

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
G.N.M.A., Remic Ser. 1994-1 CI PE	Aaa	AAA	7.500	7/16/22	2,241,020	2,303,343
G.N.M.A., TBA Pool	Aaa	AAA	7.000	7/1/31	3,775,000	3,808,031
G.N.M.A., TBA Pool	Aaa	AAA	8.000	7/1/31	600,000	621,564
Horry County South Carolina Apt. Rev. Bonds	Aaa	AAA	7.240	7/1/09	485,000	504,061
Hydro-Quebec, Canada, Bonds	A1	A+	8.500	12/1/29	1,000,000	1,162,860
International American Dev. Bank, Bonds	Aaa	AAA	7.125	3/15/23	1,000,000	974,410
International Bank for Recon. & Dev., Bonds	Aaa	AAA	6.375	7/21/05	2,500,000	2,598,050
International Bank for Recon. & Dev., Bonds	Aaa	AAA	7.000	1/27/05	2,000,000	2,113,440
International Bank for Recon. & Dev., Bonds	Aaa	AAA	7.625	1/19/23	2,000,000	2,263,500
International Bank for Recon. & Dev., Bonds	Aaa	AAA	8.625	10/15/16	1,000,000	1,201,760
MAS Advisory Mtg. Portfolio Mutual Fund	Aaa	AAA	N/A	N/A	N/A	148,327,295
Private Export Funding Corp., Bonds	Aaa	AAA	6.490	7/15/07	15,000,000	15,251,100
Quebec (Providence of), Canada, Bonds	A1	A+	6.125	1/22/11	3,305,000	3,201,950
Quebec (Providence of), Canada, Bonds	A1	A+	7.125	2/9/24	2,000,000	2,014,040
Resolution Funding Corp., Bonds	Aaa	AAA	8.125	10/15/19	3,000,000	3,530,228
Resolution Funding Corp., Bonds	Aaa	AAA	8.625	1/15/21	2,400,000	3,066,120
Resolution Funding Corp., Bonds	Aaa	AAA	8.625	1/15/30	2,300,000	3,056,562
Resolution Funding Corp., Bonds	Aaa	AAA	8.875	7/15/20	3,575,000	4,657,975
Resolution Funding Corp., Bonds	Aaa	AAA	8.875	4/15/30	2,300,000	3,135,797
Resolution Funding Corp., Bonds	Aaa	AAA	9.375	10/15/20	1,800,000	2,452,194
Tennessee Valley Auth. Power, Bonds	Aaa	AAA	6.000	3/15/13	1,000,000	968,180
Tennessee Valley Auth. Power, Bonds	Aaa	AAA	6.375	6/15/05	2,000,000	2,064,800
Tennessee Valley Auth. Power, Bonds	Aaa	AAA	6.750	11/1/25	3,000,000	3,030,240
Tennessee Valley Auth. Power, Bonds	Aaa	AAA	6.875	12/15/43	2,000,000	1,952,220
Tennessee Valley Auth. Power, Bonds	Aaa	AAA	7.850	6/15/44	2,000,000	2,028,020
Tennessee Valley Auth. Power, Bonds	Aaa	AAA	8.250	4/15/42	1,200,000	1,375,620
U.S. Treasury, Bonds	Aaa	AAA	5.250	11/15/28	10,000,000	9,150,400
U.S. Treasury, Bonds	Aaa	AAA	5.250	2/15/29	4,280,000	3,919,367
U.S. Treasury, Bonds	Aaa	AAA	5.375	2/15/31	20,410,000	19,354,395
U.S. Treasury, Bonds	Aaa	AAA	6.125	11/15/27	875,000	901,932
U.S. Treasury, Bonds	Aaa	AAA	6.125	8/15/29	935,000	970,006
U.S. Treasury, Bonds	Aaa	AAA	6.250	8/15/23	8,850,000	9,215,593
U.S. Treasury, Bonds	Aaa	AAA	6.250	5/15/30	7,952,000	8,433,737
U.S. Treasury, Bonds	Aaa	AAA	6.375	8/15/27	19,290,000	20,510,285
U.S. Treasury, Bonds	Aaa	AAA	6.625	2/15/27	6,000,000	6,571,680
U.S. Treasury, Bonds	Aaa	AAA	6.750	8/15/26	8,000,000	8,876,880
U.S. Treasury, Bonds	Aaa	AAA	6.875	8/15/25	6,800,000	7,634,700
U.S. Treasury, Bonds	Aaa	AAA	7.125	2/15/23	5,000,000	5,733,050
U.S. Treasury, Bonds	Aaa	AAA	7.250	5/15/16	6,910,000	7,875,363
U.S. Treasury, Bonds	Aaa	AAA	7.500	11/15/16	10,070,000	11,740,311
U.S. Treasury, Bonds	Aaa	AAA	7.500	11/15/24	4,000,000	4,800,800
U.S. Treasury, Bonds	Aaa	AAA	7.625	11/15/22	5,310,000	6,403,488
U.S. Treasury, Bonds	Aaa	AAA	7.625	2/15/25	4,000,000	4,868,440
U.S. Treasury, Bonds	Aaa	AAA	7.875	2/15/21	4,100,000	5,028,158
U.S. Treasury, Bonds	Aaa	AAA	8.000	11/15/21	12,346,000	15,377,181
U.S. Treasury, Bonds	Aaa	AAA	8.125	8/15/19	7,130,000	8,880,869
U.S. Treasury, Bonds	Aaa	AAA	8.125	5/15/21	5,500,000	6,913,170
U.S. Treasury, Bonds	Aaa	AAA	8.125	8/15/21	5,440,000	6,845,098
U.S. Treasury, Bonds	Aaa	AAA	8.500	2/15/20	8,695,000	11,226,984
U.S. Treasury, Bonds	Aaa	AAA	8.750	11/15/08	2,900,000	3,168,772
U.S. Treasury, Bonds	Aaa	AAA	8.750	5/15/17	5,000,000	6,489,800
U.S. Treasury, Bonds	Aaa	AAA	8.750	5/15/20	445,000	588,263
U.S. Treasury, Bonds	Aaa	AAA	8.750	8/15/20	10,825,000	14,330,135
U.S. Treasury, Bonds	Aaa	AAA	8.875	8/15/17	5,100,000	6,696,096
U.S. Treasury, Bonds	Aaa	AAA	8.875	2/15/19	12,470,000	16,530,232
U.S. Treasury, Bonds	Aaa	AAA	9.125	5/15/09	2,700,000	3,013,038

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
U.S. Treasury, Bonds	Aaa	AAA	9.125	5/15/18	4,000,000	5,385,720
U.S. Treasury, Bonds	Aaa	AAA	9.250	2/15/16	3,300,000	4,408,833
U.S. Treasury, Bonds	Aaa	AAA	9.375	2/15/06	3,770,000	4,444,868
U.S. Treasury, Bonds	Aaa	AAA	9.875	11/15/15	3,180,000	4,434,287
U.S. Treasury, Bonds	Aaa	AAA	10.000	5/15/10	3,000,000	3,518,250
U.S. Treasury, Bonds	Aaa	AAA	10.375	11/15/12	5,700,000	7,218,252
U.S. Treasury, Bonds	Aaa	AAA	10.625	8/15/15	2,715,000	3,972,832
U.S. Treasury, Bonds	Aaa	AAA	10.750	2/15/03	2,500,000	2,752,525
U.S. Treasury, Bonds	Aaa	AAA	10.750	5/15/03	1,000,000	1,114,160
U.S. Treasury, Bonds	Aaa	AAA	10.750	8/15/05	11,140,000	13,510,481
U.S. Treasury, Bonds	Aaa	AAA	11.125	8/15/03	4,000,000	4,537,920
U.S. Treasury, Bonds	Aaa	AAA	11.250	2/15/15	4,210,000	6,377,308
U.S. Treasury, Bonds	Aaa	AAA	11.625	11/15/04	4,800,000	5,804,880
U.S. Treasury, Bonds	Aaa	AAA	11.750	11/15/14	2,300,000	3,258,548
U.S. Treasury, Bonds	Aaa	AAA	11.875	11/15/03	4,100,000	4,770,227
U.S. Treasury, Bonds	Aaa	AAA	12.000	5/15/05	1,700,000	2,121,685
U.S. Treasury, Bonds	Aaa	AAA	12.000	8/15/13	5,295,000	7,330,239
U.S. Treasury, Bonds	Aaa	AAA	12.375	5/15/04	2,350,000	2,831,115
U.S. Treasury, Bonds	Aaa	AAA	12.500	8/15/14	5,095,000	7,419,798
U.S. Treasury, Bonds	Aaa	AAA	13.250	5/15/14	1,000,000	1,493,320
U.S. Treasury, Bonds	Aaa	AAA	13.750	8/15/04	1,000,000	1,259,040
U.S. Treasury, Bonds	Aaa	AAA	13.875	5/15/11	1,900,000	2,611,151
U.S. Treasury, Bonds	Aaa	AAA	14.000	11/15/11	1,000,000	1,411,250
U.S. Treasury, Bonds, Inflation Index	Aaa	AAA	4.179	1/15/09	4,000,000	4,455,005
U.S. Treasury, Bonds, Inflation Index	Aaa	AAA	4.467	1/15/10	2,500,000	2,779,819
U.S. Treasury, Bonds, Stripped Int. Pmt.	Aaa	AAA	0.000	5/15/11	370,000	213,494
U.S. Treasury, Bonds, Stripped Int. Pmt.	Aaa	AAA	0.000	5/15/20	825,000	262,820
U.S. Treasury, Bonds, Stripped Prin. Pmt.	Aaa	AAA	0.000	11/15/27	6,475,000	1,358,649
U.S. Treasury, Bonds, Stripped Prin. Pmt.	Aaa	AAA	0.000	5/15/20	1,085,000	346,289
U.S. Treasury, Bonds, Stripped Prin. Pmt.	Aaa	AAA	0.000	2/15/21	5,300,000	1,610,299
U.S. Treasury, Bonds, Stripped Prin. Pmt.	Aaa	AAA	0.000	11/15/21	6,670,000	1,947,840
U.S. Treasury, Notes	Aaa	AAA	4.250	3/31/03	5,000,000	5,000,850
U.S. Treasury, Notes	Aaa	AAA	4.250	5/31/03	12,300,000	12,296,679
U.S. Treasury, Notes	Aaa	AAA	4.250	11/15/03	9,780,000	9,740,880
U.S. Treasury, Notes	Aaa	AAA	4.625	2/28/03	5,000,000	5,032,100
U.S. Treasury, Notes	Aaa	AAA	4.625	5/15/06	5,090,000	5,019,605
U.S. Treasury, Notes	Aaa	AAA	4.750	11/15/08	10,000,000	9,654,100
U.S. Treasury, Notes	Aaa	AAA	5.000	2/15/11	6,472,000	6,279,689
U.S. Treasury, Notes	Aaa	AAA	5.250	8/15/03	10,000,000	10,184,300
U.S. Treasury, Notes	Aaa	AAA	5.250	5/15/04	6,200,000	6,307,260
U.S. Treasury, Notes	Aaa	AAA	5.500	1/31/03	5,000,000	5,098,900
U.S. Treasury, Notes	Aaa	AAA	5.500	2/28/03	3,000,000	3,061,560
U.S. Treasury, Notes	Aaa	AAA	5.500	5/31/03	2,500,000	2,555,475
U.S. Treasury, Notes	Aaa	AAA	5.500	2/15/08	5,000,000	5,073,850
U.S. Treasury, Notes	Aaa	AAA	5.500	5/15/09	6,000,000	6,053,220
U.S. Treasury, Notes	Aaa	AAA	5.625	11/30/02	8,000,000	8,164,880
U.S. Treasury, Notes	Aaa	AAA	5.625	12/31/02	7,500,000	7,661,850
U.S. Treasury, Notes	Aaa	AAA	5.625	2/15/06	7,400,000	7,599,800
U.S. Treasury, Notes	Aaa	AAA	5.625	5/15/08	21,325,000	21,761,736
U.S. Treasury, Notes	Aaa	AAA	5.750	10/31/02	4,800,000	4,903,632
U.S. Treasury, Notes	Aaa	AAA	5.750	4/30/03	10,500,000	10,771,530
U.S. Treasury, Notes	Aaa	AAA	5.750	8/15/03	15,285,000	15,718,299
U.S. Treasury, Notes	Aaa	AAA	5.750	11/15/05	650,000	669,344
U.S. Treasury, Notes	Aaa	AAA	5.750	8/15/10	8,015,000	8,201,589
U.S. Treasury, Notes	Aaa	AAA	5.875	9/30/02	7,950,000	8,128,477
U.S. Treasury, Notes	Aaa	AAA	5.875	2/15/04	5,700,000	5,901,267

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MUNICIPAL, UNITED STATES GOVERNMENT AND AGENCIES (cont'd.)						
U.S. Treasury, Notes	Aaa	AAA	5.875	11/15/04	13,224,000	13,676,613
U.S. Treasury, Notes	Aaa	AAA	5.875	11/15/05	4,200,000	4,350,024
U.S. Treasury, Notes	Aaa	AAA	6.000	7/31/02	11,500,000	11,749,550
U.S. Treasury, Notes	Aaa	AAA	6.000	8/15/04	7,000,000	7,264,880
U.S. Treasury, Notes	Aaa	AAA	6.000	8/15/09	6,440,000	6,694,310
U.S. Treasury, Notes	Aaa	AAA	6.125	8/15/07	10,653,000	11,178,306
U.S. Treasury, Notes	Aaa	AAA	6.250	8/31/02	12,300,000	12,610,698
U.S. Treasury, Notes	Aaa	AAA	6.250	2/15/07	7,000,000	7,384,790
U.S. Treasury, Notes	Aaa	AAA	6.375	8/15/02	8,900,000	9,133,892
U.S. Treasury, Notes	Aaa	AAA	6.500	5/15/05	6,000,000	6,344,400
U.S. Treasury, Notes	Aaa	AAA	6.500	8/15/05	4,000,000	4,235,160
U.S. Treasury, Notes	Aaa	AAA	6.500	10/15/06	6,560,000	6,984,235
U.S. Treasury, Notes	Aaa	AAA	6.500	2/15/10	5,005,000	5,376,021
U.S. Treasury, Notes	Aaa	AAA	6.625	5/15/07	9,360,000	10,049,645
U.S. Treasury, Notes	Aaa	AAA	6.750	5/15/05	4,090,000	4,354,500
U.S. Treasury, Notes	Aaa	AAA	6.875	5/15/06	5,700,000	6,146,994
U.S. Treasury, Notes	Aaa	AAA	7.000	7/15/06	15,900,000	17,245,617
U.S. Treasury, Notes	Aaa	AAA	7.250	5/15/04	7,000,000	7,491,540
U.S. Treasury, Notes	Aaa	AAA	7.250	8/15/04	7,000,000	7,514,360
U.S. Treasury, Notes	Aaa	AAA	7.500	2/15/05	7,085,000	7,711,739
U.S. Treasury, Notes	Aaa	AAA	7.875	11/15/04	6,600,000	7,227,792
U.S. Treasury, Ser. A-2003	Aaa	AAA	6.250	2/15/03	9,895,000	10,209,562
TOTAL MUNICIPAL, US GOVERNMENT AND AGENCIES					1,361,916,712	1,573,150,115

FOREIGN GOVERNMENT

Asian Development Bank, Global Bonds	Aaa	AAA	5.500	4/23/04	3,000,000	3,025,890
Asian Development Bank, Global Bonds	Aaa	AAA	6.125	3/9/04	1,000,000	1,025,790
Canadian Government, Bonds	Aa1	AA+	6.125	7/15/02	2,000,000	2,037,000
Canadian Government, Bonds	Aa1	AA+	6.375	7/21/05	750,000	776,933
Canadian Government, Bonds	Aa1	AA+	6.750	8/28/06	1,340,000	1,410,555
Colombia Republic, Bonds	Ba2	BB	11.750	2/25/20	225,000	214,875
Finland Republic, Bonds	Aaa	AA+	7.875	7/28/04	2,000,000	2,154,640
Germany (Fed. Rep.), Bonds	Aaa	AAA	4.000	7/4/09	900,000	718,769
Germany (Fed. Rep.), Bonds	Aaa	AAA	5.000	8/19/05	1,400,000	1,205,846
Italy Republic, Bonds	Aa3	AA	5.250	1/16/04	3,000,000	3,015,270
Italy Republic, Bonds	Aa3	AA	6.000	9/27/03	1,000,000	1,022,690
Italy Republic, Bonds	Aa3	AA	6.000	2/22/11	1,000,000	985,640
Italy Republic, Bonds	Aa3	AA	6.875	9/27/23	2,000,000	2,065,420
Korea Republic, Bonds	Baa2	BBB	8.875	4/15/08	2,700,000	3,000,348
Manitoba (Providence of), Canada, Bonds	Aa3	AA-	6.750	3/1/03	3,000,000	3,095,130
Manitoba (Providence of), Canada, Bonds	Aa3	AA-	6.875	9/15/02	1,000,000	1,028,390
Manitoba (Providence of), Canada, Bonds	Aa3	AA-	8.800	1/15/20	1,000,000	1,223,270
New Zealand Government, Bonds	Aa2	AA+	10.625	11/15/05	1,000,000	1,186,970
Newfoundland (Providence of), Canada, Bonds	Baa1	A-	9.875	6/1/20	1,000,000	1,311,360
Ontario (Providence of), Canada, Bonds	Aa3	AA	6.000	2/21/06	2,000,000	2,025,880
Ontario (Providence of), Canada, Bonds	Aa3	AA	7.000	8/4/05	580,000	610,131
Ontario (Providence of), Canada, Bonds	Aa3	AA	7.375	1/27/03	1,000,000	1,041,530
Ontario Hydro Gtd., Notes	Aa3	AA	6.100	1/30/08	3,500,000	3,506,055
Peoples Republic of China, Bonds	A3	BBB	7.300	12/15/08	1,500,000	1,602,165
Quebec (Providence of), Canada, Bonds	A1	A+	7.500	7/15/23	3,000,000	3,145,800
South Africa Republic, Bonds	Baa3	BBB-	8.375	10/17/06	1,000,000	1,050,950
Sweden Kgd., Notes	Aa1	AA+	6.500	3/4/03	1,700,000	1,751,833
United Mexican States, Global Notes	Baa3	BB+	8.625	3/12/08	2,000,000	2,075,000

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
FOREIGN GOVERNMENT (cont'd.)						
United Mexican States, Notes	Baa3	BB+	9.875	2/1/10	3,000,000	3,282,000
TOTAL FOREIGN GOVERNMENT					48,595,000	50,596,130
TOTAL GOVERNMENT					1,410,511,712	1,623,746,245

CORPORATE - DOMESTIC

Abbott Laboratories, Notes	Aa3	AA	5.125	7/1/04	1,000,000	998,310
Abbott Laboratories, Notes	Aa3	AA	5.625	7/1/06	1,000,000	996,100
Abbott Laboratories, Notes	Aa3	AA	6.800	5/15/05	1,000,000	1,036,020
ABN Amro Bank, Notes	Aa3	AA-	8.250	8/1/09	1,000,000	1,038,700
ABN Amro Bank, Sub. Notes	Aa3	AA-	7.125	6/18/07	930,000	971,059
Accuride Corp., Sr. Sub. Notes	Caa1	CCC+	9.250	2/1/08	250,000	168,750
Ace Ina Holdings, Inc., Notes	A2	A-	8.300	8/15/06	2,000,000	2,143,300
Ackerley Group, Inc., Sr. Sub. Notes	B3	CCC+	9.000	1/15/09	500,000	437,500
Adelphia Communications Corp.	B2	B+	9.875	3/1/07	750,000	744,375
Adelphia Communications Corp.	B2	B+	10.250	6/15/11	100,000	98,000
Adelphia Communications Corp., Sr. Notes	B2	B+	7.875	5/1/09	200,000	178,000
Adelphia Communications Corp., Sr. Notes	B2	B+	9.375	11/15/09	790,000	755,437
Advanstar Communications, Inc., Sr. Sub. Notes	N/A	B-	12.000	2/15/11	70,000	71,050
AES Corp., Notes	Ba1	BB	8.875	2/15/11	140,000	136,500
AES Corp., Sr. Notes	Ba1	BB	8.750	12/15/02	305,000	310,920
AES Corp., Sr. Notes	Ba1	BB	8.750	6/15/08	350,000	344,750
Aetna, Inc., Debs.	Aa2	AA-	7.250	8/15/23	500,000	488,570
Aetna, Inc., Notes	Aa2	AA-	7.125	8/15/06	2,000,000	2,078,460
Aetna, Inc., Sr. Notes	Baa2	BBB	7.875	3/1/11	1,930,000	1,863,627
Ahmanson H F & Co., Notes	A3	BBB+	8.250	10/1/02	1,000,000	1,038,250
Ahold Financial USA, Inc.	Baa1	BBB+	6.875	5/1/29	1,515,000	1,370,454
Ahold Financial USA, Inc.	Baa1	BBB+	8.250	7/15/10	675,000	726,631
AIG Sunamerica Global Fing VI, Sr. Notes	Aaa	AAA	6.300	5/10/11	1,830,000	1,803,483
Air Products & Chemicals, Inc., Sr. Notes	A3	A	7.375	5/1/05	1,000,000	1,046,460
Airtouch Communications, Inc., Notes	A2	A	6.650	5/1/08	3,000,000	2,983,620
AK Steel Corp., Notes	Ba2	BB	9.125	12/15/06	250,000	255,312
AK Steel Corp., Sr. Notes	Ba2	BB	7.875	2/15/09	100,000	96,500
Albertsons, Inc., Bonds	Baa1	BBB+	6.950	8/1/09	1,100,000	1,080,717
Albertsons, Inc., Bonds	Baa1	BBB+	7.450	8/1/29	1,405,000	1,317,230
Alliance Gaming Corp., Bonds	B3	B-	10.000	8/1/07	38,000	38,047
Alliance Pipeline, LP, Sr. Notes	A3	BBB	6.996	12/31/19	480,000	456,254
Allied Waste N. America, Inc., Sr. Notes	Ba3	BB-	7.625	1/1/06	500,000	492,500
Allied Waste N. America, Inc., Sr. Sub. Notes	B2	B+	10.000	8/1/09	255,000	262,012
Allstate Corp., Notes	A1	A+	6.750	6/15/03	800,000	825,552
Allstate Corp., Sr. Notes	A1	A+	7.200	12/1/09	1,000,000	1,037,620
American Cellular Corp., Sr. Sub. Notes	B2	B	9.500	10/15/09	70,000	65,800
American Electric Power, Inc., Sr. Notes	Baa1	BBB+	6.125	5/15/06	775,000	763,049
American Express, Notes	A1	A+	6.875	11/1/05	650,000	675,948
American Financial Group, Inc., Notes	Baa2	BBB	7.125	4/15/09	1,695,000	1,530,941
American General Corp.	Aa2	AA-	6.625	2/15/29	1,115,000	1,039,526
American General Corp.	Aa2	AA-	7.500	8/11/10	160,000	170,078
American General Corp.	Aa2	AA-	7.500	7/15/25	200,000	207,000
American General Corp.	Aa2	AA-	7.750	4/1/05	1,000,000	1,064,860
American General Corp., Sr. Notes	A2	A	8.500	7/1/30	985,000	1,112,134
American General Financial Corp., M. T. Sr. Notes	A2	A+	7.450	1/15/05	1,400,000	1,475,334
American General Financial Corp., Notes	A2	A+	6.375	3/1/03	1,000,000	1,023,840
American Home Products Corp., Notes	A3	A	6.250	3/15/06	1,275,000	1,282,790
American Home Products Corp., Notes	A3	A	6.700	3/15/11	1,345,000	1,332,720

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
American Home Products Corp., Notes	A3	A	6.500	10/15/02	1,000,000	1,018,240
American Standard, Inc., Notes	Ba2	BB+	7.375	4/15/05	750,000	750,000
Ameritech Capital Funding Corp.	Aa3	AA-	6.550	1/15/28	2,000,000	1,833,480
Amerus Group Co., Sr. Notes	N/A	N/A	6.950	6/15/05	1,075,000	1,041,062
Amkor Tech, Inc., Sr. Notes	B1	B	9.250	5/1/06	750,000	729,375
Amphenol Corp., Sr. Sub. Notes	B1	BB-	9.875	5/15/07	150,000	160,875
Anadarko Finance Co., Sr. Notes	Baa1	BBB+	6.750	5/1/11	850,000	850,054
Anadarko Finance Co., Sr. Notes	Baa1	BBB+	7.500	5/1/31	1,090,000	1,104,690
Anheuser Busch Cos, Inc., Bonds	A1	A+	7.100	6/15/07	2,000,000	2,029,980
ANR Pipeline Co.	Baa1	BBB+	9.625	11/1/21	1,000,000	1,154,850
Anthem Insurance Cos., Inc.	Baa3	BBB+	9.000	4/1/27	715,000	660,832
Anthem Insurance Cos., Inc., Notes	Baa3	BBB+	9.125	4/1/10	690,000	691,076
Anthony Crane Rent LP, Notes	Caa1	B-	10.375	8/1/08	175,000	91,000
AOL Time Warner, Inc.	Baa1	BBB+	7.625	4/15/31	2,005,000	2,007,867
Aon Capital	A2	A-	8.205	1/1/27	2,000,000	1,956,920
Apache Corp.	A3	A-	7.950	4/15/26	1,000,000	1,080,890
Aramark Services, Inc., Notes	Baa3	BBB-	8.150	5/1/05	600,000	610,764
Archer Daniels Midland Co., Notes	A1	A+	6.250	5/15/03	1,000,000	1,019,980
Arco Chemical Co.	Ba3	BB	9.800	2/1/20	250,000	254,941
Aristar, Inc., Sr. Notes	A3	A-	7.375	9/1/04	2,000,000	2,084,040
Arizona Public Service Co.	A3	A-	9.000	12/15/21	1,000,000	998,860
Arrow Electronics, Inc., Notes	N/A	BBB	5.846	10/5/01	500,000	500,060
Assoc. Corp. N. America, Notes	Aa3	AA-	6.875	8/1/03	2,500,000	2,590,850
Assoc. Corp. N. America, Sr. Notes	Aa3	AA-	6.250	11/1/08	5,000,000	4,927,800
AT&T Corp.	A2	A	5.625	3/15/04	5,000,000	4,984,450
AT&T Corp.	A2	A	6.500	9/15/02	3,100,000	3,156,730
AT&T Corp.	A2	A	6.500	3/15/29	2,075,000	1,765,935
AT&T Corp.	A2	A	7.750	3/1/07	1,000,000	1,036,860
AT&T Corp.	A2	A	8.625	12/1/31	1,000,000	1,012,160
AT&T Wireless Services, Inc., Sr. Notes	Baa2	BBB	7.350	3/1/06	1,030,000	1,046,171
AT&T Wireless Services, Inc., Sr. Notes	Baa2	BBB	7.875	3/1/11	970,000	971,542
Athena Neurosciences Fin. LLC., Sr. Notes	Baa2	BBB	7.250	2/21/08	600,000	611,394
Atlas Air, Inc. Sr. Notes	B1	B	10.750	8/1/05	250,000	212,500
Avalon Bay Communities, Inc., M. T. Notes	Baa1	BBB+	7.500	12/15/10	385,000	394,140
Avalon Bay Communities, Inc., Sr. Notes	Baa1	BBB+	6.500	7/15/03	800,000	813,048
Avista Corp., Sr. Notes	Baa2	BBB-	9.750	6/1/08	385,000	410,941
AXA Financial, Inc., Sr. Notes	A2	A+	7.750	8/1/10	745,000	792,375
AXA SA, Sub. Notes	A2	A-	8.600	12/15/30	3,000,000	3,300,750
Baker Hughes, Inc., Notes	A2	A	6.000	2/15/09	1,000,000	969,140
Banc One Corp.	Aa3	A	6.875	8/1/06	450,000	462,514
Banc One Corp.	A1	A-	7.000	7/15/05	1,000,000	1,035,480
Banc One Corp.	A1	A-	7.600	5/1/07	2,000,000	2,114,720
Banc One Corp.	A1	A-	7.625	10/15/26	575,000	585,528
Banc One Corp.	A1	A-	8.000	4/29/27	705,000	748,097
Banc One Corp., Sub. Notes	A1	A-	7.875	8/1/10	7,750,000	8,291,492
Bank NY, Inc., Notes	A1	A	6.500	12/1/03	1,000,000	1,031,100
Bankamerica Corp., Medium Term Sr. Notes	Aa2	A+	5.750	3/1/04	1,000,000	1,003,660
Bankamerica Corp., Notes	Aa3	A	6.625	8/1/07	5,000,000	5,073,150
Bankamerica Corp., Notes	Aa3	A	7.125	10/15/11	1,000,000	1,012,660
Bankamerica Corp., Notes	Aa3	A	7.400	1/15/11	1,860,000	1,933,526
Bankamerica Corp., Notes	Aa2	A+	7.875	5/16/05	1,000,000	1,070,400
Bankboston Corp. Medium Term Sr. Notes	A2	A	6.125	3/15/02	1,000,000	1,010,980
Bankboston Corp., Notes	A3	A-	6.625	12/1/05	1,000,000	1,022,060
Bankers Trust Corp.	A2	A+	7.250	10/15/11	1,500,000	1,521,600
Bayer Corp.	Aa2	AA-	6.650	2/15/28	850,000	787,091
Bayerische Landesbank Girozentrale NY, Sub. Notes	Aaa	AAA	6.375	10/15/05	1,000,000	1,019,680

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Bayou Steel Corp., FM Bonds	B3	B-	9.500	5/15/08	500,000	285,000
Bear Stearns Cos., Inc., Bonds	A2	A	6.875	10/1/05	1,000,000	1,024,880
Bear Stearns Cos., Inc., Bonds	A2	A	7.000	3/1/07	1,500,000	1,521,330
Bear Stearns Cos., Inc., Global Notes	A2	A	7.800	8/15/07	500,000	527,705
Bear Stearns Cos., Inc., Notes	A2	A	6.625	1/15/04	1,000,000	1,019,260
Beazer Homes USA, Inc., Notes	Ba2	BB-	8.625	5/15/11	101,000	100,495
Beazer Homes USA, Inc., Sr. Notes	Ba2	BB-	8.875	4/1/08	500,000	495,000
Beckman Instrs., Inc. Sr. Notes	Baa3	BB+	7.100	3/4/03	100,000	100,727
Beckman Instrs., Inc. Sr. Notes	Baa3	BB+	7.450	3/4/08	280,000	272,650
Bellsouth Telecommunications, Inc.	Aa2	A+	6.000	6/15/12	1,500,000	1,513,680
Bellsouth Telecommunications, Inc.	Aa2	A+	6.750	10/15/33	1,000,000	886,000
Bellsouth Telecommunications, Inc.	Aa2	A+	7.625	5/15/35	1,000,000	971,990
Bellsouth Telecommunications, Inc.	Aa2	A+	7.875	8/1/32	1,000,000	989,990
Bellsouth Telecommunications, Inc., Bond	Aa2	A+	6.375	6/1/28	1,110,000	988,322
Bellsouth Telecommunications, Inc., Notes	Aa2	A+	6.250	5/15/03	1,000,000	1,020,600
Beverly Enterprises, Inc., Notes	B1	B+	9.000	2/15/06	350,000	353,500
BHP Finance USA, Ltd.	A3	A	8.500	12/1/12	1,000,000	1,071,830
Bio. Radiation Labs, Inc., Sr. Sub Notes	B2	N/A	11.625	2/15/07	315,000	341,775
Boeing Capital Corp.	A1	AA-	7.250	6/15/25	1,000,000	1,033,350
Boeing Capital Corp., Medium Term Sr. Notes	A2	AA-	6.350	11/15/07	550,000	556,281
Boeing Capital Corp., Notes	A2	AA-	5.650	5/15/06	500,000	496,255
Boise Cascade Corp., Notes	Baa3	BB+	9.450	11/1/09	575,000	598,500
Bucyrus Intl., Inc., Notes	Caa1	CCC	9.750	9/15/07	100,000	42,250
Burlington Industries, Inc., Notes	Caa2	CCC+	7.250	9/15/05	250,000	68,125
Burlington Northern Santa Fe Corp.	Baa2	BBB+	7.000	12/15/25	1,500,000	1,422,615
Burlington Resources, Inc., Debs.	A3	A-	7.375	3/1/29	350,000	349,415
Burlington Resources, Inc., Debs.	A3	A-	9.875	6/15/10	1,000,000	1,207,520
Burlington Resources, Inc., Notes	A3	A-	6.680	2/15/11	730,000	723,868
Cabot Industrial Properties, LP, Notes	Baa2	BBB	7.125	5/1/04	1,010,000	1,013,141
Calenergy, Inc., Sr. Notes	Baa3	BBB-	7.230	9/15/05	1,000,000	1,022,790
Calpine Corp., Notes	Baa3	BB+	8.500	2/15/11	990,000	950,816
Calpine Corp., Notes	Baa3	BB+	8.750	7/15/07	750,000	743,272
Calpine Corp., Sr. Notes	Baa3	BB+	8.625	8/15/10	150,000	145,854
Campbell Soup Co., Debs.	A3	A	8.875	5/1/21	1,000,000	1,133,670
Campbell Soup Co., Notes	A3	A	6.750	2/15/11	900,000	890,613
Capital One Bank, Sr. Notes	Baa3	BB+	7.250	5/1/06	2,500,000	2,392,350
Capital One Bank, Sr. Notes	Baa2	BBB-	8.250	6/15/05	635,000	653,256
Caraustar Industries, Inc., Sr. Sub. Notes	Ba1	BB-	9.875	4/1/11	175,000	161,000
Cardinal Health, Inc., Notes	A2	A	6.750	2/15/11	310,000	312,167
Carolina Power & Light Co., Notes	Baa1	BBB+	6.650	4/1/08	2,000,000	1,982,820
Carter Holt Harvey, Ltd., Notes	Baa2	BBB	8.875	12/1/04	1,000,000	1,069,680
Caterpillar Financial Services Corp., Notes	A2	A+	5.950	5/1/06	500,000	500,665
Caterpillar, Inc.	A2	A+	7.300	5/1/31	250,000	254,220
Caterpillar, Inc., Bonds	A2	A+	9.000	4/15/06	1,500,000	1,690,215
CDN National Ry. Co., Notes	Baa2	BBB+	7.000	3/15/04	1,000,000	1,030,620
Centex Corp., Sr. Notes	Baa2	BBB	7.875	2/1/11	675,000	671,638
Central Power & Light Co., Notes	A3	A-	6.625	7/1/05	1,000,000	1,016,740
Centurytel, Inc., Sr. Notes	Baa2	BBB+	8.375	10/15/10	1,200,000	1,248,665
Centy Aluminum Co., Sr. Notes	Ba3	BB-	11.750	4/15/08	175,000	181,125
CF Wellington International, Bonds	N/A	N/A	N/A	N/A	N/A	35,337,842
Champion International Corp., Notes	Baa2	BBB	7.100	9/1/05	410,000	416,617
Charter Communications Holdings, LLC, Notes	B2	B+	8.250	4/1/07	500,000	467,500
Charter Communications Holdings, LLC, Notes	B2	B+	10.000	4/1/09	250,000	253,750
Charter Communications Holdings, LLC, Notes	B2	B+	11.125	1/15/11	145,000	152,250
Charter Communications Holdings, LLC, Notes	B2	B+	11.750	5/15/11	510,000	293,887
Charter Communications Holdings, LLC, Notes	B2	B+	13.500	1/15/11	1,060,000	657,200

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Chase Manhattan Corp., Medium Term Notes	Aa3	AA-	6.750	12/1/04	425,000	441,362
Chase Manhattan Corp., Notes	Aa3	AA-	5.750	4/15/04	2,000,000	2,017,880
Chase Manhattan Corp., Notes	A1	A+	7.000	11/15/09	790,000	803,967
Chase Manhattan Corp., Notes	A1	A+	7.125	3/1/05	1,000,000	1,046,220
Chrysler Corp.	A3	A-	7.400	8/1/97	1,000,000	895,660
Chrysler Corp., Debs.	A3	A-	7.450	3/1/27	1,000,000	944,260
Cigna Corp., Sr. Notes	A3	A+	7.000	1/15/11	840,000	840,034
Cilcorp, Inc., Sr. Bonds	Baa2	N/A	9.375	10/15/29	500,000	551,590
Cincinatti Financial Corp.	A2	A+	6.900	5/15/28	1,250,000	1,155,375
Citigroup, Inc.	A2	A	7.625	12/1/36	1,000,000	1,001,550
Citigroup, Inc.	A2	A	7.875	5/15/25	1,000,000	1,080,930
Citigroup, Inc.	A2	A	7.933	2/15/27	2,000,000	2,037,640
Citigroup, Inc., M. T. Notes	A2	A+	5.625	5/17/04	1,960,000	1,962,274
Citigroup, Inc., M. T. Notes	A1	A+	6.375	11/15/08	1,705,000	1,680,891
Citigroup, Inc., Notes	A2	A+	5.500	2/15/04	3,000,000	2,985,600
Citigroup, Inc., Notes	A2	A+	5.875	10/15/08	1,000,000	936,560
Citigroup, Inc., Notes	Aa2	AA-	6.500	1/18/11	2,000,000	1,984,680
Citigroup, Inc., Notes	Aa2	AA-	6.750	12/1/05	2,600,000	2,684,994
Citigroup, Inc., Notes	A1	A+	7.250	10/15/11	1,000,000	1,035,110
Citizens Communications Co. Citizens, Notes	Baa2	BBB	9.250	5/15/11	160,000	166,282
Clark Refining & Marketing, Inc., Sr. Notes	Ba3	BB-	8.625	8/15/08	250,000	207,500
Clear Channel Communications, Inc., Sr. Notes	Baa3	BBB-	7.250	9/15/03	500,000	516,520
Clear Channel Communications, Inc., Sr. Notes	Baa3	BBB-	7.650	9/15/10	2,605,000	2,689,767
Cleveland Electric Illumination Co., Notes	Baa3	BBB	9.500	5/15/05	1,000,000	1,030,580
Clorox Co., Notes	A1	A+	6.125	2/1/11	535,000	521,660
CMS Energy Corp., Notes	Ba3	BB	7.500	1/15/09	690,000	641,182
CMS Energy Corp., Sr. Notes	Ba3	BB	7.625	11/15/04	350,000	347,896
CMS Energy Corp., Sr. Notes	Ba3	BB	9.875	10/15/07	350,000	369,407
CNA Financial Corp., Notes	Baa1	BBB	6.250	11/15/03	1,000,000	997,450
Coca Cola Enterprises	A2	A	6.750	9/15/23	500,000	478,290
Coca Cola Enterprises	A2	A	6.950	11/15/26	1,050,000	1,026,469
Coca Cola Enterprises	A2	A	8.500	2/1/22	1,000,000	1,145,250
Coca Cola Enterprises, Notes	Aa3	A+	5.750	3/15/11	1,000,000	964,030
Coca Cola Enterprises, Notes	A2	A	6.625	8/1/04	1,000,000	1,030,540
Colonial Bank Montgomery, Alabama, Sub. Notes	Ba1	BBB-	9.375	6/1/11	270,000	275,003
Columbia Energy Group, Notes	A3	BBB	6.800	11/28/05	1,000,000	1,011,390
Columbia/HCA Healthcare Corp.	Ba1	BB+	7.190	11/15/15	250,000	223,750
Columbia/HCA Healthcare Corp.	Ba1	BB+	7.500	12/15/23	595,000	529,618
Columbia/HCA Healthcare Corp.	Ba1	BB+	9.000	12/15/14	635,000	685,527
Columbia/HCA Healthcare Corp., Notes	Ba1	BB+	7.250	5/20/08	350,000	338,625
Comcast Cable Communications, Inc.	Baa2	BBB	7.125	6/15/13	400,000	396,168
Comcast Cable Communications, Inc., Notes	Baa2	BBB	6.200	11/15/08	1,000,000	967,880
Comcast Cable Communications, Inc., Notes	Baa2	BBB	6.750	1/30/11	2,000,000	1,958,700
Comcast Cable Communications, Inc., Notes	Baa2	BBB	8.125	5/1/04	2,000,000	2,119,760
Comdisco, Inc., M. T. Notes	Caa1	D	6.000	1/30/02	543,000	412,680
Comdisco, Inc., M. T. Notes	Caa1	D	7.250	9/20/01	237,000	184,860
Commonwealth Edison Co.	A3	A-	8.500	7/15/22	1,000,000	984,420
Compagnie Generale Des Geophysique, Sr. Notes	Ba3	N/A	10.625	11/15/07	120,000	123,600
Compaq Computer Corp., Notes	Baa2	BBB	7.450	8/1/02	800,000	813,528
Computer Assoc. International, Inc., Sr. Notes	Baa1	BBB+	6.500	4/15/08	1,000,000	879,530
Conagra Foods, Inc., Notes	Baa1	BBB+	7.875	9/15/10	3,000,000	3,144,630
Conagra Foods, Inc., Sub. Notes	Baa2	BBB	7.400	9/15/04	1,000,000	1,029,540
Conmed Corp., Notes	B3	B	9.000	3/15/08	250,000	242,500
Conoco, Inc.	Baa1	BBB+	6.950	4/15/29	2,875,000	2,771,557
Conoco, Inc., Notes	Baa1	BBB+	5.900	4/15/04	2,000,000	2,015,200
Conseco, Inc., Sr. Notes	B1	B+	10.750	6/15/08	435,000	426,300

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Consolidated Edison Co. NY, Inc., Notes	A1	A+	6.250	2/1/08	715,000	683,468
Consolidated Edison Co. NY, Inc., Notes	A1	A+	7.625	3/1/04	1,000,000	1,030,780
Consolidated Edison Co. NY, Inc., Notes	A1	A+	8.125	5/1/10	355,000	373,797
Consumer Natural Gas Co., Notes	A2	BBB+	7.250	10/1/04	1,000,000	1,030,440
Consumers Energy Co.	Baa2	BBB+	7.375	9/15/23	1,000,000	910,300
Consumers Energy Co., Sr. Notes	Baa3	BBB+	6.200	5/1/08	1,000,000	1,005,670
Consumers Packaging, Inc., Sr. Notes	N/A	N/A	9.750	2/1/07	285,000	3,206
Container Corp. of America, Sr. Notes	B2	B	9.750	4/1/03	588,000	602,700
Corestates Capital Corp., Notes	A2	A-	5.875	10/15/03	1,000,000	1,014,020
Corning Consumer Products Co., Sr. Sub. Notes	Ca	CC	9.625	5/1/08	250,000	40,000
Countrywide Home Loans, Inc. M. T. Notes	A3	A	5.250	5/22/03	590,000	591,658
Countrywide Home Loans, Inc. M. T. Notes	A3	A	6.250	4/15/09	500,000	482,095
Countrywide Home Loans, Inc. M. T. Notes	A3	A	6.380	10/8/02	1,000,000	1,017,290
Countrywide Home Loans, Inc. M. T. Notes	A3	A	7.450	9/16/03	1,500,000	1,571,205
Cox Communications, Inc., Notes	Baa2	BBB	6.750	3/15/11	2,500,000	2,435,775
Cox Communications, Inc., Notes	Baa2	BBB	6.875	6/15/05	1,000,000	1,020,630
Cox Communications, Inc., Notes	Baa2	BBB	7.750	11/1/10	765,000	799,532
Cox Radio, Inc., Notes	Baa2	BBB	6.625	2/15/06	525,000	526,564
Crown Cork & Seal, Inc., Notes	Caa3	B	7.125	9/1/02	145,000	84,100
CSC Holdings, Inc.	Ba1	BB+	7.625	7/15/18	355,000	316,646
CSC Holdings, Inc., Sr. Debs.	Ba1	BB+	8.125	8/15/09	250,000	247,467
CSC Holdings, Inc., Sr. Notes	Ba1	BB+	7.875	12/15/07	775,000	764,545
CSC Holdings, Inc., Sr. Notes	Ba1	BB+	8.125	7/15/09	200,000	198,008
CSC Holdings, Inc., Sr. Sub. Notes	Ba2	BB-	9.250	11/1/05	250,000	258,750
CSK Auto, Inc., Notes	B3	B	11.000	11/1/06	350,000	277,813
CSX Corp., Debs.	Baa2	BBB	7.450	5/1/07	1,500,000	1,560,465
CSX Corp., Debs.	Baa2	BBB	7.900	5/1/17	1,500,000	1,567,395
CSX Corp., Sr. Notes	Baa2	BBB	6.750	3/15/11	870,000	856,010
CVS Corp., Notes	A2	A	5.625	3/15/06	750,000	740,160
Cyprus Amax Minerals Co., Notes	Baa2	BBB-	7.375	5/15/07	1,000,000	966,360
Dade International, Inc., Sr. Sub. Notes	C	N/A	11.125	5/1/06	250,000	25,000
Daimler Chrysler North America Holdings Corp.	A3	A-	7.200	9/1/09	645,000	643,387
Daimler Chrysler North America Holdings Corp.	A3	A-	7.400	1/20/05	2,000,000	2,070,460
Daimler Chrysler North America Holdings Corp.	A3	A-	7.750	1/18/11	4,000,000	4,114,040
Daimler Chrysler North America Holdings Corp.	A3	A-	8.500	1/18/31	185,000	195,815
Dayton Hudson Corp.	A2	A+	9.875	7/1/20	1,000,000	1,274,450
Dayton Hudson Corp., Debs.	A2	A+	8.500	12/1/22	1,000,000	1,044,270
Dean Witter Discover, Bonds	Aa3	AA-	6.875	3/1/03	1,100,000	1,134,034
Deere & Co., Bonds	A2	A	8.100	5/15/30	775,000	842,998
Deere & Co., Debs.	A2	A	7.850	5/15/10	2,000,000	2,151,900
Deere & Co., Sub. Debs.	A3	A-	8.625	8/1/19	500,000	519,245
Del Webb Corp., Sr. Sub Debs.	Ba1	BB+	10.250	2/15/10	250,000	263,750
Delhaize America, Inc., Debs.	Baa3	BBB-	9.000	4/15/31	1,120,000	1,222,894
Delphi Automotive System Corp., Debs.	Baa2	BBB	7.125	5/1/29	370,000	343,245
Delphi Automotive System Corp., Notes	Baa2	BBB	6.125	5/1/04	1,532,000	1,534,880
Delta Airlines, Inc.	A2	AAA	7.379	11/18/11	960,227	999,375
Delta Airlines, Inc.	A3	AA-	7.920	5/18/12	1,500,000	1,583,145
Delta Airlines, Inc., Debs.	Ba2	BB+	10.375	2/1/11	1,000,000	1,086,990
Deutsche Bank Financial, Inc., Sub. Notes	A1	AA-	6.700	12/13/06	1,000,000	1,022,940
Disney, Walt Co., Notes	A3	A	6.750	3/30/06	4,500,000	4,680,945
DJ Orthopedics, LLC, Sr. Sub. Notes	B3	B-	12.625	6/15/09	500,000	497,500
Dominion Res. Capital Trust	Baa1	BBB-	7.830	12/1/27	1,000,000	958,980
Doral Financial Corp. M. T. Sr. Notes	Baa2	BBB-	8.500	7/8/04	2,000,000	2,029,140
Dover Corp., Notes	A1	A+	6.500	2/15/11	500,000	491,250
Dow Chemical Co., Notes	A1	A	6.125	2/1/11	200,000	193,612
DR Horton, Inc., Sr. Notes	Ba1	BB	8.000	2/1/09	150,000	144,000

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
DR Structured Financial Corp.	Ba2	BB+	8.375	8/15/15	120,000	96,372
DTE Energy Co.	Baa2	BBB	7.050	6/1/11	480,000	480,000
DTE Energy Co., Notes	Baa2	BBB	6.450	6/1/06	2,000,000	2,001,800
Du Pont El De Nemours & Co., Notes	Aa3	AA-	6.750	10/15/04	2,600,000	2,699,268
Du Pont El De Nemours & Co., Notes	Aa3	AA-	6.750	9/1/07	1,000,000	1,017,550
Duke Capital Corp., Sr. Notes	A3	A	7.500	10/1/09	1,500,000	1,565,355
Duke Energy Corp.	Aa3	AA-	6.875	8/1/23	750,000	691,305
Duke Energy Field Services, LLC	Baa2	BBB	6.875	2/1/11	850,000	836,867
Duke Energy Field Services, LLC	Baa2	BBB	8.125	8/16/30	1,000,000	1,047,560
Duke-Weeks Realty, Ltd., Notes	Baa1	BBB+	7.750	11/15/09	910,000	943,907
Dummy Mirant America Gener.	Baa3	BBB-	9.125	5/1/31	1,250,000	1,290,812
Eastman Chemical Co., Notes	Baa2	BBB+	6.375	1/15/04	1,000,000	994,630
Edison Mission Energy, Sr. Notes	Baa3	BBB-	7.730	6/15/09	1,000,000	850,000
El Paso Energy Corp., M. T. Notes	Baa2	BBB	7.375	12/15/12	305,000	298,680
El Paso Energy Corp., Sr. Notes	Baa2	BBB	6.750	5/15/09	2,100,000	2,013,522
Electric Data System Corp., Notes	A1	A+	6.850	10/15/04	1,000,000	1,032,060
Energen Corp.	Baa1	A-	7.125	2/15/28	260,000	228,376
Enron Corp., Notes	Baa1	BBB+	6.625	11/15/05	500,000	501,420
Enron Corp., Notes	Baa1	BBB+	6.750	8/1/09	1,225,000	1,198,956
Enron Corp., Notes	Baa1	BBB+	7.125	5/15/07	1,000,000	1,012,840
Enserch Corp., Bonds	Baa2	BBB+	7.125	6/15/05	1,200,000	1,225,884
EOP Operations, Ltd.	Baa1	BBB+	7.500	4/19/29	1,530,000	1,419,136
EOP Operations, Ltd., Notes	Baa1	BBB+	6.500	1/15/04	2,000,000	2,020,610
EOP Operations, Ltd., Notes	Baa1	BBB+	6.763	6/15/07	5,000,000	4,990,050
Equistar Chemicals, LP, Notes	Ba2	N/A	8.500	2/15/04	490,000	488,716
Equitable Cos., Inc., Notes	A2	A+	6.500	4/1/08	375,000	371,955
Erac. USA Finance Co., Notes	Baa1	BBB+	6.625	2/15/05	550,000	546,134
Erac. USA Finance Co., Notes	Baa1	BBB+	8.000	1/15/11	2,750,000	2,796,612
Everest Reins Holdings, Inc., Notes	A3	A-	8.750	3/15/10	2,500,000	2,755,700
Exelon Corp., Notes	Baa2	BBB+	6.750	5/1/11	670,000	658,228
Exelon Generation Co., LLC	Baa1	A-	6.950	6/15/11	515,000	512,466
Exide Corp., Notes	B1	B-	10.000	4/15/05	150,000	128,250
Exodus Communications, Inc., Notes	Ca	D	11.625	7/15/10	150,000	51,750
Exodus Communications, Inc., Sr. Notes	Ca	D	10.750	12/15/09	150,000	49,500
Exodus Communications, Inc., Sr. Notes	Ca	D	11.250	7/1/08	100,000	33,000
Export Funding Corp.	Aaa	AAA	5.870	7/31/08	1,500,000	1,519,275
Export Funding Corp.	Aaa	AAA	7.200	1/15/10	670,000	709,396
Fairchild Semiconductor Corp., Sr. Sub. Notes	B2	B	10.375	10/1/07	225,000	216,563
Fairchild Semiconductor Corp., Sr. Sub. Notes	B2	B	10.500	2/1/09	250,000	241,250
Farmers Exchange Capital	A2	A-	7.050	7/15/28	1,840,000	1,637,258
Federal Express Corp.	Baa2	BBB	7.600	7/1/97	850,000	796,433
Federal Mogul Corp., Notes	Caa3	D	8.800	4/15/07	250,000	37,500
Federated Department Stores, Inc.	Baa1	BBB+	7.000	2/15/28	295,000	270,140
Federated Department Stores, Inc.	Baa1	BBB+	7.450	7/15/17	1,500,000	1,470,915
Federated Department Stores, Inc.	Baa1	BBB+	8.500	6/1/10	2,000,000	2,173,000
Federated Department Stores, Inc., Sr. Debs.	Baa1	BBB+	6.900	4/1/29	1,050,000	948,465
Fibermark, Inc., Sr. Notes	B1	BB-	10.750	4/15/11	86,000	86,430
Fifth Third Bank, Cincinnati, Ohio, Bonds	Aa3	A+	6.750	7/15/05	1,000,000	1,034,950
Fifth Third Capital Tr., Notes	A2	A	8.136	3/15/27	255,000	259,789
Financial Corp., Debs.	Aaa	AAA	8.600	9/26/19	600,000	739,050
Financial Corp., Notes	Aaa	AAA	9.400	2/8/18	1,000,000	1,303,550
First Bank Systems, Inc., Bonds	A2	A-	8.000	7/2/04	1,000,000	1,062,690
First Bank Systems, Inc., Notes	A2	A-	7.625	5/1/05	1,000,000	1,058,760
First Financial Caribbean Corp., Sr. Notes	Baa2	BBB-	7.840	10/10/06	1,350,000	1,361,475
First Tennessee Bank, Memphis, Notes	A2	A-	6.400	4/1/08	3,000,000	2,884,830
First Union Corp.	A2	A-	6.550	10/15/35	2,000,000	2,012,160

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
First Union Corp., Notes	A1	A	7.550	8/18/05	300,000	316,797
First Union Corp., Notes	A2	A-	8.000	11/15/02	1,145,000	1,191,247
Fleet Capital Trust II	Baa1	BBB+	7.920	12/11/26	1,000,000	990,070
Fleet Financial Group, Inc.	A3	A-	6.875	1/15/28	1,000,000	946,910
Fleetboston Financial Corp.	A2	A	7.250	9/15/05	750,000	785,242
Fleming Cos., Inc., Notes	B2	B+	10.500	12/1/04	230,000	234,600
Florida Power & Lighting Co., Notes	Aaa	AAA	5.875	4/1/09	1,000,000	967,220
Florida Residential Property & Casualty, Notes	A2		7.375	7/1/03	425,000	441,061
Florida Windstorm Underwriting Assn., Notes	Aaa	AAA	6.850	8/25/07	2,000,000	2,022,380
Florida Windstorm Underwriting Assn., Sr. Notes	Aaa	AAA	7.125	2/25/19	1,620,000	1,590,451
Ford Motor Co.	A2	A	6.625	10/1/28	1,235,000	1,068,003
Ford Motor Co.	A2	A	7.400	11/1/46	2,000,000	1,862,720
Ford Motor Co.	A2	A	7.450	7/16/31	645,000	620,040
Ford Motor Co.	A2	A	8.900	1/15/32	315,000	350,658
Ford Motor Co.	A2	A	9.980	2/15/47	3,000,000	3,694,020
Ford Motor Credit Co., Notes	A2	A	5.750	2/23/04	2,000,000	1,996,120
Ford Motor Credit Co., Notes	A2	A	6.250	12/8/05	1,100,000	1,089,627
Ford Motor Credit Co., Notes	A2	A	6.750	5/15/05	2,000,000	2,027,120
Ford Motor Credit Co., Notes	A2	A	6.750	8/15/08	1,200,000	1,184,004
Ford Motor Credit Co., Notes	A2	A	7.250	1/15/03	4,000,000	4,129,000
Ford Motor Credit Co., Notes	A2	A	7.375	10/28/09	3,815,000	3,872,683
Ford Motor Credit Co., Notes	A2	A	7.500	1/15/03	4,000,000	4,143,640
Ford Motor Credit Co., Notes	A2	A	7.600	8/1/05	5,540,000	5,787,915
Fox/Liberty Networks, LLC, Notes	Ba1	BBB-	0.000	8/15/07	150,000	142,500
FPL Group Capital, Inc., Notes	A2	A-	6.125	5/15/07	500,000	492,185
FPL Group Capital, Inc., Notes	A2	A-	6.875	6/1/04	1,000,000	1,019,110
Frontier Oil Corp., Notes	B2	B	9.125	2/15/06	350,000	350,000
Ft. James Corp., Notes	Baa3	BBB-	6.875	9/15/07	500,000	474,455
General Electric Capital Corp., M. T. Notes	Aaa	AAA	5.370	4/23/04	1,400,000	1,406,104
General Electric Capital Corp., M. T. Notes	Aaa	AAA	6.500	12/10/07	1,000,000	1,029,210
General Electric Capital Corp., M. T. Notes	Aaa	AAA	6.750	9/11/03	3,000,000	3,108,600
General Electric Capital Corp., M. T. Notes	Aaa	AAA	6.800	11/1/05	670,000	699,795
General Electric Capital Corp., M. T. Notes	Aaa	AAA	7.375	1/19/10	1,510,000	1,617,134
General Electric Capital Corp., M. T. Notes	Aaa	AAA	7.500	6/5/03	1,600,000	1,676,960
General Electric Capital Corp., M. T. Notes	Aaa	AAA	7.500	5/15/05	3,000,000	3,204,630
General Electric Capital Corp., Notes	Aaa	AAA	8.850	4/1/05	1,500,000	1,665,480
General Motors Acceptance Corp., Notes	A2	A	6.000	4/1/11	3,000,000	2,725,290
General Motors Acceptance Corp., Notes	A2	A	6.125	1/22/08	3,000,000	2,894,310
General Motors Acceptance Corp., Notes	A2	A	6.625	10/15/05	2,000,000	2,027,840
General Motors Acceptance Corp., Notes	A2	A	6.750	3/15/03	2,000,000	2,054,260
General Motors Acceptance Corp., Notes	A2	A	6.750	1/15/06	625,000	637,375
General Motors Acceptance Corp., Notes	A2	A	7.250	3/2/11	420,000	424,914
General Motors Acceptance Corp., Notes	A2	A	8.500	1/1/03	1,000,000	1,049,790
General Motors Corp., Bonds	A2	A	6.250	5/1/05	4,000,000	4,006,760
General Motors Corp., Bonds	A2	A	8.800	3/1/21	1,000,000	1,120,030
Georgia Gulf Corp., Sr. Sub. Notes	B2	BB-	10.375	11/1/07	350,000	351,750
Georgia Pacific Corp., Bonds	Baa3	BBB-	8.250	3/1/23	1,000,000	910,000
Georgia Pacific Corp., Bonds	Baa3	BBB-	9.625	3/15/22	1,000,000	1,010,000
Georgia Pacific Corp., Debs.	Baa3	BBB-	9.500	12/1/11	1,500,000	1,612,995
Georgia Pacific Corp., Notes	Baa3	BBB-	7.500	5/15/06	1,000,000	995,950
Global Crossing Holdings, Ltd., Sr. Notes	Ba2	BB	9.125	11/15/06	2,200,000	1,749,000
Goldman Sachs Group, Inc., Notes	A1	A+	6.875	1/15/11	4,350,000	4,330,686
Goldman Sachs Group, Inc., Notes	A1	A+	7.350	10/1/09	3,000,000	3,087,420
Grand Met. Investment Corp., Bond	A1	A+	0.000	1/6/04	1,000,000	874,580
Gray Communications System, Inc., Sr. Sub. Notes	B3	B-	10.625	10/1/06	150,000	152,250
Great Atlantic & Pacific Tea, Inc., Notes	B2	BB	7.750	4/15/07	350,000	280,000

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Growth Property, Bonds	Aaa	N/A	6.537	11/15/04	300,000	309,636
GS Escrow Corp., Sr. Notes	Ba1	N/A	7.000	8/1/03	1,500,000	1,498,860
GS Escrow Corp., Sr. Notes	Ba1	N/A	7.125	8/1/05	1,285,000	1,250,690
GTE California, Inc.	Aa3	A+	6.750	5/15/27	920,000	853,594
GTE Corp., Bonds	A2	A+	6.940	4/15/28	980,000	910,332
GTE Corp., Bonds	A2	A+	7.830	5/1/23	1,000,000	976,230
GTE Corp., Debs.	A2	A+	7.900	2/1/27	800,000	781,784
Gulf State Co., Bonds	Baa3	BBB-	8.700	4/1/24	1,000,000	969,850
Hammons John Q. Hotels, LP, Bonds	B2	B+	8.875	2/15/04	500,000	492,500
Hanson Overseas, Sr. Notes	Baa1	BBB+	6.750	9/15/05	500,000	504,530
Harrahs Operations, Inc., Notes	Baa3	BBB-	7.125	6/1/07	235,000	232,460
Harrahs Operations, Inc., Notes	Baa3	BBB-	7.500	1/15/09	1,000,000	985,940
Harrahs Operations, Inc., Sr. Notes	Baa3	BBB-	8.000	2/1/11	2,595,000	2,647,030
Harrahs Operations, Inc., Sr. Sub. Notes	Ba1	BB+	7.875	12/15/05	250,000	254,063
Hartford Life, Inc., Sr. Notes	A2	A	7.375	3/1/31	1,300,000	1,301,911
Hayes Lemmerz International, Inc., Sr. Notes	Caa1	B-	11.875	6/15/06	220,000	212,300
HCA-Healthcare Co., Notes	Ba1	BB+	8.750	9/1/10	340,000	361,250
Health Net, Inc., Sr. Notes	Baa3	BBB-	8.375	4/15/11	830,000	828,622
Heinz HJ Fin. Co., Notes	A2	A	6.625	7/15/11	500,000	495,417
Heller Financial, Inc., M. T. Notes	A3	A-	7.125	9/28/04	1,000,000	1,036,530
Heller Financial, Inc., Notes	A3	A-	6.000	3/19/04	525,000	527,593
Heller Financial, Inc., Notes	A3	A-	7.500	8/23/02	395,000	404,871
Hertz Corp., Medium Term Notes	A3	A-	6.500	5/15/06	2,000,000	2,000,080
Hertz Corp., Notes	A3	A-	6.250	3/15/09	1,000,000	947,320
Hertz Corp., Sr. Notes	A3	A-	7.400	3/1/11	1,000,000	1,013,700
Hexcel Corp., Sr. Sub. Notes	B2	B	9.750	1/15/09	225,000	216,563
Hilton Hotels Corp., Notes	Baa3	BBB-	7.700	7/15/02	700,000	709,030
HMH Properties, Inc., Notes	Ba2	BB	7.875	8/1/05	235,000	229,713
Hollywood Casino Corp., Sr. Notes	B3	B	11.250	5/1/07	250,000	265,000
Honeywell International, Inc., Notes	A2	A	7.500	3/1/10	2,000,000	2,113,220
Host Marriott LP, Sr. Notes	Ba2	BB	8.375	2/15/06	100,000	97,750
Household Financial Corp., M. T. Notes	A2	A	6.125	7/15/12	1,000,000	1,007,020
Household Financial Corp., Notes	A2	A	5.875	2/1/09	1,770,000	1,669,234
Household Financial Corp., Notes	A2	A	6.375	8/1/10	6,000,000	5,751,060
Household Financial Corp., Notes	A2	A	6.500	1/24/06	500,000	506,515
Household Financial Corp., Notes	A2	A	7.125	9/1/05	1,000,000	1,037,220
Household Financial Corp., Notes	A2	A	7.200	7/15/06	4,000,000	4,167,800
Household Financial Corp., Notes	A2	A	8.000	7/15/10	1,000,000	1,071,720
Hutchingson Whampoa	A3	A	7.450	8/1/17	1,190,000	1,159,703
Hyperion Telecommunications, Inc., Sr. Notes	Caa2	BB-	12.250	9/1/04	265,000	221,275
Hyundai Semicon, Sr. Notes	Caa1	CC	8.625	5/15/07	390,000	280,800
Iceland Republic, Notes	Aa3	A+	6.125	2/1/04	1,000,000	1,020,510
ICI North America, Inc., Notes	Baa2	BBB	8.875	11/15/06	1,000,000	1,089,770
IMC Global, Inc., Notes	Ba2	B+	7.400	11/1/02	245,000	235,751
Ingersoll Rand Co., Notes	A3	A-	6.250	5/15/06	1,000,000	1,002,150
Insight Midwest, LP, Sr. Notes	B1	B+	9.750	10/1/09	300,000	309,000
Insight Midwest, LP, Sr. Notes	B1	B+	10.500	11/1/10	150,000	158,250
Intermedia Communications, Inc., Notes	Baa2	BBB+	12.500	5/15/06	225,000	223,875
Intermedia Communications, Inc., Sr. Notes	Baa2	BBB+	0.000	7/15/07	240,000	211,200
Intermedia Communications, Inc., Sr. Notes	Baa2	BBB+	8.600	6/1/08	50,000	49,000
International American Dev. Bank, Bonds	Aaa	AAA	5.750	2/26/08	3,000,000	2,964,120
International Business Machine Corp.	A1	A+	7.000	10/30/25	2,000,000	1,990,140
International Business Machine Corp.	A1	A+	7.000	10/30/45	2,600,000	2,560,740
International Business Machine Corp.	A1	A+	7.500	6/15/13	1,000,000	1,077,980
International Flavors & Fragrances, Inc. Notes	A3	BBB+	6.450	5/15/06	900,000	896,301
International Paper Co.	Baa2	BBB	6.875	11/1/23	1,500,000	1,367,100

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
International Paper Co.	Baa2	BBB	8.000	7/8/03	2,250,000	2,351,160
International Paper Co.	Baa2	BBB	8.125	7/8/05	1,910,000	2,021,888
International Wire Group, Inc., Sr. Notes	B3	B-	11.750	6/1/05	250,000	251,438
IOS Capital, Inc., Sr. Notes	N/A	BBB-	9.750	6/15/04	1,000,000	995,750
Iron Mountain, Inc., Notes	B2	B	8.750	9/30/09	250,000	252,500
IT Group, Inc., Sr. Sub. Notes	B3	B+	11.250	4/1/09	250,000	235,000
ITC Deltacom, Inc., Notes	B2	CCC+	8.875	3/1/08	185,000	111,000
ITC Deltacom, Inc., Notes	B2	CCC+	11.000	6/1/07	255,000	175,950
ITT Hartford Group, Inc., Notes	A2	A	6.375	11/1/02	1,000,000	1,017,660
JC Penney, Inc., Notes	Ba2	BBB-	7.600	4/1/07	350,000	322,000
Jet Equipment	Ba3	BB+	10.690	5/1/15	165,000	174,709
John Hancock Mutual Life Insurance Co.	A1	AA-	7.375	2/15/24	1,655,000	1,657,648
Johnson & Johnson	Aaa	AAA	8.720	11/1/24	1,000,000	1,096,660
Johnson Controls, Inc.	A2	A-	7.125	7/15/17	450,000	433,922
Jones International Networks, Ltd., Sr. Notes	B3	CCC	11.750	7/1/05	175,000	148,750
JP Morgan Capital Trust, Bonds	A1	A	7.540	1/15/27	1,500,000	1,463,235
JP Morgan Chase & Co., Sub. Notes	N/A	N/A	7.500	2/1/03	1,500,000	1,556,700
JP Morgan, M. T. Notes	A1	A+	6.000	1/15/09	2,000,000	1,918,260
JP Morgan, Notes	A1	A+	6.700	11/1/07	1,000,000	1,017,900
JP Morgan, Notes	Aa3	AA-	6.875	3/1/07	2,000,000	2,047,980
K Mart Corp., Notes	Baa3	BB+	9.375	2/1/06	350,000	342,125
Kansas City Southern RY Co., Sr. Notes	N/A	BB-	9.500	10/1/08	350,000	370,125
Kaufman & Broad Home Corp., Sr. Sub. Notes	Ba3	BB-	9.625	11/15/06	160,000	162,000
Kellogg Co., Notes	Baa2	BBB	5.500	4/1/03	720,000	721,555
Kellogg Co., Notes	Baa2	BBB	6.600	4/1/11	1,350,000	1,317,789
Kentucky Energy, Inc.	Baa2	BBB	6.650	3/1/05	2,000,000	2,006,400
Key Bank North America, M. T. Notes	N/A	A-	7.000	2/1/11	440,000	437,268
Keyspan Corp.	A3	A	8.000	11/15/30	1,000,000	1,072,430
Keyspan Corp., Notes	A3	A	6.150	6/1/06	500,000	500,025
KFW International Financial, Inc., Bonds	Aaa	AAA	7.125	2/15/05	2,000,000	2,110,180
Kinder Morgan Energy Partners, LP	Baa1	A-	6.750	3/15/11	480,000	471,619
Knight Ridder, Inc.	A2	A	7.125	6/1/11	450,000	456,872
Kohls Corp., Debs.	A3	A-	7.250	6/1/29	500,000	493,390
Kroger Co.	Baa3	BBB-	6.800	4/1/11	1,065,000	1,035,595
Kroger Co.	Baa3	BBB-	7.500	4/1/31	1,000,000	986,920
Kroger Co.	Baa3	BBB-	7.650	4/15/07	2,000,000	2,102,000
Kroger Co., Sr. Notes	Baa3	BBB-	7.625	9/15/06	655,000	690,056
Kroger Co., Sr. Notes	Baa3	BBB-	7.700	6/1/29	625,000	631,306
L-3 Communications Corp., Sr. Sub. Notes	Ba3	B+	8.500	5/15/08	170,000	173,400
Lasmo USA, Inc., Notes	A1	AA	7.125	6/1/03	500,000	518,610
Legg Mason, Inc., Sr. Notes	Baa1	BBB	6.750	7/2/08	500,000	494,275
Lehman Brothers Holdings, Inc.	A2	A	7.000	2/1/08	300,000	305,787
Lehman Brothers Holdings, Inc.	A2	A	7.750	1/15/05	1,400,000	1,473,990
Lehman Brothers Holdings, Inc. Bonds	A2	A	7.250	4/15/03	4,000,000	4,141,160
Lehman Brothers Holdings, Inc. Sr. Notes	A2	A	8.750	3/15/05	1,000,000	1,083,230
Lenfest Communications, Inc., Notes	Baa2	BBB	8.375	11/1/05	555,000	596,991
Lenfest Communications, Inc., Sr. Notes	Baa2	BBB	7.625	2/15/08	495,000	512,469
Level 3 Communications, Inc., Sr. Notes	Caa1	CCC+	9.125	5/1/08	155,000	64,325
Level 3 Communications, Inc., Sr. Notes	Caa1	CCC+	11.250	3/15/10	100,000	42,500
Liberty Media Corp.	Baa3	BBB-	8.250	2/1/30	550,000	477,400
Liberty Property, Ltd.	Baa2	BBB	7.250	8/15/07	2,500,000	2,481,175
Liberty Property, Ltd.	Baa2	BBB	8.500	8/1/10	425,000	452,625
Lin TV Corp., Sr. Sub. Notes	B2	B-	8.375	3/1/08	250,000	233,750
Lincoln National Corp.	A3	A-	7.000	3/15/18	400,000	378,832
Lockheed Martin Corp.	Baa3	BBB-	7.650	5/1/16	1,000,000	1,034,780
Lockheed Martin Corp.	Baa3	BBB-	7.875	3/15/23	1,000,000	975,850

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Lockheed Martin Corp.	Baa3	BBB-	8.200	12/1/09	3,000,000	3,235,920
Lockheed Martin Corp.	Baa3	BBB-	8.500	12/1/29	550,000	609,923
Loews Corp.	A1	AA-	7.000	10/15/23	500,000	412,160
Lowe's Cos, Inc.	A3	A	7.500	12/15/05	930,000	980,220
Lowe's Cos, Inc., Debs.	A3	A	6.500	3/15/29	2,280,000	2,036,610
Lowe's Cos, Inc., Debs.	A3	A	6.875	2/15/28	400,000	375,172
LSP Energy, LP, Sr. Bonds	Baa3	BBB-	8.160	7/15/25	1,000,000	994,920
Lucent Technologies, Inc., Debs.	Ba3	BB-	6.450	3/15/29	1,155,000	666,475
Lumbermens Mut. Cas.	Baa1	BBB+	9.150	7/1/26	2,500,000	2,272,450
Lyondell Chemical Co., Sr. Notes	Ba3	BB	9.875	5/1/07	190,000	189,525
Lyondell Chemical Co., Sr. Notes	B2	B+	10.875	5/1/09	260,000	256,100
Mack-Cali Realty, LP, Notes	Baa3	BBB	7.000	3/15/04	2,000,000	2,002,300
Manor Care, Inc., Sr. Notes	N/A	N/A	8.000	3/1/08	150,000	150,750
Marriott International, Inc., Notes	Baa1	BBB+	7.000	1/15/08	495,000	492,456
Marsh Supermarkets, Inc., Notes	B2	B+	8.875	8/1/07	70,000	68,250
Martin Marietta Corp., Bonds	Baa3	BBB-	6.500	4/15/03	1,000,000	1,017,340
MAS Funds Foreign Fixed Income Portfolio	N/A	N/A	N/A	N/A	N/A	6,203,464
Masco Corp., Notes	Baa1	BBB+	6.750	3/15/06	560,000	563,349
MBNA America Bank, M. T. Sr. Notes	Baa1	BBB+	6.500	6/20/06	535,000	527,943
MCI Communications, Corp.	A3	BBB+	7.750	3/15/24	1,000,000	914,510
McLeod USA, Notes	B3	CCC+	9.250	7/15/07	100,000	58,000
McLeod USA, Sr. Notes	B3	CCC+	11.375	1/1/09	505,000	315,625
Mediacom Broadbank, LLC, Sr. Notes	B2	B+	11.000	7/15/13	350,000	356,125
Mediq/Prn Life Support Services, Inc., Sr. Sub. Notes	N/A	N/A	0.000	6/1/08	370,000	1
Mellon Capital Bank	A2	A	7.720	12/1/26	2,000,000	1,990,660
Merck & Co., Inc.	Aaa	AAA	5.950	12/1/28	4,500,000	4,083,120
Merck & Co., Inc.	Aaa	AAA	6.400	3/1/28	1,000,000	972,320
Merrill Lynch & Co., Inc., M. T. Notes	Aa3	AA-	6.150	1/26/06	500,000	501,020
Merrill Lynch & Co., Inc., Notes	Aa3	AA-	6.250	1/15/06	500,000	502,985
MetLife Insurance Co.	A1	A+	7.450	11/1/23	1,375,000	1,288,636
MetLife Insurance Co.	A1	A+	7.800	11/1/25	250,000	254,368
Metronet Communications Corp., Sr. Notes	Baa3	BBB	0.000	6/15/08	1,000,000	840,000
Meyer Fred, Inc., Sr. Notes	Baa3	BBB-	7.450	3/1/08	500,000	513,120
MFB Northern Institutional Funds Portfolio	N/A	N/A	N/A	N/A	N/A	6,958,108
MFR & Traders Bank, Sub. Notes	A3	BBB+	7.000	7/1/05	845,000	864,046
MGM Mirage, Inc., Sr. Notes	Baa3	BBB-	8.500	9/15/10	885,000	913,338
Midamerican Energy Holdings Co., M. T. Notes	A3	A-	7.375	8/1/02	500,000	511,495
MidAmerican Funding, LLC, Sr. Bond	Baa1	BBB+	6.339	3/1/09	1,000,000	955,540
MidAmerican Funding, LLC, Sr. Bond	Baa1	BBB+	6.927	3/1/29	1,500,000	1,358,130
Mobil Corp.	Aaa	AAA	8.000	8/12/32	1,300,000	1,367,730
Mony Group, Inc., Notes	Baa1	A-	8.350	3/15/10	3,700,000	3,845,373
Moog, Inc., Sr. Sub. Notes	Ba3	B	10.000	5/1/06	175,000	176,750
Morgan Stanley Dean Witter & Co., Notes	Aa3	AA-	6.100	4/15/06	4,250,000	4,244,985
Motorola, Inc.	A3	A-	6.500	3/1/08	2,000,000	1,800,000
Motorola, Inc.	A3	A-	8.400	8/15/31	1,000,000	1,000,000
Nabisco, Inc.	A2	A	6.375	2/1/35	1,000,000	1,002,410
Nabisco, Inc.	A2	A	6.850	6/15/05	1,000,000	1,020,820
National Cy. Corp., Sub. Notes	A2	A-	5.750	2/1/09	1,000,000	935,770
National Resources Corp.	Aa2	AAA	8.850	1/15/05	2,000,000	2,158,820
National Rural Utilities Coop Finance Corp.	Aa3	N/A	5.750	11/1/08	1,500,000	1,435,140
National Steel Corp., Notes	Caa1	N/A	9.875	3/1/09	190,000	66,500
Nationsbank Corp., Bonds	Aa3	A	6.875	2/15/05	1,000,000	1,031,400
Nationsbank Corp., Bonds	Aa3	A	7.250	10/15/25	190,000	188,087
Nationsbank Corp., Bonds	Aa3	A	7.500	9/15/06	610,000	642,470
Nationsbank Corp., Bonds	Aa3	A	7.625	4/15/05	1,500,000	1,584,090
Nationsbank Corp., Bonds	Aa3	A	7.750	8/15/15	2,000,000	2,105,580

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Nationwide Mutual Insurance Co.	A2	A-	7.500	2/15/24	1,350,000	1,226,502
Navistar Financial Corp., Notes	Ba2	BB+	9.000	6/1/02	500,000	497,500
Navistar Financial, Notes	A2	A-	8.000	2/15/10	1,500,000	1,576,020
New York Telephone Co.	A1	A+	5.875	9/1/03	1,000,000	1,013,180
New York Telephone Co.	A1	A+	6.500	3/1/05	2,000,000	2,025,940
New York Telephone Co.	A1	A+	8.625	11/15/10	1,000,000	1,108,100
New York Times Co.	A1	A+	7.625	3/15/05	1,000,000	1,048,190
News American Holdings, Inc., Bonds	Baa3	BBB-	7.750	1/20/24	885,000	847,662
News American Holdings, Inc., Bonds	Baa3	BBB-	8.500	2/15/05	1,500,000	1,592,955
News American Holdings, Inc., Bonds	Baa3	BBB-	8.875	4/26/23	430,000	458,655
News American Holdings, Inc., Bonds	Baa3	BBB-	9.250	2/1/13	1,000,000	1,121,470
News American Holdings, Inc., Sr. Debs.	Baa3	BBB-	7.280	6/30/28	1,275,000	1,146,837
Nextel Communications, Inc., Sr. Notes	B1	B	0.000	9/15/07	1,155,000	800,598
Nextel Communications, Inc., Sr. Notes	B1	B	9.375	11/15/09	400,000	316,000
Nextel Communications, Inc., Sr. Notes	B1	B	9.500	2/1/11	150,000	117,525
Nextel Communications, Inc., Sr. Notes	B2	CCC	10.750	11/15/08	250,000	82,500
Niagara Mohawk Power Corp., Notes	Baa2	BBB+	7.750	5/15/06	1,500,000	1,571,475
Niagara Mohawk Power Corp., Sr. Notes	Baa3	BBB-	7.750	10/1/08	2,000,000	2,038,520
Nisource Finance Corp., Notes	Baa2	BBB	5.750	4/15/03	600,000	603,054
Nisource Finance Corp., Notes	Baa2	BBB	7.500	11/15/03	500,000	518,790
Nisource Finance Corp., Notes	Baa2	BBB	7.875	11/15/10	1,195,000	1,261,741
NL Inds., Inc. Notes	B1	B+	11.750	10/15/03	212,000	208,025
Norfolk Southern Corp.	Baa1	BBB	6.200	4/15/09	865,000	827,935
Norfolk Southern Corp.	Baa1	BBB	7.700	5/15/17	2,000,000	2,062,520
Norfolk Southern Corp.	Baa1	BBB	7.900	5/15/97	2,000,000	2,009,500
Norfolk Southern Corp.	Baa1	BBB	9.000	3/1/21	1,000,000	1,140,260
Norsk Hydro, Debs.	A2	A	7.750	6/15/23	1,000,000	1,039,700
Nortek, Inc., Notes	WR	B-	9.875	3/1/04	130,000	131,950
Nortek, Inc., Sr. Notes	B1	B+	8.875	8/1/08	100,000	95,750
Nortek, Inc., Sr. Sub. Notes	B3	B-	9.875	6/15/11	205,000	197,313
Nortel Networks, Ltd., Notes	Baa2	BBB-	6.125	2/15/06	1,660,000	1,435,900
Northern Natural Gas Co., Notes	A3	A-	6.875	5/1/05	1,500,000	1,520,520
Northern States Power Co.	A1	BBB+	6.875	8/1/09	1,400,000	1,415,106
Northern Telecom, Ltd.	Baa2	BBB-	6.875	9/1/23	1,000,000	740,000
Northrop Grumman Corp.	Baa3	BBB-	7.125	2/15/11	500,000	494,020
Northrop Grumman Corp.	Baa3	BBB-	7.875	3/1/26	1,000,000	990,550
Northwest Airlines, Inc.	A2	AA+	7.041	10/1/23	2,000,000	2,003,640
Northwest Airlines, Inc.	Ba3	BB	8.875	6/1/06	500,000	493,645
Norwest Corp., M. T. Notes	Aa2	A+	6.750	6/15/07	1,000,000	1,024,340
Norwest Financial, Inc., Sr. Notes	Aa2	A+	6.850	7/15/09	2,000,000	2,034,620
NRG Energy, Inc.	Baa3	BBB-	8.625	4/1/31	2,000,000	2,079,700
NRG Energy, Inc., Sr. Notes	Baa3	BBB-	7.500	6/15/07	1,000,000	1,004,750
NRG Energy, Inc., Sr. Notes	Baa3	BBB-	7.500	6/1/09	1,200,000	1,199,976
NTL Communications Corp., Notes	B3	B-	10.000	2/15/07	300,000	195,000
NTL Communications Corp., Sr. Notes	B3	B-	11.875	10/1/10	125,000	83,125
Occidental Petroleum Corp., Bonds	Baa2	BBB	6.400	4/1/13	1,000,000	1,012,830
Occidental Petroleum Corp., Bonds	Baa2	BBB	10.125	9/15/09	1,000,000	1,202,180
Ocean Energy, Inc., Sr. Notes	Baa3	BBB-	7.625	7/1/05	340,000	350,200
Ocean Energy, Inc., Sr. Notes	Ba1	BB+	8.375	7/1/08	100,000	104,171
Owens & Minor, Inc., Sr. Sub. Notes	N/A	N/A	10.875	6/1/06	350,000	369,250
Owens Illinois, Inc., Notes	B3	B+	8.100	5/15/07	350,000	259,000
Owens Illinois, Inc., Sr. Notes	B3	B+	7.150	5/15/05	150,000	111,750
Oxymar, Bonds	Ba2	BBB	7.500	2/15/16	605,000	487,848
P&L Coal Holdings Corp., Sr. Notes	Ba3	BB	8.875	5/15/08	450,000	470,250
P&L Coal Holdings Corp., Sr. Notes	B1	B+	9.625	5/15/08	100,000	106,250
Pacific Bell	Aa3	AA-	7.125	3/15/26	2,000,000	1,968,560

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Pacific Bell	Aa3	AA-	7.375	6/15/25	1,000,000	958,180
Pacific Bell, Sr. Notes	Aa3	AA-	6.875	8/15/06	600,000	621,558
Pacifica Papers, Inc., Sr. Notes	Ba2	BB	10.000	3/15/09	700,000	742,000
Packaging Corp., Sr. Sub. Notes	Ba2	BB-	9.625	4/1/09	100,000	106,125
Paine Webber Group, Inc., Notes	Aa2	AA+	6.500	11/1/05	1,500,000	1,534,005
Paperboard Inds. International, Inc., Notes	B2	B+	8.375	9/15/07	250,000	223,750
Passive Hi Yield Returns Secs.	N/A	N/A	0.000	8/1/11	1,085,000	1,103,597
PDV America, Inc., Bonds	Baa3	B-	7.875	8/1/03	515,000	517,240
Peco Energy Transition, Bonds	Aaa	AAA	6.520	12/31/10	1,200,000	1,197,528
Peoples Bank Bridgeport Connecticut, Sub. Notes	Baa3	BBB-	9.875	11/15/10	1,500,000	1,548,375
Pepsi Bottling Group, Inc., Sr. Notes	A3	A-	7.000	3/1/29	210,000	209,515
Pepsico, Inc., M. T. Notes	A1	A	5.750	1/1/03	1,000,000	1,011,550
Petrozuata Fin., Inc., Bonds	Baa2	BB	8.220	4/1/17	1,370,000	1,130,250
Pharmacia Corp., Debs.	A1	AA-	6.600	12/1/28	3,520,000	3,364,944
Philip Morris, Inc., Notes	A2	A-	6.375	2/1/06	1,000,000	997,120
Philip Morris, Inc., Notes	A2	A-	7.200	2/1/07	2,000,000	2,054,040
Philipp Bros. Chemicals, Inc., Sr. Sub. Notes	B3	CCC+	9.875	6/1/08	70,000	46,550
Phillips Petroleum Co., Notes	A3	BBB+	8.500	5/25/05	1,000,000	1,084,010
Phillips Petroleum Co., Notes	A3	BBB+	9.375	2/15/11	1,000,000	1,178,090
Phillips Petroleum Co., Sr. Notes	A3	BBB+	6.375	3/30/09	1,000,000	980,550
Pillowtex Corp., Sr. Sub. Notes	N/A	N/A	9.000	12/15/07	250,000	2,500
Pioneer Natural Resources Co., Sr. Notes	Ba1	BB+	9.625	4/1/10	250,000	278,750
PK PL Entertainment Corp., Notes	Ba1	BBB-	7.950	8/1/03	500,000	513,580
Plaines Resources, Inc., Sr. Sub. Notes	B2	B	10.250	3/15/06	205,000	212,688
PMD Group, Inc., Sr. Sub. Notes	B3	B	11.000	2/28/11	105,000	106,575
PNC Funding Corp., Notes	A3	BBB+	6.125	9/1/03	1,000,000	1,021,450
PNC Funding Corp., Sub. Notes	A3	BBB+	7.500	11/1/09	620,000	649,233
PNC Institutional Capital Trust	Baa2	BBB+	7.950	12/15/26	575,000	574,040
Polaroid Corp., Notes	Ca	D	11.500	2/15/06	100,000	31,000
Popular North America, Inc., M. T. Notes	A3	BBB	6.625	10/27/02	450,000	455,166
Post Apt. Homes, LP, M. T. Notes	Baa1	BBB+	6.850	3/16/15	1,500,000	1,503,885
Potlatch Corp., Sr. Sub. Notes	Ba1	BB+	10.000	7/15/11	140,000	140,700
PPL Capital Funding, Inc., M. T. Notes	Baa2	BBB+	8.375	6/15/07	1,000,000	1,048,500
Praxair, Inc., Notes	A3	BBB+	6.900	11/1/06	2,000,000	2,058,260
Pride Pete Services, Inc., Sr. Notes	Ba3	BB+	9.375	5/1/07	100,000	105,250
Prime Property Funding II, Inc., Notes	A2	A	6.800	8/15/02	390,000	395,721
Prime Property Funding II, Inc., Notes	A2	A	7.000	8/15/04	935,000	956,035
Primedia, Inc., Sr. Notes	Ba3	BB-	8.875	5/15/11	103,000	95,790
Prin. Life Global Funding I, Notes	Aa2	AA	6.125	3/1/06	525,000	526,591
Proctor & Gamble Co.	Aa2	AA	6.450	1/15/26	1,000,000	948,050
Proctor & Gamble Co.	Aa2	AA	8.000	11/15/03	1,000,000	1,067,910
Progress Energy, Inc., Sr. Notes	Baa1	BBB	6.750	3/1/06	745,000	758,373
Progress Energy, Inc., Sr. Notes	Baa1	BBB	7.100	3/1/11	2,825,000	2,850,312
Provident Cos. Inc., Bonds	Baa1	A-	7.000	7/15/18	1,500,000	1,334,790
Prudential Insurance Co. of America	A3	A-	7.650	7/1/07	1,500,000	1,554,975
Prudential Insurance Co. of America	A3	A-	8.300	7/1/25	1,830,000	1,947,120
PSEG Energy Holdings, Inc., Sr. Notes	Baa3	BBB-	9.125	2/10/04	725,000	753,964
PSEG Power, LLC, Sr. Notes	Baa1	BBB	6.875	4/15/06	500,000	505,160
PSEG Power, LLC, Sr. Notes	Baa1	BBB	8.625	4/15/31	935,000	1,005,125
Public Service Electric & Gas Co., Notes	A3	A-	7.000	9/1/24	1,000,000	898,870
Puget Sound Energy, Inc., M. T. Sr. Notes	Baa1	A-	7.020	12/1/27	1,500,000	1,232,565
Pure Res., Inc., Sr. Notes	Baa3	BBB-	7.125	6/15/11	510,000	503,049
PUT	A3	A-	7.250	6/15/06	3,000,000	3,126,480
Quebecor Media, Inc., Sr. Notes	B2	BB-	11.125	7/15/11	500,000	496,250
Quest Diagnostics, Inc., Sr. Notes	Ba1	BBB-	7.500	7/12/11	250,000	245,733
Qwest Capital Funding, Inc.	Baa1	BBB+	7.250	2/15/11	1,145,000	1,133,275

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Qwest Capital Funding, Inc.	Baa1	BBB+	7.750	8/15/06	2,000,000	2,096,020
Qwest Capital Funding, Inc.	Baa1	BBB+	7.900	8/15/10	4,125,000	4,259,846
Qwest Corp., Notes	A2	N/A	7.625	6/9/03	1,580,000	1,636,975
R&B Falcon Corp., Sr. Notes	Baa3	A-	6.950	4/15/08	1,300,000	1,310,361
Ralston Purina Co., Notes	A3	BBB+	9.250	10/15/09	1,000,000	1,163,550
Ras. Laffan Liquefied Natural Gas Co.	Baa2	AAA	8.294	3/15/14	955,000	939,481
Raytheon Co.	Baa3	BBB-	6.150	11/1/08	2,000,000	1,849,680
Raytheon Co.	Baa3	BBB-	6.500	7/15/05	1,000,000	974,210
Raytheon Co.	Baa3	BBB-	6.550	3/15/10	2,000,000	1,867,880
Raytheon Co.	Baa3	BBB-	6.750	8/15/07	1,000,000	974,080
Raytheon Co.	Baa3	BBB-	6.750	3/15/18	1,000,000	888,970
Raytheon Co.	Baa3	BBB-	7.900	3/1/03	500,000	510,530
Raytheon Co.	Baa3	BBB-	8.200	3/1/06	930,000	964,429
Raytheon Co.	Baa3	BBB-	8.300	3/1/10	345,000	358,986
Regency Centers, LP	Baa2	BBB	7.950	1/15/11	500,000	506,670
Regency Centers, LP	Baa2	BBB	8.450	9/1/10	1,000,000	1,045,240
Regions Financial Corp., Sub. Notes	A2	A-	7.000	3/1/11	480,000	476,002
Reliant Energy Financeco II, LP, Notes	Baa1	BBB	7.400	11/15/02	900,000	920,826
Reliastar Financial Corp., Notes	N/A	N/A	7.125	3/1/03	250,000	258,543
Republic NY Corp., Notes	A2	A	7.750	5/15/09	1,000,000	1,047,830
Resolution Performance Prod., LLC, Sr. Sub. Notes	N/A	N/A	13.500	11/15/10	341,000	369,985
Riverwood International Corp., Sr. Notes	B3	B-	10.625	8/1/07	170,000	173,400
RJ Reynolds Tobacco Holdings, Inc., Notes	Baa2	BBB-	7.375	5/15/03	250,000	254,745
Rockwell International Corp.	A3	A	5.200	1/15/98	1,500,000	1,018,365
Rockwell International Corp.	A3	A	6.150	1/15/08	1,000,000	971,290
Rockwell International Corp., Notes	A1	AA-	6.625	6/1/05	1,000,000	1,023,330
Rohm & Haas Co., Deb.	A3	A-	7.850	7/15/29	2,000,000	2,083,440
Roseton-Danskammer 2001	Baa2	N/A	7.270	11/8/16	1,500,000	1,489,275
Royal Caribbean Cruises, Ltd., Notes	Ba2	BB+	7.250	8/15/06	1,250,000	1,193,625
Russell Frank Co., Notes	Aa1	AAA	5.625	1/15/09	2,000,000	1,909,120
Ryland Group, Inc., Notes	Ba3	B+	9.125	6/15/11	65,000	64,675
Ryland Group, Inc., Sr. Sub. Notes	Ba3	B+	8.250	4/1/08	500,000	483,125
Safeco Inc.	Baa2	BBB	6.150	3/1/06	745,000	743,242
Safeco Inc.	Baa2	BBB	7.000	9/15/02	2,000,000	2,045,840
Safeco Inc.	Baa2	BBB	7.250	2/1/31	445,000	431,218
Safeco Inc.	Baa2	BBB	7.450	9/15/27	1,000,000	992,840
Safeco Inc.	Baa2	BBB	7.500	9/15/09	575,000	597,391
Safeco Inc.	Baa1	BBB+	7.875	3/15/03	1,375,000	1,404,563
Saks, Inc.	Ba2	BB	7.375	2/15/19	545,000	392,400
Salomon Smith Barney Holdings, Inc., Notes	Aa3	AA-	6.750	2/15/03	1,000,000	1,026,660
Salomon Smith Barney Holdings, Inc., Notes	Aa3	AA-	7.125	10/1/06	6,000,000	6,237,420
SBA Communications Corp., Sr. Notes	B3	B-	10.250	2/1/09	170,000	155,550
SBC Communications, Inc.	Aa3	AA-	6.250	3/15/11	4,960,000	4,802,421
SCG Holdings Corp.	B1	B-	12.000	8/1/09	60,000	37,800
Scotts Co., Sr. Sub. Notes	B2	B+	8.625	1/15/09	225,000	229,219
Seagate Tech., Sr. Sub. Notes	Ba3	B+	12.500	11/15/07	920,000	915,400
Sealed Air Corp., Notes	Baa3	BBB	8.750	7/1/08	1,500,000	1,461,000
Sears Roebuck & Co., Notes	A3	A-	9.375	11/1/11	1,000,000	1,144,740
Sears Roebuck Acceptance Corp., Notes	A3	A-	6.250	5/1/09	5,000,000	4,753,450
Sears Roebuck Acceptance Corp., Notes	A3	A-	6.700	11/15/06	1,500,000	1,523,670
Select Medical Corp., Sr. Sub. Notes	B3	B	9.500	6/15/09	50,000	48,500
Signet Bank, Medium Term Sub. Notes	N/A	A	7.800	9/15/06	720,000	769,939
Silgan Holdings, Inc., Sr. Sub. Debs.	B1	B	9.000	6/1/09	660,000	669,900
Simon Property Group, LP, Notes	Baa1	BBB	7.125	2/9/09	1,800,000	1,751,220
Social National Bank, Cleveland, Ohio, Notes	A2	A-	7.250	6/1/05	1,000,000	1,039,580
Southern Un. Co., Sr. Notes	Baa2	BBB	8.250	11/15/29	500,000	505,286

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Spanish Broadcasting System, Inc., Sr. Sub. Notes	B3	B-	9.625	11/1/09	165,000	149,325
Spear Leeds & Kellogg, LP, Sr. Notes	A1	A+	8.250	8/15/05	800,000	863,488
Spieker Properties, LP	Baa1	BBB+	7.650	12/15/10	785,000	806,250
Sprint Capital Corp.	Baa1	BBB+	6.125	11/15/08	4,000,000	3,677,800
Sprint Capital Corp.	Baa1	BBB+	6.875	11/15/28	500,000	424,230
St. Paul Cos., Inc., Sr. Notes	A1	A+	8.125	4/15/10	310,000	337,429
St. STR Corp.	A1	A+	7.650	6/15/10	660,000	704,029
STA Casinos, Inc., Notes	Ba3	BB-	8.375	2/15/08	375,000	376,406
STA Casinos, Inc., Sr. Sub. Notes	B1	B+	8.875	12/1/08	500,000	502,500
STC Broadcasting, Inc., Notes	B3	B-	11.000	3/15/07	150,000	149,250
Std. Pac. Corp., Notes	Ba2	BB	8.500	6/15/07	500,000	492,500
Std. Pac. Corp., Sr. Notes	Ba2	BB	8.000	2/15/08	250,000	232,500
Std. Pac. Corp., Sr. Notes	Ba2	BB	8.500	4/1/09	200,000	195,000
Stone Container Corp., Notes	B2	B	9.250	2/1/08	100,000	101,833
Sun Life CDA US Capital Trust	A1	A+	8.526	7/14/27	2,500,000	2,382,728
Sun Microsystems, Inc., Sr. Notes	Baa1	BBB+	7.500	8/15/06	1,000,000	1,023,390
Sun Microsystems, Inc., Sr. Notes	Baa1	BBB+	7.650	8/15/09	630,000	639,456
Sunoco, Inc.	Baa2	BBB	6.750	4/1/11	1,000,000	969,470
Suntrust Banks, Inc. Notes	A1	A+	7.375	7/1/02	1,000,000	1,024,230
Supervalu, Inc.	Baa3	BBB	7.800	11/15/02	1,000,000	1,003,600
Supervalu, Inc., Notes	Baa3	BBB	7.875	8/1/09	450,000	417,695
Susa Partnership, LP, Notes	Baa3	BBB	7.125	11/1/03	2,390,000	2,427,260
Swiss Bank Corp., M. T. Notes	Aa3	AA+	7.375	6/15/17	2,000,000	2,081,320
Target Corp.	A2	A+	5.950	5/15/06	2,000,000	2,004,340
Target Corp.	A2	A+	6.350	1/15/11	305,000	300,736
Target Corp.	A2	A+	7.500	8/15/10	605,000	643,992
TCI Communications, Inc., Notes	A3	A	6.875	2/15/06	3,500,000	3,544,835
Tel. & Data Systems, Inc., Notes	A3	A-	7.000	8/1/06	350,000	356,755
Telecommunications Techniques Co., LLC, Notes	B3	B-	9.750	5/15/08	250,000	207,500
Tenet Healthcare Corp., Sr. Sub. Notes	Ba2	BB-	8.125	12/1/08	500,000	513,125
Tennessee Gas Pipeline Co., Bonds	Baa1	BBB+	7.625	4/1/37	1,000,000	954,253
Texaco Capital, Notes	A1	A+	8.500	2/15/03	1,100,000	1,160,962
Texas Utilities Electric Co.	A3	BBB+	7.375	10/1/25	2,000,000	1,844,460
Time Warner Entertainment Co., LP, Notes	Baa1	BBB+	7.250	9/1/08	5,575,000	5,721,455
Time Warner Telecom, Inc., Sr. Notes	B2	B-	10.125	2/1/11	150,000	134,250
Time Warner, Inc.	Baa1	BBB+	6.950	1/15/28	4,000,000	3,695,800
Time Warner, Inc.	Baa1	BBB+	7.570	2/1/24	650,000	643,268
Time Warner, Inc., Debs.	Baa1	BBB+	6.625	5/15/29	560,000	499,341
Time Warner, Inc., Notes	Baa1	BBB+	8.110	8/15/06	500,000	539,800
TNP Enterprises, Inc., Sr. Sub. Notes	Ba3	BB+	10.250	4/1/10	250,000	272,813
Torchmark Corp.	Baa1	A	7.875	5/15/23	3,000,000	2,929,236
Tosco Corp., Notes	Baa1	BBB+	8.250	5/15/03	1,000,000	1,050,680
Toyota Motor Cr. Corp., Notes	Aa1	AAA	5.500	12/15/08	1,500,000	1,440,720
Transamerica Finance Corp., Notes	A3	A-	7.250	8/15/02	1,000,000	1,024,030
Triad Hosps. Holdings, Inc., Sr. Sub. Notes	B2	B-	11.000	5/15/09	320,000	344,800
True Temper Sports, Inc., Sr. Sub. Notes	B3	B-	10.875	12/1/08	250,000	255,313
TRW, Inc., Debs.	Baa2	BBB	7.625	3/15/06	630,000	649,341
TRW, Inc., Debs.	Baa2	BBB	7.750	6/1/29	2,000,000	1,909,760
TXU Copr., Sr. Notes	Baa3	BBB	6.375	6/15/06	495,000	489,382
Tyco International Group, Bonds	Baa1	A	6.375	6/15/05	3,500,000	3,542,210
Tyco International Group, Bonds	Baa1	A	6.375	2/15/06	1,000,000	1,008,990
Tyson Foods, Inc., M. T. Notes	Baa3	A-	6.625	10/17/05	1,000,000	984,610
Unilever Capital Corp., Notes	A1	A+	6.875	11/1/05	3,500,000	3,636,990
Union Carbide Corp., Notes	A2	A	6.700	4/1/09	2,000,000	2,003,460
Union Oil Co. Cal., Notes	Baa1	BBB+	6.375	2/1/04	1,800,000	1,832,724
Union Pacific Corp.	Baa3	BBB-	6.000	9/1/03	1,000,000	1,011,420

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Union Pacific Corp.	Baa3	BBB-	6.700	12/1/06	1,000,000	1,020,490
Union Pacific Corp.	Baa3	BBB-	7.000	2/1/16	1,000,000	985,450
Union Pacific Corp.	Baa3	BBB-	7.600	5/1/05	1,000,000	1,048,840
Union Pacific Res. Group, Inc.	Baa1	BBB+	6.750	5/15/08	1,000,000	999,960
United Airlines Inc.	Baa1	AA	7.730	1/1/12	875,000	917,201
United Pan-Europe Communications, Sr. Notes	B2	B-	11.250	2/1/10	150,000	54,000
United Rentals, Inc., Sr. Sub. Notes	B2	N/A	9.000	4/1/09	150,000	138,000
United Technologies Corp., Debs.	A2	A+	7.500	9/15/29	1,615,000	1,700,870
United Technologies Corp., Notes	A2	A+	6.625	11/15/04	1,000,000	1,033,740
United Technologies Corp., Notes	A2	A+	7.000	9/15/06	800,000	842,632
Unitedhealth Group, Inc., Notes	A3	A	7.500	11/15/05	2,500,000	2,613,150
Universal Compression, Inc., Sr. Notes	B1	B+	0.000	2/15/08	170,000	154,700
Universal Hospital Services, Inc., Sr. Notes	B3	B-	10.250	3/1/08	215,000	195,919
US Airways	Aaa	AAA	7.076	9/20/22	1,095,000	1,086,481
US Leasing International, Inc., Notes	A2	A	6.625	5/15/03	1,000,000	1,022,110
USA Waste Services, Inc.	Ba1	BBB	6.125	7/15/11	1,000,000	1,000,060
USA Waste Services, Inc.	Ba1	BBB	7.000	7/15/28	1,000,000	888,170
USW Capital Funding, Inc., Notes	WR	BBB+	6.875	8/15/01	1,605,000	1,608,371
USW Communications, Inc.	A2	BBB+	6.875	9/15/33	1,000,000	839,550
USW Communications, Inc.	A2	BBB+	7.125	11/15/43	1,250,000	1,052,163
USW Communications, Inc.	A2	BBB+	7.250	9/15/25	2,100,000	1,950,900
USW Communications, Inc.	A2	BBB+	7.250	10/15/35	1,750,000	1,513,733
USX-Marathon Group	Baa1	BBB	6.650	2/1/06	500,000	506,905
USX-Marathon Group	Baa1	BBB	9.375	5/15/22	1,190,000	1,436,056
Verizon Global Funding Corp.	A1	A+	7.250	12/1/10	1,130,000	1,148,826
Viacom, Inc.	A3	A-	6.625	5/15/11	1,120,000	1,099,762
Viacom, Inc.	A3	A-	7.700	7/30/10	1,185,000	1,253,920
Viacom, Inc.	A3	A-	7.750	6/1/05	2,000,000	2,122,800
Viacom, Inc.	A3	A-	7.875	7/30/30	505,000	532,103
Viasystems, Inc., Sr. Sub. Notes	B3	B-	9.750	6/1/07	605,000	296,450
Virginia Electric & Power Co., Notes	A2	A	8.000	3/1/04	1,000,000	1,054,350
Vodafone Airtouch PLC	A2	A	7.750	2/15/10	1,225,000	1,285,295
Vodafone Airtouch PLC	A2	A	7.875	2/15/30	1,600,000	1,671,712
Wachovia Corp., Notes	A2	A-	6.800	6/1/05	1,000,000	1,032,170
Waddell & Reed Financial, Inc.	Baa2	BBB	7.500	1/18/06	570,000	579,434
Wal-Mart Stores, Inc.	Aa2	AA	7.550	2/15/30	1,310,000	1,427,481
Wal-Mart Stores, Inc., Notes	Aa2	AA	4.625	4/15/03	900,000	898,128
Wal-Mart Stores, Inc., Notes	Aa2	AA	6.550	8/10/04	1,330,000	1,379,310
Wal-Mart Stores, Inc., Notes	Aa2	AA	6.875	8/10/09	1,545,000	1,603,695
Washington Mutual Bank	A3	BBB+	6.875	6/15/11	660,000	655,598
Washington Mutual, Inc., Notes	A3	BBB+	7.250	8/15/05	1,000,000	1,043,230
Washington Mutual, Inc., Sub. Notes	Baa1	BBB	8.250	4/1/10	625,000	673,306
Waste Management, Inc., Notes	Ba1	BBB	7.375	8/1/10	615,000	615,923
Waste Management, Inc., Sr. Notes	Ba1	BBB	6.875	5/15/09	150,000	146,054
Waste Management, Inc., Sr. Notes	Ba1	BBB+	7.375	5/15/29	520,000	482,888
Weirton Steel Corp., Notes	Caa3	CCC	11.375	7/1/04	500,000	150,625
Wellpoint Health Networks, Inc., Notes	Baa1	A-	6.375	6/15/06	230,000	228,629
Wells Fargo Financial, Inc., Notes	Aa2	A+	6.125	2/15/06	500,000	502,515
Wells Fargo Financial, Inc., Notes	Aa2	A+	6.625	7/15/04	3,000,000	3,096,000
Wells Fargo Financial, Inc., Notes	Aa2	A+	7.000	11/1/05	2,300,000	2,398,210
Wesco Distr., Inc., Sr. Sub. Notes	B3	B	9.125	6/1/08	750,000	713,438
Western Financial Bank, Notes	B1	BB-	8.875	8/1/07	350,000	331,625
Westpoint Stevens, Inc., Sr. Notes	Ca	CCC+	7.875	6/15/08	250,000	93,750
Westvaco Corp.	Baa1	BBB	6.850	11/15/04	700,000	704,886
Westvaco Corp.	Baa1	BBB	7.950	2/15/31	225,000	218,288
Weyerhaeuser Co., Notes	A3	A-	7.250	7/1/13	500,000	494,150

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - DOMESTIC (cont'd.)						
Williams Communications Group, Inc., Sr. Notes	Caa1	CCC+	10.875	10/1/09	150,000	60,000
Williams Communications Group, Inc., Sr. Notes	Caa1	CCC+	11.875	8/1/10	550,000	222,750
Williams Cos. Inc.	Baa2	BBB-	6.500	8/1/06	1,500,000	1,490,535
Williams Cos. Inc.	Baa2	BBB-	7.500	1/15/31	665,000	623,138
Williams Cos. Inc.	Baa2	BBB-	7.625	7/15/19	500,000	481,700
Williams Cos. Inc.	Baa2	BBB-	7.750	6/15/31	170,000	164,592
Winstar Communications, Inc., Sr. Notes	N/A	N/A	12.500	4/15/08	250,000	1
Winstar Communications, Inc., Sr. Notes	N/A	N/A	12.750	4/15/10	250,000	3,438
World Color Press, Inc., Sr. Sub. Notes	Baa2	BBB	8.375	11/15/08	350,000	351,393
World Financial Property Tower Corp.	Aa2	AA-	6.950	9/1/13	1,265,000	1,268,314
Worldcom, Inc. GA	A3	BBB+	6.400	8/15/05	1,500,000	1,473,510
Worldcom, Inc. GA	A3	BBB+	6.950	8/15/28	1,975,000	1,677,486
Worldcom, Inc. GA	A3	BBB+	7.500	5/15/11	4,940,000	4,806,027
Worldcom, Inc. GA	A3	BBB+	7.550	4/1/04	2,000,000	2,049,400
Worldcom, Inc. GA	A3	BBB+	7.750	4/1/07	3,750,000	3,775,350
Worldcom, Inc. GA	A3	BBB+	7.875	5/15/03	2,000,000	2,062,460
Worldcom, Inc. GA	A3	BBB+	8.250	5/15/31	550,000	540,722
Worldwide Fiber, Inc., Sr. Notes	Ca	D	12.000	8/1/09	250,000	1,250
Yosemite Secs. Trust, Notes	Baa1	BBB+	8.250	11/15/04	1,380,000	1,446,350
Young Broadcasting, Inc., Sr. Sub. Notes	B2	B	9.250	3/1/11	350,000	334,250
Zilog, Inc., Sr. Notes	Caa2	N/A	9.500	3/1/05	150,000	25,500
TOTAL CORPORATE - DOMESTIC					916,831,227	962,033,924

CORPORATE - FOREIGN

360Networks, Inc., Sr. Notes	Ca	D	13.000	5/1/08	350,000	5,250
Abbey National First Capital	Aa3	A+	6.700	6/29/49	850,000	813,518
Abbey National First Capital, Notes	Aa3	A+	6.690	10/17/05	520,000	534,596
Abbey National First Capital, Notes	Aa3	AA-	8.200	10/15/04	3,000,000	3,221,940
Abitibi-Consolidated, Inc.	Baa3	BBB-	8.500	8/1/29	1,000,000	988,140
Abitibi-Consolidated, Inc., Notes	Baa3	BBB-	8.550	8/1/10	320,000	335,405
African Dev. Bank	Aa1	AA-	8.800	9/1/19	500,000	600,885
African Dev. Bank, Sr. Notes	Aaa	AA+	6.750	10/1/04	2,000,000	2,084,540
Air Canada, Inc., Sr. Notes	B1	N/A	10.250	3/15/11	500,000	468,750
Alcan, Inc.	A2	A-	6.450	3/15/11	520,000	509,012
Alcan, Inc.	A2	A-	7.250	3/15/31	1,475,000	1,444,630
Alta Energy, Ltd.	Baa1	BBB+	8.125	9/15/30	835,000	905,641
American Express Co., Notes	A1	A+	6.875	11/1/05	975,000	1,013,922
Amoco Can. Petro Co., Ltd., Notes	Aa1	AAA	6.750	2/15/05	1,000,000	1,033,950
Asian Dev. Bank, Notes	Aaa	AAA	6.500	9/21/02	1,000,000	1,023,880
Associates Corp., North America, Notes	Aa3	AA-	5.500	2/15/04	2,000,000	1,997,620
AXA	A2	A-	8.600	12/15/30	230,000	256,654
Bank of Tokyo-Mitsubishi, Ltd., Sr. Sub. Notes	A3	BBB+	8.400	4/15/10	1,000,000	1,063,680
British Sky Broadcasting Group, PLC	Ba1	BB+	6.875	2/23/09	315,000	288,376
British Sky Broadcasting Group, PLC	Baa1	A-	7.625	12/15/05	745,000	783,263
British Sky Broadcasting Group, PLC	Baa1	A-	8.125	12/15/10	3,000,000	3,181,860
British Sky Broadcasting Group, PLC	Baa1	A-	8.625	12/15/30	2,405,000	2,623,879
Call-Net Enterprises, Inc., Sr. Notes	Ca	B+	9.375	5/15/09	350,000	112,000
Canadian First Oil, Ltd., Notes	B1	B+	8.750	9/15/07	725,000	739,500
Canadian National Ry. Co.	Baa2	BBB+	6.450	7/15/36	1,000,000	1,001,040
Canadian Pacific, Ltd.	Baa2	BBB	8.850	6/1/22	1,000,000	1,052,870
Corporacion Andina De Fomento, Notes	A2	A	7.750	3/1/04	1,000,000	1,044,580
Corporacion Andina De Fomento, Notes	A2	A	8.875	6/1/05	500,000	542,290
Deutsche Telekom International Fin.	A3	A-	7.750	6/15/05	770,000	803,695

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - FOREIGN (cont'd.)						
Deutsche Telekom International Fin.	A3	A-	8.000	6/15/10	3,285,000	3,395,146
Deutsche Telekom International Fin.	A3	A-	8.250	6/15/30	1,000,000	1,020,950
Development Bank Singapore, Ltd., Sub. Notes	Aa3	A-	7.875	4/15/10	745,000	768,818
Diageo Capital PLC, Notes	A1	A+	6.625	6/24/04	850,000	879,053
Empresa Nacional De Electricidad, Chile	Baa1	BBB+	7.875	2/1/27	1,000,000	847,950
Enerisis, Notes	Baa1	A-	6.900	12/1/06	1,000,000	978,070
European Investment Bank, Notes	Aaa	AAA	4.750	4/26/04	1,000,000	992,060
Export Import Bank, Korea, Bonds	Baa2	BBB	6.500	11/15/06	1,000,000	1,016,040
Flag Telecom Holdings, Ltd., Sr. Notes	B2		11.625	3/30/10	750,000	472,500
France Telecom, Notes	Baa1	BBB+	7.200	3/1/06	980,000	1,007,665
Global Crossing Holdings, Ltd., Notes	Ba2	BB	8.700	8/1/07	225,000	171,000
Grand Met Investment Corp.	A1	A+	9.000	8/15/11	2,000,000	2,347,040
Great Lakes Power, Inc., Notes	Baa3	BBB-	9.000	8/1/04	1,000,000	1,051,780
HSBC Holdings, PLC, Sub. Notes	A1	A	7.500	7/15/09	1,250,000	1,305,112
Hydro-Quebec, Debs.	A1	A+	8.875	3/1/26	1,500,000	1,787,445
Instituto De Credito Oficial, Notes	Aa2	N/A	6.000	5/19/08	2,000,000	1,996,880
Inter Amer. Dev. Bank, Notes	Aaa	AAA	8.875	6/1/09	1,500,000	1,756,245
Kimberly Clark De Mexico, Sr. Notes	N/A	BBB	8.875	8/1/09	150,000	159,750
Korea Dev. Bank, Notes	Baa2	BBB	7.125	4/22/04	2,000,000	2,056,960
Korea Development Bank, Notes	Baa2	BBB	7.250	5/15/06	2,000,000	2,049,300
Korea Electric Power Corp., Notes	Baa3	BBB	6.375	12/1/03	1,500,000	1,513,620
Landesbank Baden-Wuerttemberg, Sub. Notes	N/A	N/A	7.625	2/1/23	1,000,000	1,053,860
Manitoba Providence of Canada, Notes	Aa3	AA-	5.500	10/1/08	1,250,000	1,208,812
Manitoba Providence of Canada, Notes	Aa3	AA-	7.500	2/22/10	320,000	347,120
Marconi, PLC	Ba1	BB	8.375	9/15/30	1,500,000	1,262,505
Merrill Lynch & Co., Inc., Notes	Aa3	AA-	6.375	10/15/08	1,500,000	1,489,170
Millar Western Fst. Products, Ltd., Sr. Notes	B2	B+	9.875	5/15/08	750,000	701,250
Morgan Stanley Dean Witter & Co., Debs	Aa3	A	7.500	2/1/24	750,000	731,520
National Australia Bank, Ltd., Notes	A1	AA-	8.600	5/19/10	870,000	970,041
National Westminster Bank PLC, Sub. Notes	Aa2	A+	7.375	10/1/09	600,000	626,082
Noranda, Inc., Notes	Baa2	BBB	8.125	6/15/04	1,000,000	1,034,650
Norcen Energy Res., Ltd., Notes	Baa1	BBB+	7.800	7/2/08	2,000,000	2,016,160
Oversea-Chinese Bkg. Corp., Ltd., Sub. Notes	A1	N/A	0.000	9/6/11	490,000	488,991
Paiton Energy Fdg., Sr. Notes	Caa2	CC	9.340	2/15/14	1,185,000	355,500
Paribas NY Branch	A1	A+	6.950	7/22/13	1,730,000	1,720,329
PDVSA Fin., Ltd., Notes	N/A	N/A	6.650	2/15/06	1,000,000	968,100
Pemex Proj. Fdg. Master Tr.	Baa3	N/A	9.125	10/13/10	260,000	274,253
Petro Geo. Services, Notes	Baa3	BBB-	7.500	3/31/07	1,100,000	1,070,003
Petroleos Mexicanos	Baa2	N/A	9.500	9/15/27	2,500,000	2,727,700
Petroleos Mexicanos, Global Gtd. Notes	Baa2	N/A	8.375	3/30/05	1,250,000	1,298,888
Philips Electrs.	A3	A-	7.750	5/15/25	1,000,000	944,920
Potash Corp., Inc.	Baa2	BBB+	7.750	5/30/11	580,000	593,224
Principle Financial Group, Australia Hdgs., Sr. Notes	A1	A	8.200	8/15/09	750,000	798,008
Quebecor Printing, Inc., Bonds	Baa2	BBB	6.500	8/1/27	1,000,000	975,740
Repsol International Fin., Notes	A3	A-	7.000	8/1/05	500,000	515,165
Rogers Cantel, Inc., Notes	Baa3	BB+	8.300	10/1/07	150,000	146,079
Rogers Communications, Inc., Sr. Notes	Ba1	BB-	8.875	7/15/07	145,000	143,550
Rogers Wireless, Inc., Sr. Notes	Baa3		9.625	5/1/11	150,000	150,750
Royal Kpn. NV	Baa3		8.375	10/1/30	1,350,000	1,248,615
Santander Financial Issuances, Ltd.	A1	A	6.375	2/15/11	1,000,000	940,110
Sanwa Fin. Aruba, Notes	Baa1	BBB	8.350	7/15/09	1,000,000	1,046,360
SCL Term Aereo Santiago, Sr. Bonds	Baa2	NR	6.950	7/1/12	2,000,000	1,943,080
Skandinaviska Enskilda Banken, Sub. Notes	A3	BBB+	6.875	2/15/09	800,000	794,136
Sony Corp., Bonds	Aa3	A+	6.125	3/4/03	1,000,000	1,015,260
Std. Chartered Bank, Sub. Notes	A3	A-	8.000	5/30/31	500,000	507,750
Sun Media Corp., Notes	B2	B+	9.500	2/15/07	105,000	103,425

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
CORPORATE - FOREIGN (cont'd.)						
Systems 2001, LLC	Aaa	AAA	6.684	9/15/13	1,660,000	1,660,830
Teekay Shipping Corp., Sr. Notes	Ba2	BB-	8.875	7/15/11	135,000	136,350
Telecomunicaciones De Pr. Inc., Sr. Notes	Baa1	BBB	6.650	5/15/06	1,000,000	976,110
Telefonica Europe	A2	A+	7.750	9/15/10	1,000,000	1,029,700
Telefonica Europe	A2	A+	8.250	9/15/30	480,000	503,981
Telewest Communications New PLC, Sr. Notes	B2	B	9.875	2/1/10	300,000	249,000
Telewest Communications New PLC, Sr. Notes	B2	B	11.250	11/1/08	100,000	89,000
Telus Corp., Notes	Baa2	BBB+	7.500	6/1/07	350,000	355,737
Telus Corp., Notes	Baa2	BBB+	8.000	6/1/11	790,000	806,211
Tembec Inds., Inc. Sr. Notes	Ba1	BB+	8.500	2/1/11	84,000	85,680
Toronto Dominion Bank, Ontario, Notes	A1	AA	6.450	1/15/09	750,000	739,065
Transcanada Pipelines, Ltd., M. T. Notes	A2	A-	7.150	6/15/06	900,000	917,757
Transocean Sedco Forex, Inc.	Baa2	A-	7.500	4/15/31	900,000	901,287
Tyco International Group	Baa1	A	6.750	2/15/11	1,000,000	990,950
United Pan-Europe Communications, Sr. Notes	Caa3	N/A	10.875	8/1/09	145,000	52,200
Unilever Capital Corp.	A1	A+	7.125	11/1/10	1,360,000	1,415,842
United Mexican, M. T. Notes	Baa3	N/A	9.750	4/6/05	4,000,000	4,400,000
United News & Media, PLC, Notes	Baa2	BBB	7.250	7/1/04	950,000	968,316
Vodafone Airtouch, PLC, Notes	A2	A	7.625	2/15/05	2,000,000	2,101,120
Wal-Mart Canada Venture Corp., Notes	Aa2	AA	5.580	5/1/06	2,000,000	1,985,660
Westpac Bkg. Corp., Notes	A1	A+	7.875	10/15/02	750,000	774,015
Williams Holdings, Inc., Sr. Deb.	Baa2	BBB-	6.250	2/1/06	2,000,000	1,961,240
Zurich Capital Tr., Notes	Aaa	A+	8.376	6/1/37	750,000	759,450
TOTAL CORPORATE - FOREIGN					113,109,000	114,119,357
TOTAL CORPORATE					1,029,940,227	1,076,153,281

MISCELLANEOUS

Advanta Equip. Receivables, Notes	Aaa	AAA	7.405	3/15/07	1,600,000	1,660,048
Advanta Mortgage Ln. Tr.	Aaa	AAA	8.610	3/25/28	70,000	74,791
Aesop Fdg. II, LLC	Aaa	AAA	5.250	4/20/05	835,000	832,130
American Express Credit A/C Master Tr.	Aaa	AAA	4.070	1/15/06	3,390,000	3,391,356
American Express Credit A/C Master Tr.	Aaa	AAA	5.600	11/15/06	1,000,000	1,008,910
American Express Credit A/C Master Tr.	Aaa	AAA	6.400	4/15/05	800,000	818,680
American Express Credit A/C Master Tr.	Aaa	AAA	7.850	8/15/05	980,000	1,047,375
Americredit Automobile Rec. Tr.	Aaa	AAA	6.648	9/5/04	225,000	225,236
ANRC Auto Owner Tr.	Aaa	AAA	6.940	4/17/06	1,750,000	1,810,690
Asset Securitization Corp.	Aaa	AAA	6.750	2/14/43	3,560,000	3,610,979
Asset Securitization Corp.	Aaa	AAA	7.350	4/14/29	642,393	657,990
Assoc. Credit Card Master Tr.	Aaa	AAA	5.181	5/17/06	3,020,000	3,023,171
BA Master Credit Card Tr.	Aaa	AAA	4.090	4/15/05	1,735,000	1,736,480
Bank America Mtg. Secs., Inc.	Aaa	AAA	6.264	6/25/31	1,100,000	1,092,718
Bishops Gate Residential Mtg., Notes	Aaa	AAA	5.334	5/20/04	790,000	789,874
BMW Floorplan Master Owner Tr.	Aaa	N/A	5.156	11/17/05	3,890,000	3,882,706
BMW Vehicle Owner Tr.	Aaa	AAA	4.700	3/25/05	495,000	494,243
Burlington Northern RR, cons. Mtg., Ser. H	A3	BBB+	9.250	10/1/06	1,000,000	1,132,510
Case Equip. Receivables Tr.	Aaa	AAA	6.900	6/15/06	3,560,000	3,661,780
Chase Commercial Mortgage Secs. Corp.	Aaa	AAA	0.000	3/12/10	800,000	788,640
Chase Commercial Mortgage Corp.	Aaa	AAA	6.600	12/19/29	2,205,000	2,233,908
Chase Credit Card Master Tr.	Aaa	AAA	4.140	8/15/05	580,000	580,844
Chase Credit Card Master Tr.	Aaa	AAA	4.240	9/15/04	525,000	525,924
Chase Fdg. Ln. Acquisition Tr.	Aaa	AAA	3.870	6/25/31	650,000	650,000
Chase Fdg. Tr.	Aaa	AAA	7.794	5/25/15	870,000	902,790
Chase Manhattan Bank - First Union National Bank	Aaa	AAA	7.134	8/15/31	44,687	46,317

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MISCELLANEOUS (cont'd.)						
Chase Manhattan Bank - First Union National Bank	Aaa	AAA	7.439	8/15/31	1,700,000	1,787,601
CN RRB SPL Purp. Tr.	Aaa	AAA	6.210	12/30/11	1,900,000	1,868,574
Comercial Mortgage Acceptance Corp.	Aaa	AAA	6.230	7/15/31	303,488	306,975
Comercial Mortgage Asset. Tr.	Aaa	AAA	6.640	1/17/32	790,000	794,987
Comm. 1999-1 Cml. Mtg. Passthru CTF CL A-1	Aaa	AAA	6.145	5/15/32	1,062,439	1,070,419
Comm. 2001-J1 Cml. Mtg. Passthru CTF CL A-2	Aaa	AAA	6.457	2/16/34	1,000,000	977,000
Conseco Financial Lease, LLC, Notes	Aaa	AAA	7.360	4/20/04	220,000	226,367
Conseco Financial Securitizations Corp.	Aaa	AAA	5.655	6/1/18	1,700,000	1,695,750
Conseco Financial Securitizations Corp.	Aaa	AAA	7.620	8/1/22	1,845,000	1,919,962
Contimortgage Home Equity Loan Tr.	Aaa	AAA	6.880	1/15/28	1,248,377	1,271,597
Continental Airlines	A3	AA	6.320	11/9/08	3,000,000	2,926,200
Continental Airlines	A3	AA	6.545	8/2/20	575,603	556,211
Continental Airlines	A3	AA	6.648	3/15/19	577,671	564,893
Continental Airlines	A3	AA	7.256	9/15/21	422,821	428,136
CS First Boston Mortgage Secs. Corp.	Aaa	AAA	6.400	1/17/35	788,371	805,203
CS First Boston Mortgage Secs. Corp.	Aaa	AAA	7.600	3/15/27	500,000	525,140
Cwabs, Inc.	Aaa	AAA	7.830	7/25/25	1,300,000	1,344,603
Daimlerchrysler Auto Tr.	Aaa	AAA	6.820	9/6/04	670,000	688,633
Daimlerchrysler Auto Tr.	Aaa	AAA	7.230	1/6/05	200,000	208,404
Delta Fdg. Home Equity Loan Tr.	Aaa	AAA	7.980	6/15/27	840,000	881,874
Detroit Edison Securitization Fdg., LLC	Aaa	AAA	5.875	3/1/10	1,010,000	1,001,334
Detroit Edison Securitization Fdg., LLC	Aaa	AAA	6.420	3/1/15	1,175,000	1,143,757
Distr. Finl. Services Floorplan	Aaa	AAA	4.120	7/15/04	1,000,000	1,000,950
DLJ Commercial Mortgage Corp.	Aaa	AAA	5.339	5/15/03	2,931,255	2,938,672
DLJ Commercial Mortgage Corp.	Aaa	AAA	6.240	11/12/31	1,300,000	1,284,101
DLJ Commercial Mortgage Corp.	Aaa	AAA	7.300	6/10/32	1,700,000	1,776,126
Dr. Structured Financial Corp.	N/A	BB+	7.600	8/15/07	956,043	879,272
DVI Receivables, LLC	Aaa	AAA	7.780	6/14/08	460,000	481,730
Equitable Life Assurn. Soc., Notes	N/A	N/A	7.240	5/15/06	600,000	621,384
Federal Express Corp.	Aa2	AAA	7.650	1/15/23	2,931,433	3,055,784
Federal Home Loan Mtg. Corp., Preassign	Aaa	AAA	5.854	4/25/30	1,638,640	1,634,347
First Dep. Master Tr. Asset Backed Ctr. Ser. 1996-1	Aaa	AAA	4.150	8/15/07	1,365,000	1,367,630
First Union National Bank Cml. Mtg. Tr.	Aaa	AAA	6.204	1/12/43	600,000	596,724
First Union National Bank Cml. Mtg. Tr.	Aaa	AAA	7.390	12/15/31	1,650,000	1,729,761
Ford Credit Auto Owner Tr.	Aaa	AAA	4.100	4/15/05	855,000	855,214
Ford Credit Auto Owner Tr.	Aaa	AAA	7.190	3/15/04	2,040,000	2,121,886
GE Capital Commercial Mortgage Corp.	N/A	N/A	6.496	1/15/33	1,650,000	1,634,704
Global Rated Eligible Asset. Tr., Notes	Aaa	AAA	7.330	3/15/06	605,120	108,922
GMAC Commercial Mortgage Sec., Inc.	Aaa	AAA	5.440	7/15/04	677,834	680,572
GMAC Commercial Mortgage Ser. 1999-ctl1 CI A	Aaa	AAA	7.151	2/15/08	1,680,864	1,754,927
GMAC Commercial Mortgage Ast. Corp.	Aaa	AAA	0.000	6/20/13	475,000	475,000
GMAC Commercial Mortgage Ast. Corp.	Aaa	AAA	6.790	10/15/28	203,375	203,918
GMACM Home Equity Loan Tr.	Aaa	AAA	3.870	2/25/07	780,000	780,000
GMACM Mortgage Loan Tr.	Aaa	AAA	3.925	7/25/13	122,221	122,154
Gracechurch Card Fdg., PLC, Notes	Aaa	AAA	4.160	11/15/04	400,000	400,624
Green Tree Financial Corp., Sr. Sub.	Aaa	AAA	7.600	11/15/27	1,420,000	1,469,700
GS Mortgage Secs. Corp.	Aaa	AAA	0.000	5/3/11	410,000	407,117
GS Mortgage Secs. Corp.	Aaa	AAA	6.940	7/13/30	1,065,000	1,091,700
Heller Equip. Ast. Receivables Tr.	Aaa	AAA	6.790	3/14/17	340,000	351,954
HSBC Mortgage Loan Tr.	Aaa	AAA	7.110	12/15/30	500,000	517,900
HSTN Galleria Tr.	Aaa	AAA	7.430	12/3/05	689,013	719,674
IMC Home Equity Loan Tr.	Aaa	AAA	6.410	4/20/18	488,612	490,898
IMPAC Secd. Assets Corp.	Aaa	AAA	7.290	12/25/30	3,140,000	3,201,795
Indymac ABS, Inc.	Aaa	AAA	7.820	5/25/26	465,000	481,689
Isuzu Auto Owner Tr.	Aaa	AAA	4.880	11/22/04	6,605,000	6,633,269
JP Morgan Chase Cml. Mtg. Secs. Corp.	Aaa	AAA	0.000	6/13/13	485,000	485,000

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MISCELLANEOUS (cont'd.)						
JP Morgan Chase Cml. Mtg. Secs. Corp.	Aaa	AAA	4.403	4/15/10	1,298,865	1,298,930
JP Morgan Chase Cml. Mtg. Secs. Corp.	Aaa	AAA	6.260	3/15/33	3,235,000	3,152,702
JP Morgan Chase Cml. Mtg. Secs. Corp.	Aaa	AAA	6.613	1/15/30	1,439,000	1,454,944
Key Auto Fin. Tr., Notes	Aaa	AAA	5.630	7/15/03	233,947	234,443
Key Auto Fin. Tr., Notes	Aaa	AAA	6.250	10/15/03	593,757	596,322
LB Comercial Conduit Mtg. Tr.	Aaa	AAA	6.330	2/18/30	685,202	697,924
LB-UBS Cml. Mtg. Tr.	Aaa	AAA	7.950	5/18/15	2,594,477	2,769,941
Madison Residential Secs. Fdg. Tr.	N/A	N/A	4.285	9/17/03	260,000	260,892
MBNA Master Credit Card Tr.	Aaa	AAA	5.800	12/15/05	600,000	610,368
MBNA Master Credit Card Tr.	Aaa	AAA	6.350	12/15/06	750,000	770,550
MBNA Master Credit Card Tr.	Aaa	AAA	7.800	10/15/12	1,810,000	1,972,683
Mellon Residential Fdg. Corp.	Aaa	AAA	4.200	12/15/30	179,649	179,453
Mellon Residential Fdg. Corp.	Aaa	AAA	5.404	5/25/30	1,278,749	1,277,228
Mellon Residential Fdg. Corp.	Aaa	AAA	6.580	7/25/29	3,000,000	3,021,810
Mellon Residential Fdg. Corp.	Aaa	AAA	6.919	3/25/30	1,715,000	1,757,978
Meristar Cml. Mtg. Tr. Ser.	N/A	N/A	7.280	9/3/09	2,613,268	2,700,995
Mfn. Automobile Receivables Tr.	N/A	N/A	5.070	6/15/07	800,000	796,000
MMCA Auto Owner Tr., Notes	Aaa	AAA	4.160	5/15/05	1,005,000	1,006,719
MMCA Auto Owner Tr., Notes	Aaa	AAA	4.170	9/15/05	205,000	205,406
Morgan Stanley Capital I, Inc.	Aaa	AAA	6.250	3/15/30	953,767	968,714
Morgan Stanley Capital I, Inc.	Aaa	AAA	7.110	4/15/33	2,370,000	2,448,755
Morgan Stanley Dean Witter	Aaa	AAA	5.543	7/5/03	158,056	158,071
Mortgage Capital Fdg., Inc.	Aaa	AAA	6.417	3/18/30	77,521	78,799
National Archives Facs. Tr.	Aaa	AAA	8.500	9/1/19	2,662,603	3,022,800
Nationslink Fdg. Corp.	Aaa	AAA	6.042	1/20/31	1,076,898	1,077,189
Navistar Financial Owner Tr.	Aaa	AAA	6.670	11/15/04	165,000	169,750
Navistar Financial Owner Tr.	Aaa	AAA	6.780	9/17/07	25,000	25,872
Nissan Auto Receivables Tr.	Aaa	AAA	5.550	9/15/04	605,000	612,562
NPF XII, Inc., Notes	Aaa	AAA	4.363	7/1/04	550,000	549,828
NPF XII, Inc., Notes	Aaa	AAA	4.984	3/1/04	410,000	410,000
Oil Pur. Co., Sr. Notes	Ba2	BB+	7.100	10/31/02	376,636	368,900
Opt. First Mortgage Securities Corp. Tr.	Aaa	AAA	4.751	4/25/08	459,327	457,577
Peco Energy Transition Tr.	Aaa	AAA	7.625	3/1/10	1,975,000	2,109,814
PNC Mortgage Acceptance Corp.	Aaa	AAA	7.190	12/25/30	45,000	46,125
PNC Mortgage Acceptance Corp.	Aaa	AAA	7.300	10/12/33	1,600,000	1,669,584
Prudential Securities Corp.	Aaa	N/A	7.617	5/15/32	1,748,623	1,840,355
PSE&G Transition Fdg., LLC	Aaa	AAA	6.610	6/15/15	2,485,000	2,472,128
Rent Car Fin. Corp., Notes	Aaa	AAA	5.900	2/25/07	1,835,000	1,834,615
Residential Asset Mortgage Products, Inc.	Aaa	AAA	3.890	4/25/16	675,000	675,000
Residential Asset Mortgage Products, Inc.	Aaa	AAA	5.670	1/25/23	600,000	599,868
Residential Asset Mortgage Products, Inc.	Aaa	AAA	5.960	3/25/24	900,000	902,430
Residential Asset Mortgage Products, Inc.	Aaa	AAA	7.210	11/25/19	579,546	582,404
Residential Asset Mortgage Products, Inc.	Aaa	AAA	7.300	4/25/23	685,000	699,830
Residential Asset Sec. Corp.	Aaa	AAA	4.140	4/25/18	470,000	470,000
Residential Asset Sec. Corp.	Aaa	AAA	5.751	3/25/27	435,000	434,813
Residential Asset Sec. Corp.	Aaa	AAA	6.570	10/25/29	1,470,000	1,501,487
Residential Asset Sec. Corp.	Aaa	AAA	7.255	8/25/21	9,000,000	9,232,740
Residential Fdg. Mortgage Secs, Inc.	Aaa	AAA	3.805	5/25/09	845,000	844,472
Residential Fdg. Mortgage Secs, Inc.	Aaa	AAA	5.700	10/25/14	1,290,000	1,283,953
Residential Fdg. Mortgage Secs, Inc.	Aaa	AAA	5.770	4/25/16	820,000	819,926
Ryder Veh. Lease Tr., Notes	Aaa	AAA	5.520	5/16/05	965,000	977,114
Saxon Asset Secs. Tr.	Aaa	AAA	3.955	5/25/15	324,035	324,016
Saxon Asset Secs. Tr.	Aaa	AAA	4.075	5/25/28	31,350	31,364
Sears Credit A/C Master Tr.	Aaa	AAA	6.050	1/15/08	480,000	489,490
Securitized Multiple Ast. Rated Tr., Notes	N/A	N/A	0.000	11/15/01	709,965	120,694
Superior Whsl. Inventory Fing. Tr., Notes	Aaa	AAA	4.070	1/15/06	2,905,000	2,904,419

Investment Section

DESCRIPTION	RATINGS		INTEREST RATE (%)	MATURITY DATE	PAR VALUE (\$)	FAIR VALUE (\$)
	MOODY	S&P				
MISCELLANEOUS (cont'd.)						
Superior Whsl. Inventory Fing. Tr., Notes	Aaa	AAA	4.070	6/15/06	2,690,000	2,690,726
Team Fleet Fing Corp., Notes	Aa3	A	7.350	5/15/03	1,200,000	1,213,872
Textron Financial Corp. Tr.	Aaa	AAA	6.990	3/15/06	500,000	517,646
US Airways	Aaa	AAA	8.020	2/5/19	500,000	532,915
US Airways	Aaa	AAA	8.110	2/20/17	581,468	617,885
USAA Auto Owner Tr., Notes	Aaa	AAA	4.690	2/15/05	800,000	798,696
Vanderbilt Mtg. & Fin., Inc.	Aaa	AAA	6.815	8/7/12	1,055,000	1,084,435
Vanderbilt Mtg. & Fin., Inc.	Aaa	AAA	7.090	11/7/13	1,000,000	1,033,540
W Penn. Fdg., LLC, Notes	Aaa	AAA	6.630	12/26/05	155,757	160,129
Washington Mutual Mtg. Secs. Corp.	Aaa	AAA	0.000	7/25/31	595,000	595,000
Washington Mutual Mtg. Secs. Corp.	Aaa	AAA	4.680	1/1/31	572,512	571,906
World Finl. Properties Tower B Fin. Corp.	Aa2	AA-	6.910	9/1/13	1,005,314	1,011,285
World Omni Auto Receivables Tr.	Aaa	AAA	5.300	2/20/05	2,700,000	2,726,919
World Omni Auto Receivables Tr.	Aaa	AAA	5.510	7/20/07	600,000	601,734
TOTAL MISCELLANEOUS					182,190,552	184,166,242
TOTAL FIXED INCOME INVESTMENTS					2,622,642,491	2,884,065,768

Investment Section

INVESTMENT IN EQUITY as of June 30, 2001

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
AEROSPACE		
Boeing Co.	128,935	7,168,786
General Dynamics Corp.	63,080	4,908,255
Goodrich, B. F., Co.	125,900	4,781,682
Lockheed Martin Corp.	476,480	17,653,584
Northrop Grumman Corp.	11,000	881,100
Textron Inc.	53,400	2,939,136
United Technologies Corp.	132,300	9,692,298
TOTAL	991,095	48,024,841
AIRLINES-TRANSPORTATION		
AMR Corp.	19,600	708,148
Atlantic Coast Airlines Holdings, Inc.	92,800	2,783,072
Delta Air Lines Inc.	16,000	705,280
Skywest, Inc.	130,600	3,656,800
Southwest Airlines Co.	97,743	1,807,268
U.S. Air Group	8,700	211,410
TOTAL	365,443	9,871,978
ALUMINUM		
Alcan, Inc.	41,200	1,731,224
Alcoa Inc.	326,740	12,873,556
TOTAL	367,940	14,604,780
AUTOMOTIVE CARS & ACCESSORIES		
Dana Corp.	19,216	448,501
Danaher Corp.	64,300	3,600,800
Delphi Automotive Sys. Corp.	72,660	1,157,474
Eaton Corp.	8,900	623,890
Ford Motor Co.	337,197	8,278,186
General Motors Corp.	71,000	4,568,850
Genuine Parts Co.	22,500	708,750
Harley Davidson Inc.	94,500	4,449,060
Illiniois Tool Works, Inc..	129,700	8,210,010
Johnson Controls, Inc.	90,900	6,587,523
Lear Corp.	67,100	2,341,790
Snap-On Inc.	7,550	182,408
TRW, Inc.	16,100	660,100
Visteon Corp.	106,562	1,958,610
TOTAL	1,108,185	43,775,952
BANKING & FINANCE		
Ambac Financial Group	49,850	2,901,270
American Capital Strategies, Ltd	146,800	4,119,208
American Express Co.	230,800	8,955,040

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
BANKING & FINANCE (cont'd.)		
Americredit Corp.	45,900	2,384,505
AmSouth Bancorp.	48,700	900,463
Associated Banc-Corp.	44,000	1,583,560
Astoria Financial Corp.	12,300	676,500
Bank of America Corp.	226,736	13,610,962
Bank of New York, Co Inc.	97,100	4,660,800
Bank One Corp.	221,095	7,915,201
BB&T Corp.	137,100	5,031,570
Bear Stearns Cos Inc.	13,875	818,209
Capital One Financial	190,100	11,406,000
Charter One Financial Inc.	49,050	1,564,695
Citigroup Inc.	1,196,396	63,217,565
Comerica, Inc..	36,150	2,082,240
Commerce Bancorp, Inc.	16,900	1,184,690
Corporate Executive Board Co.	47,000	1,974,000
Countrywide Credit Industries, Inc.	118,400	5,432,192
East West Bancorp., Inc.	32,800	885,600
Equifax Inc.	108,600	3,983,448
Federal Home Loan Mtg. Corp.	644,600	45,122,000
Federal National Mtg. Association	560,388	47,717,038
Fifth Third Bancorp	75,097	4,509,575
FleetBoston Financial Corp.	417,779	16,481,382
Franklin Resources, Inc.	121,000	5,538,170
Golden West Financial Corp.	20,500	1,316,920
Goldman Sachs Group Inc.	135,500	11,625,900
Greenpoint Financial Corp.	157,300	6,040,320
Hartford Financial Svcs. Group, Inc.	76,500	5,232,600
Heller Financial, Inc.	14,200	568,000
Household International, Inc.	260,199	17,355,273
Huntington Bancshares, Inc.	32,557	532,307
Investors Financial Services	48,400	3,242,800
J.P. Morgan & Co., Inc.	622,506	27,763,768
KeyCorp	55,200	1,437,960
Lehman Bros. Hldgs., Inc.	91,600	7,121,900
Marsh & Mc Lennan Co's Inc.	36,550	3,691,550
MBNA Corp.	110,325	3,635,209
Mellon Financial Corp.	312,900	14,393,400
Merrill Lynch & Co., Inc.	205,900	12,199,575
Metris Cos., Inc.	334,400	11,272,624
Morgan Stanley Dean Witter & Co.	191,504	12,300,302
National City Corp.	77,500	2,385,450
Northern Trust Corp.	74,900	4,681,250
PNC Financial Services Group	131,500	8,651,385
Price, T. Rowe Assoc., Inc.	15,700	587,023
Provident Financial Corp.	74,100	4,386,720
Regions Financial Corp.	29,400	940,800
Schwab, Charles Corp.	496,250	7,592,625
SouthTrust Corp.	397,600	10,337,600
State Street Corp.	87,800	4,345,222

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
BANKING & FINANCE (cont'd.)		
Stilwell Financial, Inc.	28,900	969,884
Sun Trust Banks, Inc.	37,700	2,442,206
Synovus Financial Corp.	36,900	1,157,922
UCBH Holdings, Inc.	32,000	971,200
UN Planters Corp.	17,500	763,000
US Bancorp, Inc.	500,450	11,405,255
USA Education, Inc.	116,300	8,489,900
Wachovia Corp.	153,984	6,361,492
Washington Mutual, Inc.	113,058	4,245,328
Webster Financial Corp.	23,900	783,442
Wells Fargo & Co.	639,285	29,682,003
Zion Bancorp	11,900	702,100
TOTAL	10,691,184	516,268,098
BIOTECHNOLOGY		
Amgen Inc.	282,080	17,116,614
Applera Corp. - Biosystems Group	27,300	730,275
Applera Corp. - Celera Genomics Group	48,894	1,939,136
Biogen Inc.	172,500	9,377,100
Celgene Corp.	29,700	856,845
Cephalon, Inc.	35,500	2,502,750
Chiron Corp.	24,800	1,264,800
Genentech, Inc.	900	49,590
Genomic Solutions Inc.	147,300	714,405
Genzyme General Corp.	56,000	3,416,000
Human Genome Sciences Inc.	37,990	2,288,897
IDEC Pharmaceuticals Corp.	600	40,614
ImClone Systems, Inc.	8,200	432,960
Immunex Corp.	59,400	1,054,350
ISIS Pharmaceuticals Corp.	136,600	1,692,474
Medichem Life Sciences, Inc.	87,600	442,380
Medimmune Inc.	120,800	5,701,760
Serono SA	94,600	2,360,270
Vertex Pharmaceuticals Inc.	22,400	1,108,800
TOTAL	1,393,164	53,090,020
BUILDING		
Cemex SA	13,600	360,400
Centex Corp.	7,700	313,775
Dover Corp.	26,300	990,195
Fluor Corp.	9,600	433,440
Georgia Pacific Corp.	29,152	986,795
Kaufman & Broad Home Corp.	5,600	168,952
Louisiana-Pacific Corp.	13,500	158,355
Masco Corp.	285,700	7,131,072
Pulte Homes, Inc.	5,300	225,939
Sherwin-Williams Co.	20,800	461,760
Tyco International, Ltd.	337,987	18,420,291
Vulcan Materials Co.	13,100	704,125

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
BUILDING (cont'd.)		
Weyerhaeuser Co.	28,100	1,544,657
TOTAL	796,439	31,899,756
CHEMICALS		
Air Products & Chemicals, Inc.	137,600	6,295,200
Cambrex Corp.	26,800	1,355,544
Cytec Industries	3,500	133,000
Dow Chemical Co.	721,525	23,990,706
Du Pont (E.I.) de Nemours & Co.	302,256	14,580,829
Eastman Chemical Co.	10,000	476,300
Ecolab, Inc.	49,642	2,033,833
Engelhard Corp.	16,612	428,423
FMC Corp.	3,900	267,384
Great Lakes Chemical Corp.	6,500	200,525
Hercules, Inc.	13,900	157,070
OM Group	29,900	1,681,875
Pall Corp.	77,000	1,811,810
PPG Industries, Inc.	21,800	1,146,026
Praxair Inc.	88,600	4,164,200
Rohm & Haas Co.	28,543	939,065
RPM, Inc.	242,800	2,233,760
Sigma-Aldrich Corp.	10,000	386,200
Valspar Corp.	28,250	1,002,875
TOTAL	1,819,128	63,284,625
COMMON FUNDS ASSETS		
DFA Small Cap. Value	248,278	119,647,882
NTGI Mnthly Minicap Eqty	11,655,484	535,821,260
NTGI Mnthly Midcap Eqty	8,525,421	275,412,013
TOTAL	20,429,183	930,881,155
COMMUNICATIONS		
AirGate PCS, Inc.	106,300	5,527,600
America Movil SA	56,200	1,172,332
Anadigics, Inc.	800	18,400
Anixter Intl., Inc.	139,200	4,273,440
AT&T Corp. Liberty Media	327,900	5,734,971
AT&T Wireless Services, Inc.	78,000	1,275,300
Avaya, Inc.	36,116	494,789
Broadcom Corp., CI A	59,400	2,539,944
Charter Communications Inc. CI A	164,300	3,836,405
Ciena Corp.	68,900	2,618,200
Citizens Communications Co.	34,400	413,832
Clear Channel Communications Inc.	375,793	23,562,221
Comcast Corp., CI A	209,155	9,077,327
Cox Communications, Inc., CI A	263,400	11,668,620
Cox Radio Inc., CI A	95,400	2,656,890
Crown Castle Intl. Corp.	22,900	375,560
Global Crossing Ltd.	114,640	990,490

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
COMMUNICATIONS (cont'd.)		
Korea Telecom Corp.	68,500	1,505,630
ONI Systems Corp.	4,900	136,710
Price Communications Corp.	130,300	2,630,757
Quest Communications Intl., Inc.	279,946	8,921,879
Rural Cellular Corp., CI A	147,060	6,661,818
Sprint Corp. PCS	295,700	7,141,155
Telefonos de Mexico	31,200	1,094,808
Time Warner Telecom, Inc.	23,100	774,312
Triton PCS Holdings Inc.	9,700	397,700
Univision Communications, Inc.	26,800	1,146,504
VeriSign, Inc.	46,228	2,774,142
Viacom	400,226	20,711,695
West Corp.	133,100	2,929,531
Western Wireless Corp.	202,500	8,707,500
TOTAL	3,952,064	141,770,462
CONGLOMERATES & MISCELLANEOUS		
American Standard Companies	45,100	2,710,510
Clorox Co	84,200	2,850,170
Colgate-Palmolive Co	134,116	7,911,503
Corning Inc.	162,400	2,713,704
Crane Company	7,825	242,575
Fortune Brands Inc.	81,500	3,126,340
ITT Industries, Inc.	11,400	504,450
Kimberly-Clark Corp.	141,713	7,921,757
Libbey Inc.	190,700	7,572,697
Mettler Toledo Intl., Inc.	34,000	1,470,500
Minnesota Mining & Mfg.Co	99,426	11,344,507
National Service Ind. Inc.	5,300	119,621
Pemstar, Inc.	8,400	123,312
Pentair, Inc.	82,300	2,781,740
Procter & Gamble Co	267,168	17,045,318
Servicemaster Co	843,900	10,126,800
Thermo Electron Corp.	227,700	5,013,954
Tupperware Corp.	46,100	1,080,123
Unilever, NV	74,000	4,408,180
TOTAL	2,547,248	89,067,761
CONTAINERS		
Ball Corp.	32,600	1,550,456
Bemis Co Inc.	6,900	277,173
Pactiv Corp.	20,500	274,700
Temple-Inland Inc.	6,400	341,056
TOTAL	66,400	2,443,385
DRUGS		
Allergan Inc.	28,900	2,470,950
American Home Prod Corp.	455,175	26,600,427
Amerisourbergen	12,700	702,310

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
DRUGS (cont'd.)		
Amerisource Bergen Corp.	134,000	2,575,480
Array BioPharma, Inc.	46,700	424,970
Bristol Myers Squibb Co	508,393	26,588,954
Charles River Laboratorie	74,400	2,585,400
Elan Corp.	39,900	2,433,900
Eli Lilly & Co	239,098	17,693,252
Forest Lab Inc.	279,400	19,837,400
InterMune, Inc.	74,700	2,660,814
King Pharmaceuticals Inc.	203,500	10,938,125
Longs Drug Stores Corp.	175,100	3,773,405
Merck & Co Inc.	586,385	37,475,865
Millennium Pharmaceuticals Inc.	47,744	1,698,732
Pfizer Inc.	1,908,683	76,442,754
Pharmacia Corp.	404,799	18,600,514
Praecis Pharmaceuticals Inc.	81,600	1,341,504
Protein Design Labs, Inc.	13,400	1,162,584
Quintiles Transnational Corp.	15,000	378,750
Schering-Plough Corp.	671,564	24,337,479
Watson Pharmaceuticals Inc.	106,800	6,583,152
TOTAL	6,107,941	287,306,721
ELECTRONICS & MISC. TECHNOLOGY		
Activision, Inc.	41,100	1,613,175
Actuate Corp.	101,300	967,415
ADC Telecommunications Inc.	100,200	661,320
Adobe Sys Inc.	107,192	5,038,024
Advanced Micro Devices Inc.	44,200	1,276,496
Advanced Power Tech., Inc.	27,300	342,615
Advent Software Inc.	98,814	6,274,689
Agere Systems, Inc.	250,900	1,881,750
Agilent Technologies Inc.	58,762	1,909,765
Altera Corp.	197,500	5,727,500
American Power Conversion Corp.	196,000	3,087,000
Amphenol Corp.	37,700	1,509,885
Analog Devices Inc.	200,000	8,650,000
Andrew Corp.	10,535	194,371
AOL Time Warner, Inc.	1,330,386	70,510,458
Applied Materials Inc.	190,700	9,363,370
Applied Micro Circuits Corp.	78,100	1,343,320
ATMI, Inc.	36,500	1,095,000
Aura Systems, Inc.	132	67
Autodesk Inc.	7,300	272,290
Bea System, Inc.	63,088	1,937,432
BMC Software Inc.	66,300	1,494,402
Broadvision, Inc.	34,900	174,500
Brocade Communications Sys. Inc.	32,054	1,410,055
Cable Design Technologies Corp.	66,250	1,070,600
Cadence Design Systems, Inc.	80,600	1,501,578
Ceridian Corp.	108,300	2,076,111

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
ELECTRONICS & MISC. TECHNOLOGY (cont'd.)		
Cisco Systems, Inc.	1,996,508	36,336,446
Citrix Sys. Inc.	24,100	841,090
Cognex Corp.	13,700	463,745
Commscope, Inc.	89,300	2,098,550
Computer Assoc Intl Inc.	200,950	7,234,200
Compuware Corp.	47,400	663,126
Comverse Tech., Inc.	122,388	6,988,355
Conexant Sys Inc.	31,600	282,820
Cooper Industries, Inc.	12,100	479,039
Credence Sys Corp.	47,300	1,146,552
Dial Corp.	486,400	6,931,200
eBay	104,400	7,150,356
Echostar Communications Corp.	85,800	2,781,636
Electric Arts	28,000	1,621,200
Electronic Data Systems	187,432	11,714,500
Emerson Electric Co.	143,900	8,705,950
Energizer Holdings, Inc.	231,800	5,319,810
Enterasys Networks, Inc.	55,800	1,275,030
Fiserv Inc.	128,400	8,215,032
Flextronics Intl., Inc.	55,700	1,454,327
Gateway Inc.	42,000	690,900
Gemstar TV Guide Intl., Inc.	43,500	1,853,100
General Electric Co	2,231,450	108,783,187
Gentex Corp.	20,300	565,761
General Motor Corp., Class H	163,200	3,304,800
Grainger W W Inc.	122,700	5,050,332
Harris Corp.	57,800	1,572,738
Henry Jack & Assoc., Inc.	87,500	2,712,500
I2 Technologies Inc.	40,400	799,920
Informatica Corp.	30,900	536,424
Integrated Device Tech Inc.	101,885	3,228,736
Intel Corp.	1,844,298	53,945,716
Intercept Group, Inc.	45,800	1,740,400
International Rectifier Corp.	34,400	1,173,040
Internet Security Systems, Inc.	48,200	2,340,592
Intuit, Inc.	127,200	5,086,728
Jabil Circuit Inc.	79,000	2,437,940
JDS Uniphase Corp.	358,249	4,478,113
Juniper Networks Inc.	36,200	1,125,820
KEMET Corp.	80,000	1,584,800
Kla-Tencor Corp.	112,000	6,548,640
Kopin Corp.	89,700	1,088,958
Lexmark Intl Inc.	25,700	1,728,325
Linear Tech Corp.	140,851	6,228,431
Littelfuse Inc.	189,400	5,074,026
Loral Space & Communications Ltd	189,700	531,160
LSI Logic Corp.	46,400	872,320
LTX Corp.	54,300	1,387,908
Lucent Technologies Inc.	440,603	2,731,739

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
ELECTRONICS & MISC. TECHNOLOGY (cont'd.)		
Matrixone, Inc.	77,100	1,787,949
Maxim Integrated Prods Inc.	115,600	5,110,676
Mercury Interactive Corp.	10,500	628,950
Microchip Tech Inc.	78,700	2,630,941
Micron Tech Inc.	222,473	9,143,640
Microsoft Corp.	1,508,959	110,154,007
Molex Inc.	120,150	3,752,972
Motorola Inc.	432,389	7,160,362
Natl Semiconductor Corp.	22,600	658,112
NCR Corp.	52,900	2,486,300
Netiq Corp.	38,600	1,207,794
Network Appliance Inc.	41,000	561,700
Novell Inc.	41,200	234,428
Novellus Sys Inc.	39,600	2,248,884
Nvidia Corp.	500	46,375
Nyfix Inc.	57,642	1,841,662
Oracle Corp.	1,081,302	20,544,738
Palm, Inc.	73,440	445,781
Parametric Tech Corp.	123,000	1,720,770
Peoplesoft Inc.	102,000	5,021,460
PerkinElmer Inc.	13,000	357,890
Plexus Corp.	32,900	1,085,700
Power One, Inc.	10,200	169,728
Qlogic Corp.	11,900	766,955
Qualcomm, Inc.	202,262	11,828,282
Rational Software Corp.	23,300	653,565
Raytheon Co.	44,100	1,170,855
Rockwell International Corp.	23,600	899,632
RSA Security, Inc.	9,400	290,930
Samsung Electronics	18,400	1,436,672
Sandisk Corp.	21,725	605,910
Sanmina Corp.	70,250	1,644,553
Sapient Corp.	15,700	153,075
SBA Communications Corp., CI A	186,700	4,620,825
SCI Systems, Inc.	61,000	1,555,500
Scientific Atlanta, Inc.	69,200	2,809,520
Siebel Sys Inc.	58,500	2,743,650
Solectron Corp.	287,600	5,263,080
Storage Tech. Corp.	109,100	1,501,216
Sungard Data Sys. Inc.	104,200	3,127,042
Sybase, Inc.	55,300	909,685
Symantec Corp.	144,775	6,325,220
Symbol Technologies Inc.	103,500	2,297,700
Taiwan Semiconductor Mfg. Co.	161,840	2,458,350
Tektronix Inc.	99,500	2,701,425
Tellabs Inc.	163,400	3,166,692
Teradyne Inc.	22,600	748,060
Texas Instruments, Inc.	593,419	18,692,698

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
ELECTRONICS & MISC. TECHNOLOGY (cont'd.)		
Thomas & Betts Corp.	7,500	165,525
Tostellent, Inc.	30,900	1,175,745
Triqintsemiconductor	31,500	721,419
Veritas Software Corp.	238,693	15,880,245
Vishay Intertech, Inc.	282,100	6,488,300
Vitesse Semiconductor Corp.	139,800	2,941,392
Waters Corp.	97,750	2,698,878
Xerox Corp.	86,600	828,762
Xilinx Inc.	210,826	8,694,464
Yahoo Inc.	72,500	1,449,275
Zebra Technologies Corp.	40,175	1,973,396
TOTAL	22,738,097	772,678,518
ENERGY		
Energy East Corp.	237,400	4,964,034
Noble Affiliates Inc.	245,700	8,685,495
Sempra Energy Inc.	26,499	724,483
TOTAL	509,599	14,374,012
FOODS-STORES, CONFEC. & RESTAURANTS		
Archer-Daniels-Midland Co.	82,197	1,068,561
Bob Evans Farms Inc.	432,183	7,779,294
Brinker International	172,200	4,451,370
Brown-Forman Inc.	8,900	569,066
California Pizza Kitchen, Inc.	35,400	823,050
Campbell Soup Co.	52,700	1,357,025
CEC Entertainment, Inc.	17,200	848,820
Cheesecake Factory, Inc.	138,100	3,908,230
Conagra Foods Inc.	69,200	1,370,852
Darden Restaurants Inc.	252,200	7,036,380
General Mills Inc.	243,200	10,647,296
Heinz, H J, Co.	45,000	1,840,050
Hershey Foods Corp.	52,400	3,233,604
Kellogg Co.	52,600	1,525,400
Kraft Foods, Inc.	16,800	520,800
Kroger Co.	568,500	14,212,500
McCormick & Co., Inc.	261,300	10,979,826
McDonalds Corp.	365,500	9,890,430
Ralston Purina Group	39,800	1,194,796
Safeway Inc.	234,950	11,277,600
Sara Lee Corp.	372,752	7,059,923
Smithfield Foods Inc.	225,500	9,087,650
Smucker JM Co.	145,000	3,770,000
Supervalu Inc.	17,200	301,860
Sysco Corp.	97,200	2,638,980
Tricon Global Restaurant Inc.	111,410	4,890,899
Wendy's International Inc.	14,800	377,992
Whole Foods Market, Inc.	107,500	2,913,250

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
FOODS-STORES, CONFEC. & RESTAURANTS (cont'd.)		
Winn Dixie Stores, Inc.	18,100	472,953
Wrigley (Wm) Jr. Co.	29,300	1,372,705
TOTAL	4,279,092	127,421,162
FURNISHINGS-APPLIANCES		
Black & Decker Corp.	10,500	414,330
Department 56, Inc.	209,400	1,601,910
Furniture Brands Intl., Inc.	118,800	3,326,400
Interface Inc., CI A	546,800	4,101,000
Leggett & Platt Inc.	380,060	8,372,722
Maytag Corp.	10,000	292,600
Miller Herman Inc.	277,000	6,703,400
Stanley Works	11,200	469,056
Whirlpool Corp.	8,600	537,500
TOTAL	1,572,360	25,818,918
HEALTH CARE & COSMETICS		
Abbott Laboratories	452,444	21,721,836
Alberto-Culver Co., CI B	7,200	302,688
Avon Products Inc.	113,900	5,271,292
Bard C R, Inc.	6,600	375,870
Barr Labs., Inc.	8,600	605,526
Bausch & Lomb, Inc.	221,000	8,009,040
Baxter International, Inc.	279,700	13,705,300
Beckman Coulter, Inc.	89,400	3,647,520
Becton Dickinson & Co.	121,900	4,362,801
Biomet, Inc.	23,150	1,112,589
Boston Scientific Corp.	109,700	1,864,900
Cardinal Health, Inc.	194,777	13,439,613
Caremark RX, Inc.	298,100	4,903,745
Community Health Sys., Inc.	180,200	5,315,900
Cytoc Corp.	164,200	3,784,810
Endocare, Inc.	95,500	1,527,045
Express Scripts, Inc.	121,606	6,691,978
Fisher Scientific Intl., Inc.	62,900	1,824,100
Gillette Co.	425,700	12,341,043
Guidant Corp.	244,800	8,812,800
HCA, Inc.	145,700	6,584,183
Health Management Assoc., Inc.	104,200	2,192,368
Healthsouth Corp.	50,100	800,097
Hillenbrand Inds., Inc.	51,000	2,912,610
Humana, Inc.	22,000	216,700
ICN Pharmaceuticals, Inc.	38,400	1,218,048
IMS Health, Inc.	164,900	4,699,650
Intl. Flavors & Fragrances, Inc.	12,700	319,151
Invacare Corp.	164,100	6,339,183
Johnson & Johnson	702,233	35,111,650
Laboratory Amer. Holdings	600	46,140
Lauder Estee Cos., Inc.	76,800	3,310,080

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
HEALTH CARE & COSMETICS (cont'd.)		
Manor Care Inc.	38,050	1,208,088
McKesson HBOC, Inc.	86,406	3,207,391
Medicis Pharmaceutical Corp.	52,900	2,803,700
Medtronic, Inc.	416,183	19,148,580
Millipore Corp.	42,700	2,646,546
Minimed, Inc.	14,800	710,400
Novoste Corp.	70,200	1,790,100
Omnicare, Inc.	85,800	1,733,160
Patterson Dental Co.	83,600	2,758,800
Prov. Healthcare Co.	108,250	3,820,142
Prty. Healthcare Corp., CI B	116,200	3,286,136
Quest Diagnostic, Inc.	800	59,880
Rightchoice Managed Care, Inc.	11,200	497,280
St. Jude Medical, Inc.	91,218	5,473,080
Stryker Corp.	131,100	7,190,835
Sybron Dental Specialties, Inc.	231,300	4,739,337
Tenet Healthcare Corp.	193,400	9,977,506
Trigon Healthcare, Inc.	40,800	2,645,880
Unitedhealth Group, Inc.	87,700	5,415,475
UNLV Health Services, Inc.	108,600	4,941,300
Wellpoint Health Networks, Inc.	109,600	10,328,704
TOTAL	6,874,917	277,752,576
INSURANCE — LIFE, FIRE & CASUALTY		
Ace, Ltd.	63,900	2,497,851
Aetna, Inc.	18,310	473,680
Aflac, Inc.	178,938	5,634,758
Allstate Corp.	126,544	5,566,671
American General Corp.	198,378	9,214,658
American International Group, Inc.	550,033	47,302,838
AON Corp.	125,225	4,382,875
Chubb Corp.	188,700	14,611,041
CIGNA Corp.	107,800	10,329,396
Cincinnati Financial Corp.	20,900	825,550
Conseco, Inc.	307,945	4,203,449
Gallagher Arthur J & Co.	72,200	1,877,200
Hancock John Financial Svcs., Inc.	149,000	5,998,740
HCC Insurance Holdings, Inc.	258,385	6,330,433
Horace Mann Educators Corp.	384,600	8,288,130
Jefferson-Pilot Corp.	19,680	950,938
Lincoln National Corp.	144,300	7,467,525
Loews Corp.	25,500	1,642,965
Markel Corp. Holdings	22,500	4,421,250
MBIA, Inc.	199,830	11,126,534
Metlife, Inc.	311,400	9,647,172
MGIC Investment Corp.	23,100	1,677,984
PMI Group, Inc.	7,400	537,684
Progressive Corp.	9,500	1,284,305
Protective Life Corp.	17,800	611,786

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
INSURANCE — LIFE, FIRE & CASUALTY (cont'd.)		
Safeco Corp.	31,950	942,525
St. Paul Companies, Inc.	102,832	5,212,554
Torchmark Corp.	16,400	659,444
UNUM Provident Corp.	31,295	1,005,195
TOTAL	3,714,345	174,725,131
INTERNATIONAL		
ABB Ltd.	88,400	1,337,717
ABN-AMRO Holdings NV	265,700	4,991,139
Acom Co.	14,500	1,280,027
Ahold (KON) NV	150,100	4,701,465
Akzo Nobel NV	283,990	12,020,537
Alcatel	60,400	1,262,946
Alleanza Assicuraz	144,950	1,528,928
Allianz AG	23,581	6,882,042
Allied Domecq ORD	1,172,700	7,310,203
Alstrom	71,900	2,000,080
Altran Technologies	24,709	1,150,452
Anglo American ORD	148,617	2,225,932
Arm Holdings ORD	284,321	1,073,611
Asahi Glass Co.	394,000	3,272,803
Asahi Kasei Corp.	224,000	941,116
Asatsu DK	5,000	101,427
Assoc. Gen. De France	21,990	1,223,042
Assicur Generali	105,308	3,164,758
Assocd. Brit. Foods ORD	327,000	2,121,182
Aventis SA	223,608	17,840,242
Axa	189,300	5,392,455
BAA ORD	235,000	2,181,251
BAE Systems ORD	1,695,800	8,120,551
Barclays PLC ORD	352,495	10,806,952
BASF AG	123,025	4,853,222
Bayer AG ORD	118,174	4,636,844
Bayer Hypo-Vereins ORD	81,400	4,024,279
BBVA (BILB-VIZ-ARG)	79,300	1,025,764
BCO Sant Cent Hisp	115,900	1,049,828
BHP Billiton Ltd.	105,900	559,062
BHP Limited	112,794	610,357
Billiton ORD	392,823	1,957,044
Blue Circle Inds ORD	385,236	2,666,898
BNP Paribas	33,200	2,889,229
BOC Group ORD	185,200	2,708,745
BP ORD	1,949,171	16,022,424
Brambles Inds. Ltd.	147,970	3,608,804
Brit Amer Tobacco ORD	556,500	4,226,226
British Telecom ORD	692,850	4,319,471
Bunzl ORD	720,567	4,924,979
Cadbury Schweppes ORD	2,128,400	14,352,766
Canon Inc.	305,000	12,325,208

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
INTERNATIONAL (cont'd.)		
Cemex SA Ptg. Cert	67,400	357,192
Cheung Kong	189,000	2,059,642
Chudenko Corp.	30,000	451,251
Cie De St.-Gobain	41,108	5,585,373
Clp Holdings	1,387,900	5,818,578
Compass Group ORD	411,205	3,290,519
Credit Lyonnais	58,232	2,101,000
CSM NV CVA	105,580	2,203,177
Daibiru Corp.	180,000	1,203,656
Daiwa Sec. Co.	808,000	8,454,458
Danisco A/S	69,127	2,515,346
Danoe	71,707	9,840,007
Deutsche Bank AG	24,627	1,764,566
Deutsche Lufthansa ORD	150,073	2,364,285
Diageo ORD	1,014,781	11,131,679
Dixons Group ORD	689,058	2,257,904
E. on AG	41,700	2,186,543
East Japan Railway	726	4,191,148
Elec. De Portugal	937,200	2,237,341
Electrolux AB	154,500	2,136,105
Endesa SA	206,300	3,290,266
ENI	687,010	8,374,837
Fast Retailing Co.	16,000	2,783,836
Foreningssparbk	374,950	4,340,118
Fuji Photo Film Co.	76,000	3,278,384
Fuji Television	585	3,363,093
Fujitsu	610,000	6,407,152
Getronics NV	178,300	739,602
GKN ORD	482,200	4,624,932
Glaxosmithkline ORD	610,476	17,170,872
Gus ORD	836,570	7,159,070
Hays ORD	628,937	1,620,858
Heineken NV	218,625	8,815,181
Hennes & Mauritz	55,600	952,601
Hitachi	795,000	7,808,491
Holcim	22,725	4,627,305
Hollandsche Beton	112,800	1,594,690
Hong Kong Electric	567,600	2,183,105
Hong Kong Land Hld.	1,528,851	2,751,932
HSBC Holdings ORD	613,724	7,271,714
Husky Energy, Inc.	205,996	2,201,670
Hutchison Whampoa	388,700	3,924,425
Iberdrola SA	192,890	2,473,849
Imperial Tobacco ORD	642,900	7,549,595
Industria De ORD	54,500	869,678
ING Groep NV	210,736	13,772,312
Innogy Holdings ORD	196,500	602,439
Intesabci	1,611,350	5,688,225
Invensys ORD	2,078,300	3,945,806

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
INTERNATIONAL (cont'd.)		
Investor AB	282,200	3,590,578
Japan Tobacco, Inc.	705	4,861,289
Jardine Strategic	760,100	2,173,886
KAO Corp.	161,000	4,001,764
KDDI Corp.	340	1,586,594
Kyocera Corp.	10,800	952,534
Lafarge	48,626	2,184,547
Lagardere SCA	59,800	2,814,666
Lattice Group ORD	1,182,611	2,640,276
Lawson	48,500	1,788,807
Lloyds TSB Group ORD	629,400	6,297,895
Matsushita Elc. Ind.	396,000	6,197,819
Misys ORD	199,967	1,397,682
Mitsubishi Elect.	443,000	2,195,109
Mitsui & Co.	152,000	1,022,514
Mitsui Fudosan	277,000	2,984,990
Mitsui Sumitomo Insurance Co.	629,000	3,515,178
Mizuho Holdings	791	3,678,480
Munchener Ruckvers	32,360	9,018,186
Murata Mfg. Co.	33,600	2,233,355
National Grid Grp ORD	283,200	2,086,980
NEC Corp.	235,000	3,174,912
Nestle SA	90,904	19,319,218
Nichido Fire	281,000	1,752,870
Nikko Cordial Corp.	482,000	3,860,792
Nippon Tel&Tel CP	1,988	10,360,808
Nissan Motor Co.	1,083,000	7,476,451
Nokia OYJ	199,600	4,523,345
Nomura Holdings, Inc.	153,000	2,931,928
Nordea ORD	316,003	1,799,867
Novartis AG	115,065	4,164,221
Novo-Nordisk AS	47,700	2,111,189
NTT Docomo	325	5,654,666
O/SEAS Chinese Bk.	305,000	1,992,042
Ono Pharmaceutical	63,000	2,000,321
Orange SA	262,152	2,130,469
Orix Corp.	24,000	2,334,189
Peugeot SA	10,766	2,922,834
Philips Electric	290,968	7,712,215
Portugal Tcom SGPS	520,800	1,851,702
Powergen ORD	29,404	297,323
Prudential PLC	195,850	2,371,486
Reckitt Benckiser ORD	304,448	4,388,648
Reed International ORD	490,037	4,341,734
Rentokil Initial ORD	1,753,800	5,944,165
Reuters Group ORD	265,277	3,443,460
Richemont(CIE FIN)	1,876	4,801,024
RMC Group ORD	229,170	2,207,710
Roche Hldgs AG Genusscheine	62,700	4,517,316

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
INTERNATIONAL (cont'd.)		
Royal Bk. Scotland ORD	142,346	3,136,953
Sainsbury J ORD	942,800	5,877,086
Samsung Electronic GDR-REP	28,900	2,256,512
Sankyo Co.	470,000	8,478,993
Sanofi-Synthelabo	50,748	3,329,442
Sanpaolo IMI SPA	171,100	2,192,940
SAP AG ORD	15,005	2,082,055
Schindler-Hldg. AG PTG Certs	1,260	1,680,981
Schneider Electric	54,428	3,008,752
Scot & Southern EN ORD	503,900	4,748,024
Sekisui House	272,000	2,309,557
Serono SA	2,449	2,429,312
Sharp Corp.	211,000	2,876,042
Shell Trnspt & Trdg ORD	190,496	1,583,314
Shionogi & Co.	99,000	2,063,823
Siemens AG	34,446	2,114,110
SMC Corp.	23,200	2,483,323
SOC Generale	38,436	2,276,023
Sony Corp.	97,900	6,436,658
Standard Chartered ORD	218,947	2,805,118
Statoil ASA	279,200	2,063,529
Stora Enso OYJ	743,600	8,018,371
Suez	298,547	9,603,889
Sumitomo Elect. Indl	157,000	1,779,971
Sumitomo Mitsui Bk.	622,600	5,141,742
Sumitomo TST & Bank	309,000	1,944,877
Takeda Chemical In.	60,000	2,790,250
Takefuji Corp.	23,000	2,089,400
Tate & Lyle ORD	616,293	2,426,828
TDC A/S	44,700	1,613,653
Telecom Italia SPA	898,128	4,847,842
Telefonica SA	439,289	5,414,552
Telstra Corp.	1,943,400	5,312,426
Telus Corp.	203,775	4,592,188
Tesco ORD	671,100	2,420,853
TF1 - TV Francaise	41,034	1,197,044
Thomson Multimedia	83,752	2,694,199
Thyssenkrupp AG	85,900	1,127,134
Tolyo Electron	27,200	1,646,568
Tokyo Gas Co.	758,000	2,303,416
Toppan Printing Co.	437,000	4,495,438
Toshiba Corp.	1,052,000	5,558,595
Total Fina Elf.	117,349	16,431,065
Toyo Seikan Kaisha	130,000	1,861,610
Toyota Motor Corp.	268,300	9,443,850
UBS AG	13,970	2,001,321
Unicredito Italian	884,900	3,797,983
UPM-Kymmene OYJ	63,000	1,780,770
UTD O/S Bank	1,183,984	7,473,005

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
INTERNATIONAL (cont'd.)		
Vale Rio Doce	43,700	0
Vivendi Universal	53,700	3,129,890
Westpac Bkg. Corp.	690,978	5,075,991
Wolseley ORD	346,100	2,584,579
Wolters Kluwer CVA	81,800	2,198,608
WPP Group ORD	336,100	3,308,722
Yamanouchi Pharm.	344,000	9,653,624
Zurich Fin. Svs. Grp.	5,530	1,885,944
TOTAL	66,748,951	803,516,595
INTERNATIONAL COMMON FUNDS		
Lazard - Intl. Small Cap	1,787,644	21,827,134
Lazard - Emerging Markets	1,502,297	11,342,344
Schroder Emerging Mkt.	30,196	53,436,382
Zurich Scudder Emerging Mkts.	3,861,671	59,083,567
TOTAL	7,181,808	145,689,427
LEISURE & ENTERTAINMENT		
Anchor Gaming	45,000	2,907,900
Brunswick Corp.	11,300	271,539
Carnival Corp.	101,026	3,101,498
Disney, Walt Co.	591,738	17,095,311
Harrah's Entertainment, Inc.	15,150	534,795
Hasbro, Inc.	627,437	9,066,465
Hilton Hotels Corp.	178,900	2,075,240
International Game Tech.	53,500	3,357,125
Mandalay Resort Group	236,300	6,474,620
Marriott International, Inc.	74,800	3,541,032
Mattel, Inc.	490,262	9,275,757
Oakley, Inc.	174,700	3,231,950
Park Place Entertainment	161,100	1,949,310
Sabre Holdings Corp.	47,754	2,387,700
Six Flags, Inc.	40,600	854,224
Starwood Hotels & Resorts Worldwide, Inc.	97,500	3,634,800
Station Casinos, Inc.	162,100	2,593,600
T-HQ, Inc.	48,250	2,877,148
Viad Corp.	96,900	2,558,160
TOTAL	3,254,317	77,788,174
MACHINERY & TOOLS		
Caterpillar, Inc.	137,800	6,896,890
Cummins Engine Co., Inc.	5,400	208,980
Deere & Company	167,500	6,339,875
Graco, Inc.	295,050	9,736,650
IDEX Corp.	238,900	8,122,600
Ingersoll-Rand Co	57,150	2,354,580
Navistar International Corp.	7,640	214,913
Paccar, Inc.	9,940	511,115

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
MACHINERY & TOOLS (cont'd.)		
Parker-Hannifin Corp.	74,310	3,153,716
Timken Co.	7,800	132,132
TOTAL	1,001,490	37,671,451
MERCHANDISING		
Albertson's, Inc.	52,268	1,567,517
Ambercrombie & Fitch Co.	15,500	689,750
American Greetings Corp., CI A	695,900	7,654,900
Anntaylor Stores Corp.	15,300	547,740
Autozone, Inc.	14,800	555,000
Bed Bath Beyond, Inc.	238,100	7,428,720
Best Buy, Inc.	142,259	9,036,292
Big Lots, Inc.	148,700	2,034,216
BJS Wholesale Club, Inc.	51,700	2,753,542
Brady Corp.	262,900	9,498,577
Circuit City Stores, Inc.	26,700	480,600
Costco Wholesale Corp.	105,200	4,321,616
CVS Corporation	170,000	6,562,000
Dillard's Inc., CI A	11,400	174,078
Dollar General Corp.	80,745	1,574,528
Duane Reade, Inc.	56,400	1,833,000
Family Dollar Stores, Inc.	57,100	1,463,473
Fastenal Co.	49,500	3,068,010
Federated Dept. Stores, Inc.	120,800	5,134,000
Foot Locker, Inc.	156,200	2,389,860
Gap, Inc.	205,062	5,946,798
Genesco, Inc.	75,400	2,533,440
Home Depot, Inc.	444,641	20,698,039
K Mart Corporation	229,600	2,633,512
Kohls Corporation	61,400	3,851,622
Limited, Inc.	96,688	1,597,286
Lowe's Companies, Inc.	121,725	8,831,149
May Dept. Stores Co	38,600	1,322,436
MSC Industrial Direct, Inc., CI A	139,200	2,422,080
Neiman Marcus Group, Inc.	130,300	4,039,300
Nordstrom, Inc.	16,700	309,785
O Reilly Automotive Inc.	81,100	2,327,570
Office Depot, Inc.	38,700	401,706
Oneida, Ltd.	115,900	2,356,247
Pacific Sunwear of California, Inc.	93,600	2,099,448
Penney J.C. Co., Inc.	34,000	896,240
Presstek, Inc.	61	732
RadioShack Corp.	24,156	736,758
Rent-A-Center, Inc.	31,600	1,662,160
Rite Aid Corporation	146,900	1,322,100
Saks, Inc.	93,800	900,480
Sears Roebuck & Co.	42,400	1,793,944
Staples, Inc.	134,400	2,149,056
Starbucks Corp.	176,500	4,059,500

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
MERCHANDISING (cont'd.)		
Target Corporation	779,800	26,981,080
Tiffany & Company	27,500	996,050
TJX Companies, Inc.	98,100	3,126,447
Toys R Us, Inc.	25,600	633,600
Tweeter Home Ent. Group	57,700	2,036,810
Walgreen Company	210,125	7,175,769
Wal-Mart Stores, Inc.	754,550	36,822,040
Williams Sonoma, Inc.	31,700	1,230,594
TOTAL	7,028,980	222,661,197
MISCELLANEOUS		
Rouse Co.	343,500	9,841,275
Sealed Air Corp.	42,327	1,576,681
TOTAL	385,827	11,417,956
NON-FERROUS METALS		
Allegheny Technologies, Inc.	10,447	188,986
Barrick Gold Corp.	51,400	778,710
Freeport McMoran C & G, CI B	19,300	213,265
Homestake Mining Co.	34,200	265,050
Inco, Limited	23,600	407,336
Newmont Mining Corp.	24,974	464,766
Phelps Dodge Corp.	32,090	1,331,735
Placer Dome, Inc.	42,500	416,500
TOTAL	238,511	4,066,348
OFFICE EQUIPMENT		
Apple Computer, Inc.	44,900	1,043,925
Avery Dennison Corp.	14,300	730,015
CDW Computer Centers, Inc.	82,450	3,274,090
Compaq Computer Corp.	394,884	6,116,753
Dell Computer Corp.	810,644	21,198,341
EMC Corporation	730,923	21,233,313
General Binding Corp.	183,970	1,950,082
Hewlett-Packard Co.	250,200	7,155,720
Honeywell International, Inc.	110,487	3,865,940
Intl. Business Machines Corp.	398,364	45,015,132
Nortel Networks Corp.	411,860	3,743,807
Pitney Bowes, Inc.	148,000	6,233,760
Sun Microsystems, Inc.	1,080,417	16,984,155
Unisys Corp.	140,600	2,068,226
TOTAL	4,801,999	140,613,259
OIL SERVICES		
Baker Hughes, Inc.	430,460	14,420,410
Cooper Cameron Corp.	54,300	3,029,940
Global Marine, Inc.	57,000	1,061,910
Halliburton Co.	157,610	5,610,916
Mc Dermott International, Inc.	7,800	90,870

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
OIL SERVICES (cont'd.)		
Nabors Industries, Inc.	19,000	706,800
National-Oilwell, Inc.	39,400	1,055,920
Noble Drilling Corp.	17,400	569,850
Pride International, Inc.	130,300	2,483,070
Rowan companies, Inc.	12,300	271,830
Schlumberger, Ltd.	298,900	15,737,085
Transocean Sedco Forex, Inc.	195,840	8,078,400
Valero Energy Corp.	35,000	1,287,300
TOTAL	1,455,310	54,404,301
PAPER		
Boise Cascade Corp.	7,400	260,258
Bowater, Inc.	31,900	1,427,206
International Paper Co.	139,563	4,982,399
Mead Corp.	12,800	347,392
Potlatch Corp.	31,500	1,083,915
Westvaco Corp.	13,050	316,985
Willamette Ind., Inc.	37,600	1,861,200
TOTAL	273,813	10,279,355
PETROLEUM-DOMESTIC & INTERNATIONAL		
Amerada Hess Corp.	13,700	1,106,960
Anadarko Petroleum Corp.	340,073	18,374,144
Apache Corp.	16,000	812,000
Ashland, Inc.	46,000	1,844,600
Burlington Resources, Inc.	320,632	12,809,248
ChevronTexaco Corp.	289,200	23,125,350
Conoco, Inc.	514,521	14,869,657
Devon Energy Corporation	53,000	2,782,500
EOG Resources, Inc.	15,200	540,360
Exxon Mobil Corp.	801,829	70,039,763
Kerr Mcgee Corp.	12,246	811,542
Occidental Petroleum Corp.	50,700	1,348,113
Phillips Petroleum Co	163,400	7,926,855
Royal Dutch Petroleum	598,140	34,623,056
Spinnaker Exploration	19,700	785,242
Sunoco, Inc.	11,028	403,956
Unocal Corp.	83,800	2,861,770
USX - Marathon Group	365,300	10,780,003
XTO Energy, Inc.	123,900	1,777,965
TOTAL	3,838,369	207,623,084
PHOTOGRAPHICS		
Eastman Kodak Co.	37,500	1,750,500
PRINTING AND PUBLISHING		
Deluxe Corp.	9,400	271,660
Donnelley, R.R. & Sons Co.	125,800	3,736,260
Dow Jones & Co., Inc.	11,300	674,723

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
PRINTING AND PUBLISHING (cont'd.)		
Gannett, Inc.	34,100	2,247,190
Information Holdings, Inc.	65,900	2,128,570
Knight Ridder, Inc.	38,000	2,253,400
Lee Enterprises, Inc.	328,300	10,833,900
McGraw Hill Cos., Inc.	50,804	3,360,685
Meredith Corp.	6,500	232,765
New York Times Co., CI A	21,000	882,000
News Corp., Ltd.	32,500	1,053,000
Readers Digest Assn., Inc.	68,900	1,980,875
Tribune Co.	38,500	1,540,385
Valassis Communications, Inc.	134,900	4,829,420
TOTAL	965,904	36,024,833
RAILROADS		
Burlington Northern, Santa Fe Corp.	241,878	7,297,459
Canadian Pacific, Ltd.	103,000	3,991,250
CSX Corp.	27,600	1,000,224
Norfolk Southern Corp.	293,100	6,067,170
Union Pacific Corp.	53,800	2,954,158
TOTAL	719,378	21,310,261
REAL ESTATE INVESTMENT TRUST		
LaSalle Investment (35 public REITs)	3,035,257	101,008,535
Morgan Stanley (48 public REITs)	4,318,457	106,904,711
TOTAL	7,353,714	207,913,246
RUBBER		
Cooper Tire & Rubber Co.	9,400	133,480
Goodyear Tire & Rubber Co.	20,500	574,000
Newell Rubbermaid, Inc.	188,640	4,734,864
TOTAL	218,540	5,442,344
SERVICE INDUSTRIES		
Affiliated Managers Group, Inc.	46,500	2,859,750
Allied Waste Inds., Inc.	25,500	476,340
Auto Data Processing, Inc.	274,418	13,638,575
Black Box Corp.	12,500	842,000
Block, H.& R., Inc.	11,800	761,690
C H Robinson Worldwide, Inc.	70,200	1,957,878
Career Education Corp.	57,900	3,468,210
Catalina Marketing Corp.	31,700	967,167
Celestica, Inc.	800	41,200
Cendant Corp.	409,308	7,981,506
Cintas	21,900	1,012,875
CNF, Inc.	41,400	1,169,550
Computer Sciences Corp.	327,438	11,329,355
Concord EFS, Inc.	168,200	8,748,082
Convergys Corp.	46,700	1,412,675
Copart, Inc.	104,600	3,059,550

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
SERVICE INDUSTRIES (cont'd.)		
Corinthian Colleges, Inc.	84,200	3,963,294
CoStar Group, Inc.	63,610	1,672,943
DeVry, Inc.	128,600	4,645,032
Dun & Bradstreet Corp.	85,400	2,408,280
Efunds Corp.	32,700	608,220
Fedex Corp.	103,800	4,172,760
First Data Corporation	187,700	12,059,725
Forrester Research, Inc.	65,045	1,469,367
Grey Global Group, Inc.	14,205	9,446,325
Insituform Technologies, Inc.	20,350	742,775
Interpublic Group Companies, Inc.	48,400	1,420,540
Iron Mountain, Inc.	156,400	7,012,976
Matthews Intl. Corp., Cl A	76,900	3,381,101
Memberworks, Inc.	61,980	1,434,217
Moodys Corp.	20,300	680,050
Netegrity, Inc.	10,400	312,000
Omnicom Group, Inc.	137,942	11,863,012
Paychex, Inc.	142,462	5,698,480
Republic Services, Inc.	350,000	6,947,500
Resources Connection, Inc.	25,900	669,256
Robert Half Intl., Inc.	23,100	574,959
Ryder Sys., Inc.	7,800	152,880
TMP Worldwide, Inc.	13,800	828,000
Waste Connections, Inc.	220,000	7,920,000
Waste Management, Inc.	146,159	4,504,620
Watson Wyatt & Co.	64,100	1,498,658
TOTAL	3,942,117	155,813,373
STEEL		
Nucor Corp.	10,100	493,789
Usx-Us Steel Group	11,520	232,128
Worthington Inds., Inc.	11,150	151,640
TOTAL	32,770	877,557
TEXTILES/SHOES		
Jones Apparel Group, Inc.	139,200	6,013,440
Liz Claiborne Inc.	6,700	338,015
Nike, Inc., Cl B	42,300	1,776,177
Reebok International	7,400	236,430
V.F. Corp.	14,800	538,424
TOTAL	210,400	8,902,486
TOBACCO AND BEVERAGES		
Anheuser Busch Cos., Inc.	271,200	11,173,440
Coca Cola Co.	501,585	22,571,325
Coca Cola Enterprises, Inc.	54,200	886,170
Coors Adolph Co.	4,800	240,864
Pepsi Bottling Group, Inc.	59,300	2,377,930
Pepsico, Inc.	402,248	19,837,705

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
TOBACCO AND BEVERAGES (cont'd.)		
Philip Morris Companies, Inc.	463,230	23,508,923
UST, Inc.	21,100	608,946
TOTAL	1,777,663	81,205,303
UTILITIES - DIVERSIFIED		
CMS Energy Corp.	245,500	6,837,175
Consolidated Edison, Inc.	27,500	1,094,500
Exelon Corp.	95,912	6,149,877
Keyspan Corp.	56,900	2,075,712
Niagara Mohawk Hldgs., Inc.	20,800	367,952
PG&E Corp.	50,300	563,360
Progress Energy, Inc.	173,100	7,775,652
Pubic Service Enterprise Group, Inc.	26,800	1,310,520
Xcel Energy, Inc.	44,150	1,256,068
TOTAL	740,962	27,430,816
UTILITIES - ELECTRIC		
AES Corp.	260,270	11,204,624
Allegheny Energy, Inc.	15,900	767,175
Ameren Corp.	17,800	760,060
American Electric Power Co., Inc.	41,740	1,927,136
Calpine Corp.	145,000	5,481,000
Cinergy Corp.	20,633	721,123
Constellation Energy Group, Inc.	21,050	896,730
Dominion Resources, Inc.	31,924	1,919,590
DTE Energy Co.	155,900	7,239,996
Duke Energy Corp.	147,280	5,745,393
Edison International	42,300	471,645
Entergy Corp.	28,900	1,109,471
Firstenergy Corp.	29,300	942,288
FPL Group, Inc.	22,900	1,378,809
GPU, Inc.	114,600	4,028,190
Mirant Corp.	43,830	1,507,752
Orion Power Holdings	286,200	6,814,422
Pinnacle West Cap Corp.	11,000	521,400
PPL Corp.	18,792	1,033,560
Reliant Energy, Inc.	208,237	6,707,314
Southern Company	87,600	2,036,700
Texas Utilities Corp.	33,500	1,614,365
TOTAL	1,784,656	64,828,743
UTILITIES - NATURAL GAS		
Dynegy, Inc.	41,800	1,943,700
El Paso Energy Corp.	394,952	20,750,778
Enron Corp.	217,900	10,677,100
Kinder Morgan, Inc.	14,800	743,700
Mitchell Energy & Dev. Corp.	14,800	684,500
Nicor, Inc.	5,900	229,982
Nisouce, Inc.	50,800	1,388,364

Investment Section

NAME	NUMBER OF SHARES	FAIR VALUE (\$)
UTILITIES - NATURAL GAS (cont'd.)		
Oneok, Inc.	7,600	149,720
Peoples Energy Corp.	4,600	184,920
Williams Co., Inc.	62,600	2,062,670
TOTAL	815,752	38,815,434
UTILITIES - TELEPHONE		
Alltel Corp.	40,500	2,481,030
AT&T Corp.	606,485	13,342,670
BellSouth Corp.	524,004	21,101,641
Centurytel, Inc.	50,275	1,523,333
Dobson Communications Corp.	165,600	2,823,480
Nextel Communications, Inc.	598,700	10,477,250
SBC Communications, Inc.	1,155,711	46,297,783
Sprint Corp.	492,700	10,524,072
Verizon Communications	652,548	34,911,318
Vodafone Airtouch	5,988,108	13,263,677
WorldCom, Inc.	671,444	9,550,803
TOTAL	10,946,075	166,297,057
PRIVATE FUNDS		
Brinson 1996 Partnership Fund	1,242,618	1,662,882
Brinson 1997 Primary Fund	485,165	691,011
Brinson 1998 Primary Fund	6,929,274	8,087,341
Brinson 1998 Secondary Fund	51,300	126,846
Brinson 1999 Primary Fund	3,405,503	3,760,567
Brinson 2000 Partnership Primary Fund	3,953,895	4,094,487
Brinson 2001 Primary Fund	1,481,269	1,498,374
Brinson Non-US Partnership 2001 Primary Fund	264,708	266,455
HarbourVest Partners VI - Partnership Fund LP.	11,761,212	11,862,131
HarbourVest Partners VI - Buyout Partnership Fund LP.	11,590,705	11,569,297
Mesirow Partnership Fund I	18,620,383	19,058,903
Pantheon USA Fund IV	2,608,894	2,479,961
Pantheon Venture Fund III	18,895,215	20,054,889
Pantheon Europe Fund, Series 1 units	16,100	1,962,845
TOTAL	81,306,241	87,175,989
TOTAL EQUITY INVESTMENTS	297,384,871	6,244,578,940

Investment Section

INVESTMENT IN REAL ESTATE

As of June 30, 2001

OTHER REAL ESTATE	NUMBER OF UNITS	FAIR VALUE (\$)
Blackstone Real Estate Partners II TE 5 LP.	16,862,466	18,538,385
Capital Associates Apartment Fund LP.	19,905,463	21,042,235
Charter Open-End Real Estate Fund (TimesSquare)	21,530	83,744,181
JP Morgan - Special Situation Property Fund	54,735	21,423,356
JP Morgan - Strategic Property Fund	164,398	84,961,946
Lend Lease Office Opportunity Fund C, LP.	24,209,355	27,337,943
Olympus Real Estate Fund II, LP.	22,590,571	22,590,572
PRISA	4,768	81,000,066
PRISA II	2,205	20,000,040
Real Estate Separate Account (UBS)	62,002,398	81,378,301
RREEF America REIT	588,926	59,732,339
Walton Street Real Estate Fund I, LLC	5,976,248	7,736,471
Walton Street Real Estate Fund II, LLC	15,696,932	19,177,734
Walton Street Real Estate Fund III, LLC	8,000,494	9,275,274
TOTAL INVESTMENT IN REAL ESTATE	176,080,489	557,938,843

Investment Section

INVESTMENT AUTHORITY ILLINOIS PENSION CODE

SECTION 5/17-146. TO MAKE INVESTMENTS

To make investments. To invest the monies of the Fund, subject to the requirements and restrictions set forth in this Article and in Sections 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114 and 1-115. No bank or savings and loan association shall receive investment funds as permitted by this Section, unless it has complied with the requirements established pursuant to Section 6 of the Public Funds Investment Act. Those requirements shall be applicable only at the time of investment and shall not require the liquidation of any investment at any time.

The Board of Trustees shall have the authority to enter into any agreements and to execute any documents that it determines to be necessary to complete any investment transaction.

All investments shall be clearly held and accounted for to indicate ownership by the Fund. The Board of Trustees may direct the registration of securities or the holding of interests in real property in the name of the Fund or in the name of a nominee created for the express purpose of registering securities or holding interests in real property by a national or state bank or trust company authorized to conduct a trust business in the State of Illinois. The Board of Trustees may hold title to interests in real property in the name of the Fund or in the name of a title holding corporation created for the express purpose of holding title to interests in real property.

Investments shall be carried at cost or at a value determined in accordance with generally accepted accounting principles and accounting procedures approved by the Board of Trustees.

The value of investments held by the Fund in one or more commingled investment accounts shall be determined in accordance with generally accepted accounting principles.

The Board of Trustees of any Fund established under this Article may not transfer its investment authority, nor transfer the assets of the Fund to any other person or entity for the purpose of consolidating or merging its assets and management with any other pension fund or public investment authority, unless the Board of Trustees resolution authorizing such transfer is submitted for approval to the contributors and pensioners of the Fund at elections held not less than 30 days after the adoption of such resolution by the Board of Trustees, and such resolution is approved by a majority of the votes cast on the question in both the contributors election and the pensioners election. The election procedures and qualifications governing the election of trustees shall govern the submission of resolutions for approval under this paragraph, insofar as they may be made applicable.

SECTION 5/17-146.2. TO LEND SECURITIES

To lend securities. The Board of Trustees may lend securities owned by the Fund to a borrower upon such written terms

Investment Section

and conditions as may be mutually agreed. The agreement shall provide that during the period of the loan the Fund (or the custodian of the Fund, or agent thereof, as applicable) shall retain the right to receive or collect from the borrower all dividends, interest and distributions to which the Fund would have otherwise been entitled. The borrower shall deposit with the Fund collateral for the loan equal to the market value of the securities at the time the loan is made, and shall increase the amount of collateral if the Board of Trustees requests an additional amount because of subsequent increased market value of the securities. The Board of Trustees may accept from the borrower cash collateral or collateral consisting of assets described in Section 1-113 of this Act. To the extent that the Fund participates in a securities lending program established and maintained by (1) a national or State bank which is authorized to do business in the State of Illinois, or (2) an investment manager, the Board of Trustees may accept collateral consisting of an undivided interest in a pool of commingled collateral that has been established by the bank or investment manager for the purpose of pooling collateral received for the loans of securities owned by substantially all of the participants in such bank's or investment manager's securities lending program. Nothing in Sections 1-109, 1-110 or 1-113 of this Act shall be construed to prohibit the Fund's lending of securities in accordance with this Section.

SECTION 5/17-147. CUSTODY OF FUND-BONDS-LEGAL PROCEEDINGS

Custody of fund-Bonds-Legal proceedings. The city treasurer, ex-officio, shall be the custodian of the fund, and shall secure and safely keep it, subject to the control and direction of the Board of Trustees. He shall keep his books and accounts concerning the Fund in the manner prescribed by the Board of Trustees. The books and accounts shall always be subject to the inspection of the Board of Trustees or any member thereof. The city treasurer shall be liable on his official bond for the proper performance of his duties and the conservation of the Fund.

Payments from the Fund shall be made upon warrants signed by the president and the secretary of the Board of Education, the president of the Board of Trustees, and countersigned by the executive director or by such person as the Board of Trustees may designate from time to time by appropriate resolution.

Neither the treasurer nor any other officer having the custody of the Fund is entitled to retain any interest accruing thereon, but such interest shall accrue and inure to the benefit of such Fund, become a part thereof, subject to the purposes of this Article.

Any legal proceedings necessary for the enforcement of the provisions of this Article shall be brought by and in the name of the Board of Trustees of the Fund.



Actuarial Section

Actuarial Section

GOLDSTEIN & ASSOCIATES
Actuaries and Consultants

29 SOUTH LaSALLE STREET SUITE 735
CHICAGO, ILLINOIS 60603
PHONE (312) 726-5877 FAX (312) 726-4323

December 17, 2001

Board of Trustees
Public School Teachers' Pension
and Retirement Fund of Chicago
55 West Wacker Drive - 13th Floor
Chicago, Illinois 60601-1613

ACTUARIAL CERTIFICATION

We have completed the annual actuarial valuation of the Public School Teachers' Pension and Retirement Fund of Chicago (the Fund) as of June 30, 2001. The purpose of the valuation was to determine the financial condition and funding requirements of the Fund.

Under the funding plan established by Public Act 89-15, the minimum contribution to the Fund by the Board of Education shall be an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities by the end of fiscal year 2045. The required Board of Education contribution is to be calculated as a level percent of payroll over the years through 2045. For fiscal years 1999 through 2010, the Board of Education's contribution, as a percentage of the applicable payroll, is to be increased in equal annual increments so that by Fiscal Year 2011, the Board of Education is contributing at the required rate.

Public Act 90-548, signed into law on December 4, 1997 revised the above funding plan to provide that the Board of Education contribution shall not be in excess of the amount needed to maintain the ratio of assets to total actuarial liability at the 90% level.

Based on the results of the June 30, 2001 actuarial valuation, the ratio of the actuarial value of assets to the total actuarial liability as of June 30, 2003 is projected to be over 90% without any Board of Education contribution. Thus, on the basis of the funding plan established by Public Act 89-15 as revised by Public Act 90-548, there is no Board of Education contribution requirement for Fiscal Year 2003.

The actuarial assumptions used for the June 30, 2001 actuarial valuation were based on an experience analysis of the Fund over the three-year period 1997-1999 and were adopted as of June 30, 2000. These are the same assumptions as were used for the June 30, 2000 valuation. We believe that, in the aggregate, the current actuarial assumptions relate reasonably to the past and anticipated experience of the Fund.

The projected unit credit actuarial cost method was used for the June 30, 2001 actuarial valuation. This is the same actuarial cost method that was used for the June 30, 2000 valuation. This cost method was adopted as of August 31, 1991.

Since the effective date of our last valuation, no benefit changes with a financial impact on the Fund have been enacted.

The funding plan currently in effect does not meet the requirements for amortizing the unfunded liability provided under GASB Statement No. 25. In all other respects, the assumptions and methods used for funding purposes meet the parameters set forth for the disclosures presented in the financial section by GASB Statement No. 25.

Actuarial Section

Actuarial Certification

Page 2

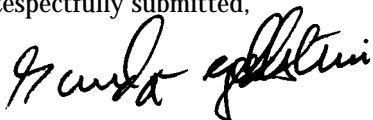
The asset values used for the valuation were based on the asset information contained in the audited financial statements prepared by the Fund. For purposes of the actuarial valuation, a 4-year smoothed market value of assets was used to determine the actuarial value of assets.

The valuation has been based on the membership data, which was supplied by the administrative staff of the Fund. We have made additional tests to ensure its accuracy.

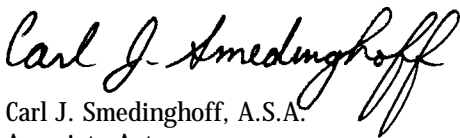
The trend data schedules presented in the financial section of the Comprehensive Annual Financial Report (CAFR) were prepared by the staff of the Fund based on information contained in our actuarial reports. All exhibits, tables, schedules, and appendices included in the accompanying actuarial section were prepared by us based on information provided by the Fund.

In our opinion, the following valuation results fairly represent the financial condition of the Public School Teachers' Pension and Retirement Fund of Chicago as of June 30, 2001.

Respectfully submitted,



Sandor Goldstein, F.S.A.
Consulting Actuary



Carl J. Smedinghoff, A.S.A.
Associate Actuary

Actuarial Section

Actuarial Report

A. PURPOSE AND SUMMARY

We have carried out an actuarial valuation of the Public School Teachers' Pension and Retirement Fund of Chicago (the Fund) as of June 30, 2001. The purpose of the valuation was to determine the financial position and funding requirements of the Fund. This report is intended to present the results of the valuation. The results of the valuation are summarized below:

1. Total Actuarial Liability	\$ 10,392,704,659
2. Actuarial Value of Assets	10,387,568,945
3. Unfunded Actuarial Liability	5,135,714
4. Funded Ratio	99.95%
5. Employer's Normal Cost for FY 02 as a percent of payroll	10.57%
6. Annual Required Contribution for FY 02	
Based on GASB Statement No. 25	178,954,824
7. Board of Education Contribution Requirement For	
FY 03 Based on Public Act 89-15 and Public Act 90-548	0

B. DATA USED FOR THE VALUATION

Participant Data. The participant data required to carry out the valuation was supplied by the Fund. The membership of the Fund as of June 30, 2001, on which the valuation was based, is summarized in Exhibit 1. It can be seen that there were 37,648 active contributors, 17,298 pensioners, and 1,316 vested terminated members included in the valuation. The total active payroll as of June 30, 2001 was \$1,690,264,167.

Exhibit 1

Summary of Membership Data

1. Number of Members	
(a) Active Members	
(i) Vested Board of Education Employees	23,533
(ii) Non-vested Board of Education Employees	13,558
(iii) Vested Charter School Employees	397
(iv) Non-vested Charter School Employees	160
(v) Total Active Members	37,648

Actuarial Section

(b) Members Receiving	
(i) Retirement Pensions	14,771
(ii) Disability Pensions	328
(iii) Survivor Pensions	2,135
(iv) Reversionary Pensions	64
(v) Total Pensioners	17,298
(c) Vested Terminated Members	1,316
(d) Total	56,262
2. Annual Salaries	
(a) Salary for Board of Education Employees	\$1,670,818,007
(b) Salary for Charter School Employees	19,446,160
(c) Total Salary	\$1,690,264,167
(d) Average Salary	44,897
3. Total Accumulated Contributions of Active Members	\$1,212,958,502
4. Annual Benefit Payments Currently Being Made	
(a) Retirement Pensions	\$407,322,948
(b) Disability Pensions	6,194,168
(c) Survivor Pensions	21,062,882
(d) Reversionary Pensions	446,862
(e) Total Pensions	\$435,026,860

Assets. In November of 1994, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 25, which establishes standards of financial reporting for governmental pension plans. The statement is effective for periods beginning after June 15, 1996. Under GASB Statement No. 25, the actuarial value of assets to be used for determining a plan's funded status and annual required contribution needs to be market related. In determining the actuarial value of assets, smoothing changes in the market value of assets over a period of three to five years is considered to be appropriate.

The asset values used for the valuation were based on the asset information contained in the audited financial statements for the year ending June 30, 2001 prepared by the Fund. The actuarial value of assets was determined by smoothing unexpected gains or losses over a period of 4 years. In addition, the difference between the August 31, 1997 actuarial value of assets and market value of assets is being recognized over a 4-year period.

Actuarial Section

The resulting actuarial value of assets is \$10,387,568,945. The development of this actuarial value of assets is outlined in Exhibit 2.

Exhibit 2

Actuarial Value of Assets

A. Development of Investment Gain/(Loss) For Year Ending June 30, 2001

1. Actuarial Value of Assets as of 6/30/00	\$9,612,202,813
2. Employer Contributions	77,135,200
3. Employee Contributions	149,094,964
4. Expenses	512,510,008
5. Expected Investment Income	757,745,328
6. Actual Investment Income	(191,547,390)
7. Investment Gain/(Loss) (6 – 5)	\$(949,292,718)

B. Development of Actuarial Value of Assets

8. Expected Actuarial Value of Assets as of June 30, 2001 (1 + 2 + 3 – 4 + 5)	\$10,083,668,297
9. One-fourth of Difference Between Market Value of Assets and Actuarial Value of Assets as of August 31, 1997	208,694,289
10. One-fourth of Investment Gain/(Loss) For Year Ending August 31, 1998	(38,109,587)
11. One-fourth of Investment Gain/(Loss) For Year Ending June 30, 1999	305,328,710
12. One-fourth of Investment Gain/(Loss) For Year Ending June 30, 2000	65,310,416
13. One-fourth of Investment Gain/(Loss) For Year Ending June 30, 2001	(237,323,180)
14. Actuarial Value of Assets as of June 30, 2001 (8+9+10+11+12+13)	\$10,387,568,945

C. FUND PROVISIONS

Our valuation was based on the provisions of the Fund in effect as of June 30, 2001 as provided in Article 17 of the Illinois Pension Code. A summary of the principal provisions of the Fund on which the valuation was based is provided in Appendix 2.

Actuarial Section

D. ACTUARIAL ASSUMPTIONS AND COST METHOD

The actuarial assumptions used for the June 30, 2001 actuarial valuation are the same as those used for the June 30, 2000 valuation. The actuarial assumptions used for the June 30, 2001 valuation are outlined in Appendix 1. In our opinion, the actuarial assumptions used for the valuation are reasonable, in the aggregate, taking into account Fund experience and future expectations and represent our best estimate of anticipated experience.

The projected unit credit actuarial cost method was used for the June 30, 2001 actuarial valuation. This is the same actuarial cost method that was used for the June 30, 2000 valuation.

E. ACTUARIAL LIABILITY

The actuarial liability as determined under the valuation for the various classes of members is summarized in Exhibit 3. The total actuarial liability is then compared with the actuarial value of assets in order to arrive at the unfunded actuarial liability.

As of June 30, 2001, the total actuarial liability is \$10,392,704,659, the actuarial value of assets is \$10,387,568,945, and the unfunded liability is \$5,135,714. The ratio of the actuarial value of assets to the actuarial liability, or funded ratio, is 99.95%.

Exhibit 3

Actuarial Liability as of June 30, 2001

1. Actuarial Liability for Active Members	
(a) Basic Retirement Annuity	\$3,546,459,470
(b) Post Retirement Increase	933,096,316
(c) Lump Sum Death Benefit	12,179,423
(d) Survivor's Pension	357,953,394
(e) Disability Pension	67,275,832
(f) Withdrawal Benefit	178,544,766
(g) Total	\$5,095,509,201
2. Actuarial Liability Members Receiving Benefits	
(a) Retirement Pensions	\$4,903,582,736
(b) Survivor Pensions	217,952,603
(c) Disability Pensions	89,775,987
(d) Total	\$5,211,311,326
3. Actuarial Liability for Inactive Members	85,884,132

Actuarial Section

4. Total Actuarial Liability	\$10,392,704,659
5. Actuarial Value of Assets	10,387,568,945
6. Unfunded Actuarial Liability	\$5,135,714
7. Funded Ratio	99.95%

F. EMPLOYER'S NORMAL COST

The employer's share of the normal cost for the year beginning July 1, 2001 is developed in Exhibit 4. The total normal cost is \$330,867,868; employee contributions are estimated to be \$152,123,775, resulting in the employer's share of the normal cost of \$178,744,093.

Based on a payroll of \$1,690,264,167 as of June 30, 2001, the employer's share of the normal cost can be expressed as 10.57% of payroll.

Exhibit 4

Employer's Normal Cost For Year Beginning July 1, 2001

	Dollar Amount	Percent Of Payroll
1. Basic Retirement Pension	\$ 189,630,305	11.22%
2. Post Retirement Increases	50,138,367	2.96
3. Lump Sum Death Benefits	911,985	.05
4. Survivor's Pension	21,087,415	1.25
5. Disability Benefits	4,268,787	.26
6. Withdrawal Benefits	19,631,009	1.16
7. Health Insurance Reimbursement	40,000,000	2.37
8. Administrative Expenses	5,200,000	.31
9. Total Normal Cost	\$ 330,867,868	19.57%
10. Employee Contributions	152,123,775	9.00
11. Employer's Share of Normal Cost	\$ 178,744,093	10.57%

Note. The above figures are based on a total active payroll of \$1,690,264,167 as of June 30, 2001.

Actuarial Section

G. BOARD OF EDUCATION CONTRIBUTION REQUIREMENT FOR FISCAL YEAR 2003

Under the funding plan established by Public Act 89-15, the minimum contribution to the Fund by the Board of Education shall be an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities by the end of fiscal year 2045. The required Board of Education contribution is to be calculated as a level percent of payroll over the years through 2045. For fiscal years 2000 through 2010, the Board of Education's contribution, as a percentage of the applicable payroll, is to be increased in equal annual increments so that by Fiscal Year 2011, the Board of Education is contributing at the required rate.

Public Act 90-548, signed into law on December 4, 1997 revised the above funding plan to provide that the Board of Education contribution shall not be in excess of the amount needed to maintain the ratio of assets to total actuarial liability at the 90% level.

As of June 30, 2001, the ratio of the actuarial value of assets to the total actuarial liability is 99.95%. Using the results of the June 30, 2001 valuation as a starting point and assuming no Board of Education contribution in Fiscal Year 2003, we have projected the ratio of the actuarial value of assets to the total actuarial liability as of June 30, 2003 to be 97.0%. Thus, on the basis of the funding plan established by Public Act 89-15 as revised by Public Act 90-548, there is no Board of Education contribution requirement for Fiscal Year 2003.

H. ANNUAL REQUIRED CONTRIBUTION FOR GASB STATEMENT NO. 25

GASB Statement No. 25 requires the disclosure of the annual required employer contribution (ARC), calculated in accordance with certain parameters. Based on the results of the June 30, 2001 actuarial valuation, we have therefore calculated the annual required contribution for Fiscal Year 2002. In accordance with the parameters prescribed in GASB Statement No. 25, in calculating the annual required contribution, we have used a 40-year level-percent-of-payroll amortization of the unfunded liability. On this basis, the annual required contribution for Fiscal Year 2002 has been determined to be as follows:

	Fiscal Year 2002
1. Employer's normal cost	\$178,744,093
2. Annual amount to amortize the unfunded liability (surplus) over 40 years as a level percent of payroll	210,731
3. Annual required contribution (1 + 2)	\$178,954,824

Actuarial Section

I. RECONCILIATION OF CHANGE IN UNFUNDED ACTUARIAL LIABILITY

The net actuarial experience during the period July 1, 2000 to June 30, 2001 resulted in a decrease in the Fund's unfunded actuarial liability of \$323,033,060. This decrease in unfunded actuarial liability is a result of several kinds of gains and losses. The financial effect of the most significant gains and losses is illustrated in Exhibit 5.

The employer contribution requirement for the year of normal cost plus interest on the unfunded actuarial liability amounted to \$200,719,371, whereas the actual employer contribution for the year amounted to \$77,135,200. Thus, the employer contribution for the year fell short of the funding requirement of normal cost plus interest on the unfunded liability by \$123,584,171. Had all other aspects of the Fund's experience been in line with the actuarial assumptions, the unfunded liability would have increased by this amount.

The net rate of investment return earned by the Fund during the year, based on the actuarial value of assets, was approximately 11.2%, in comparison to the assumed rate of 8.0%. This resulted in a decrease in the unfunded liability of \$303,900,648. Salary increases lower than expected resulted in a decrease in the unfunded liability of \$240,062,346.

The various other aspects of the Fund's experience resulted in a net increase in the unfunded liability of \$97,345,763. The aggregate financial experience of the Fund resulted in a decrease in the unfunded liability of \$323,033,060.

Actuarial Section

Exhibit 5

Reconciliation of Change in Unfunded Actuarial Liability Over the Period July 1, 2000 to June 30, 2001

1. Unfunded Actuarial Liability as of July 1, 2000	\$ 328,168,774
2. Employer Contribution Requirement of Normal Cost Plus Interest on Unfunded Liability for Period 7/1/00 to 6/30/01	200,719,371
3. Actual Employer Contribution for the Year	77,135,200
4. Increase in Unfunded Liability Due to Employer Contribution Being Less Than Normal Cost Plus Interest on Unfunded Liability (2 – 3)	123,584,171
5. Decrease in Unfunded Liability Due to Investment Return Higher Than Assumed	303,900,648
6. Decrease in Unfunded Liability Due to Salary Increases Lower Than Assumed	240,062,346
7. Increase in Unfunded Liability Due to Other Sources	97,345,763
8. Net Decrease in Unfunded Liability for the Year (5 – 4 + 6 – 7)	323,033,060
9. Unfunded Actuarial Liability as of June 30, 2001 (1 – 8)	\$ 5,135,714

Actuarial Section

Additional Actuarial Tables

Summary of Actuarial Liability and Unfunded Actuarial Liability

Fiscal Year	Total Actuarial Liability	Actuarial Value of Assets	Assets as a % of Actuarial Liability	Unfunded Actuarial Liability (UAL)	Active Member Payroll	UAL as a % of Active Member Payroll
1992	\$ 5,215,601,846	\$ 4,299,936,041	82.4%	\$ 915,665,805	\$ 1,122,442,390	81.6%
1993	5,904,364,135	4,658,030,036	78.9%	1,246,334,099	1,223,533,870	101.9%
1994	6,247,417,779	5,106,254,796	81.7%	1,141,162,983	1,162,159,018	98.2%
1995	6,523,543,057	5,276,538,889	80.9%	1,247,004,168	1,169,319,610	106.6%
1996	6,949,831,870	6,533,031,737	94.0%	416,800,133	1,278,738,666	32.6%
1997	7,248,109,505	7,264,691,704	100.2%	(16,582,199)	1,362,611,111	(1.2%)
1998	8,015,603,364	7,798,404,136	97.3%	217,199,228	1,434,015,017	15.1%
1999	8,551,879,683	8,620,059,765	100.8%	(68,180,082)	1,521,181,503	(4.5%)
2000	9,940,371,587	9,612,202,813	96.7%	328,168,774	1,651,810,084	19.9%
2001	10,392,704,659	10,387,568,945	99.9%	5,135,714	1,690,264,167	.3%

Solvency Test

ACCRUED LIABILITIES FOR

Fiscal Year	(1) Active Members Accumulated Contributions	(2) Members Currently Receiving Benefits	(3) Active Member Employer Portion	Actuarial Value of Assets	Percent of Accrued Liabilities Covered by Assets		
					(1)	(2)	(3)
1992	\$ 857,624,381	\$1,701,504,343	\$ 2,656,473,122	\$ 4,299,936,041	100%	100%	66%
1993	914,065,627	1,823,039,371	3,167,259,137	4,658,030,036	100%	100%	61%
1994	853,538,324	2,942,839,717	2,451,039,738	5,106,254,796	100%	100%	53%
1995	847,054,700	3,391,248,620	2,285,239,737	5,276,538,889	100%	100%	45%
1996	937,992,220	3,485,257,311	2,526,582,339	6,533,031,737	100%	100%	84%
1997	1,011,117,705	3,541,795,771	2,695,196,029	7,264,691,704	100%	100%	100%
1998	1,080,981,685	3,669,980,250	3,264,641,429	7,798,404,136	100%	100%	93%
1999	1,143,906,163	3,923,581,558	3,484,391,962	8,620,059,765	100%	100%	100%
2000	1,185,452,979	4,744,351,443	4,010,567,165	9,612,202,813	100%	100%	92%
2001	1,212,958,502	5,211,311,326	3,968,434,831	10,387,568,945	100%	100%	100%

Actuarial Section

Additional Actuarial Tables

Schedule of Actual Employer Contributions and Actuarially Determined Contribution Requirements

Fiscal Year	Active Member Payroll	Actual Employer Contribution		Actuarially Determined Contribution Requirement as a Percent of Payroll
		Dollar Amount	Percent of Payroll	
1992	\$ 1,122,442,390	\$ 75,448,143	6.72%	15.21%
1993	1,223,533,870	164,010,589 (a)	13.40%	14.44%
1994	1,162,159,018	257,438,703 (b)	22.15%	16.57%
1995	1,169,319,610	86,171,177 (c)	7.37%	16.71%
1996	1,278,738,666	72,580,416	5.68%	16.42%
1997	1,362,611,111	91,776,705	6.74%	15.42%
1998	1,434,015,017	75,072,817	5.24%	7.93%
1999	1,521,181,503	60,781,723	4.00%	8.25%
2000	1,651,810,084	79,729,145	4.83%	8.38%
2001	1,690,264,167	77,135,200	4.65%	11.18%

(a) The Fiscal Year 1993 employer contribution of \$164,010,589 includes special employer contributions of \$69,485,416 required for establishing additional service credit under the early retirement incentive program. Excluding these special employer contributions, the regular employer contribution for Fiscal Year 1993 was \$94,525,173, which can be expressed as 7.73% of payroll.

(b) The Fiscal Year 1994 employer contribution of \$257,438,703 includes special employer contributions of \$26,532,254 required for establishing additional service credit under the second early retirement incentive program. Excluding these special employer contributions, the regular employer contribution for Fiscal Year 1994 was \$230,906,449, which can be expressed as 19.87% of payroll.

(c) The Fiscal Year 1995 employer contribution of \$86,171,177 includes special employer contributions of \$3,753,006 required for establishing additional service credit under the second early retirement incentive program. Excluding these special employer contributions, the regular employer contribution for Fiscal Year 1995 was \$82,418,171, which can be expressed as 7.05% of payroll.

Actuarial Section

Additional Actuarial Tables

Schedule of Active Member Valuation Data

Valuation Date	Number	Annual Payroll	Annual Average Pay	% Increase (Decrease) In Average Pay
8-31-92	30,900	\$ 1,122,442,390	\$ 36,325	—
8-31-93	31,592	1,223,533,870	38,729	6.6%
8-31-94	30,804	1,162,159,018	37,728	(2.6%)
8-31-95	31,308	1,169,319,610	37,349	(1.0%)
8-31-96	32,824	1,278,738,666	38,957	4.3%
8-31-97	33,632	1,362,611,111	40,515	4.0%
8-31-98	34,875	1,434,015,017	41,119	1.5%
6-30-99	34,720	1,521,181,503	43,813	6.5%
6-30-00	35,400	1,651,810,084	46,661	6.5%
6-30-01	37,648	1,690,264,167	44,897	(3.8)%

Schedule of Retiree and Beneficiaries Added to and Removed from Rolls

Year Ended	Added-To-Rolls		Removed-From-Rolls		Rolls-End-of-Year		% Increase in	
	No.	Annual Benefits	No.	Annual Benefits	No.	Annual Benefits	Average Annual Benefit	Average Annual Benefit
1994	3,269	\$93,533,665	626	\$ 9,118,867	14,698	\$274,594,634	\$18,682	18.4%
1995	1,583	\$45,829,213	544	\$ 7,341,802	15,737	\$313,082,045	\$19,895	6.5%
1996	635	\$22,252,071	573	\$ 9,606,994	15,799	\$325,727,122	\$20,617	3.6%
1997	690	\$21,078,404	658	\$11,865,685	15,831	\$334,939,841	\$21,157	2.6%
1998	765	\$26,445,632	642	\$12,840,824	15,954	\$348,544,649	\$21,847	3.3%
1999	888	\$34,999,366	552	\$10,960,322	16,290	\$372,583,693	\$22,872	4.7%
2000	1,045	\$41,279,538	647	\$14,920,719	16,688	\$398,942,512	\$23,096	4.5%
2001	1,332	\$52,778,231	722	\$16,693,883	17,298	\$435,026,860	\$25,149	5.2%

(1) Detailed information prior to 1994 is unavailable.

Actuarial Section

Appendix 1

Summary of Actuarial Assumptions and Actuarial Cost Method

Actuarial Assumptions. The actuarial assumptions used for the June 30, 2001 valuation are summarized below. The assumptions were adopted as of June 30, 2001.

Mortality Rates. The UP-94 Table, rated down six years, for active members and pensioners.

Termination Rates. Termination rates based on the recent experience of the Fund. The following is a sample of the termination rates that were used:

Age	Rate of Termination Per 1,000 Members
20	56
25	56
30	45
35	32
40	21
45	13
50	9
55	7
60	7
62 and later	0

Disability Rates. Disability rates based on the recent experience of the Fund. The following is a sample of the disability rates that were used:

Age	Disabilities Per 1,000 Members
20	.4
30	.4
40	.6
50	1.3
60	1.6
62 and over	.0

Retirement Rates. Rates of retirement for each age from 55 to 75 based on the recent experience of the Fund were used. The following are samples of the rates of retirement that were used:

Actuarial Section

Age	Rate of Retirement Per 1,000 Members
55	71
60	103
65	155
70	186
75	1,000

Salary Progression. Rates of salary increase, which vary by age. The following is a sample of the assumed rates of salary increase.

Age	Assumed Rate of Increase
25	12.2%
30	9.9%
35	8.3%
40	7.2%
45	6.4%
50	5.7%
55	5.0%
60 and later	4.5%

Interest Rate. 8.0% per year, compounded annually.

Marital Status. 75% of participants were assumed to be married.

Spouse's Age. The age of the spouse was assumed to be 1 year older than the age of the employee.

Assumption Regarding Total Service Credit At Retirement. It was assumed that a teacher's total service credit at retirement would be 103.3% of the teacher's regular period of service at retirement.

Actuarial Cost Method. The projected unit credit actuarial cost method was used. Actuarial gains and losses are reflected in the unfunded actuarial liability. This actuarial cost method was adopted as of August 31, 1991.

Actuarial Section

Appendix 2

Summary of Principal Provisions

1. Eligibility for Pension. The right to a retirement pension vests (1) after 20 years of validated service, with the pension payable at age 55 or over; or (2) after 5 years validated service, with the pension payable at age 62 or over.

2. Amount of Retirement Pension. For service earned before July 1, 1998, the retirement pension is 1.67% of “final average salary” for each of the first 10 years of validated service, 1.90% for each of the next 10 years, 2.10% for each of the next 10 years, and 2.30% for each year above 30. For service earned after June 30, 1998, the pension is 2.2% of “final average salary” for each year of service.

Service earned before July 1, 1998 can be upgraded to the 2.2% formula through the payment of additional employee contributions of 1% of the teacher's highest salary within the last four years for each year of prior service. Maximum payment is 20% of salary, but all years are upgraded. The number of years for which contributions are required is reduced by one for each three full years of service after June 30, 1998. The required contribution is reduced by 25% for each year of service in excess of 34.

The maximum pension is 75% of final average salary or \$1,500 per month, whichever is greater.

3. Final Average Salary Defined. “Final average salary” for pension computation is the average of the highest rates of salary for any 4 consecutive years of validated service within the last 10 years of service.

4. Reduction in Pension for Early Retirement. Except for retirement after 35 years of service, the retirement pension in the case of retirement prior to age 60 is reduced 1/2 of 1% for each month that the teacher is under age 60.

5. Early Retirement Without Discount. Subject to authorization by the employer, an employee who retires on or before June 30, 2005 may elect to make a one-time contribution and thereby avoid the early retirement reduction. The exercise of this election by the employee also obligates the employer to make a one-time nonrefundable contribution.

6. Non-Duty Disability Retirement. A disability retirement pension is payable in the event of total or permanent disability for teaching service after 10 or more years of service, irrespective of age. The rate of pension is 1 2/3% of average salary for each year of service. Upon disability retirement after 20 years or more of contributing service, but under age 55, the accrued retirement pension is payable, discounted 1/2 of 1% for each month the disabled teacher is under age 55, down to a minimum of 50 years.

If total service is 20 years or more and the member has attained age 55, the accrued retirement pension is payable without reduction. After 25 years of service, regardless of age, the accrued retirement pension is payable without reduction.

Actuarial Section

7. Duty Disability Benefit. A duty-connected disability benefit is provided equal to 75% of final average salary upon total incapacity for teaching service as a result of an injury sustained while in the performance of teaching service. The benefit is reduced by “Workers’ Compensation” payments.

8. Post-Retirement Increases. Automatic annual increases in pension equal to 3% of the current amount of pension are provided. The increases accrued from the anniversary date of retirement or the 61st birthday, whichever is later.

9. Survivor’s Pensions. Pensions are payable to survivors of teachers and pensioners under the following conditions:

Upon the death of a teacher or pensioner occurring on or after July 1, 1981, the maximum benefit is \$400 per month to a spouse alone and \$600 per month if there are other dependents. Payment of a survivor’s pension is conditioned upon marriage having been in effect at least 1 1/2 years prior to death or retirement. On death after retirement, the total survivor’s pension may not exceed retirement or disability pension paid to the deceased pensioner.

Upon the death of a teacher or pensioner occurring after December 31, 1986, the minimum total survivor’s pension payable shall be 50% of the earned retirement pension of such teacher or pensioner.

If the surviving spouse is under age 50, and no unmarried minor children under age 18 survive, payment of the survivor’s pension is deferred until age 50. Remarriage of a surviving spouse under the age of 55 results in a termination of pension.

Survivor’s pensions are subject to annual automatic increases of 3% of the current amount of pension.

10. Reversionary Pension. By accepting a reduced retirement pension, a member can provide a reversionary pension for a surviving beneficiary. If the reversionary pension was elected on or after January 1, 1984, and the beneficiary survives the date of the teacher’s retirement, but does not survive the retired teacher, the teacher’s pension shall be restored to the full amount of pension.

11. Refund of Contributions. Upon separation of service, a teacher is entitled to receive a refund of his total contributions and those contributions made on his behalf, without interest.

12. Death Benefits. Upon death while in service, a refund equal to the total contributions less contributions for survivor’s pensions is payable without interest to a designed beneficiary or the estate of the teacher. Upon death after retirement, the death benefit consists of the excess, if any, of the total contributions over the total pension payments paid to the member or his beneficiary. In addition, the following death benefit is payable:

Death in service. The amount of the benefit is equal to the last month’s salary for each year of validated service up to 6 month’s salary but not exceeding \$10,000.

Actuarial Section

Death while on pension. The death benefit is equal to 6 month's salary but not to exceed \$10,000 less 1/5 of the death benefit for each year or part of a year that the member has been on pension, down to a minimum of \$5,000.

13. Health Insurance Reimbursement. The board may pay each recipient of a retirement, disability, or survivor's pension an amount to be determined by the board, which shall represent partial reimbursement for the cost of the recipient's health insurance coverage, with the total amount of payment not to exceed \$40,000,000 in any year.

14. Financing. Teachers are required to contribute a total of 9% of salary consisting of 7 1/2% towards the retirement pensions, 1% towards the survivor pension, and 1/2% towards the post-retirement increment. As of September 1981, the Board of Education has been paying 7% of the required teacher contributions.

The remainder of the cost of benefits is financed by (1) contributions by the Chicago Board of Education; (2) allocations by the State of Illinois from the State Distributive Fund; and (3) investment income.

15. Retirement Systems Reciprocal Act. The Fund complies with the Retirement Systems Reciprocal Act (Chapter 40 Act 5 Article 20 of the Illinois Compiled Statutes) to provide reciprocal benefits if a member has service credit for other public employment in Illinois.

Actuarial Section

Appendix 3

Glossary of Terms used in Report

- 1. Actuarial Present Value.** The value of an amount or series of amounts payable at various times, determined as of a given date by the application of a particular set of actuarial assumptions.
- 2. Actuarial Cost Method or Funding Method.** A procedure for determining the actuarial present value of pension plan benefits and for determining an actuarially equivalent allocation of such value to time periods, usually in the form of a normal cost and an actuarial accrued liability.
- 3. Normal Cost.** That portion of the present value of pension plan benefits, which is allocated to a valuation year by the actuarial cost method.
- 4. Actuarial Accrued Liability or Accrued Liability.** That portion, as determined by a particular actuarial cost method, of the actuarial present value of pension benefits which is not provided for by future normal costs.
- 5. Actuarial Value of Assets.** The value assigned by the actuary to the assets of the pension plan for purposes of an actuarial valuation.
- 6. Unfunded Actuarial Liability.** The excess of the actuarial liability over the actuarial value of assets.
- 7. Projected Unit Credit Actuarial Cost Method.** A cost method under which the projected benefits of each individual included in an actuarial valuation are allocated by a consistent formula to valuation years. The actuarial present value of benefits 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 liability.

Under this method, the actuarial gains (losses), as they occur, generally reduce (increase) the unfunded actuarial liability.
- 8. Actuarial Assumptions.** Assumptions as to future events affecting pension costs.
- 9. Actuarial Valuation.** The determination, as of the valuation date, of the normal cost, actuarial liability, actuarial value of assets, and related actuarial present values for a pension plan.
- 10. Vested Benefits.** Benefits that are not contingent on an employee's future service.

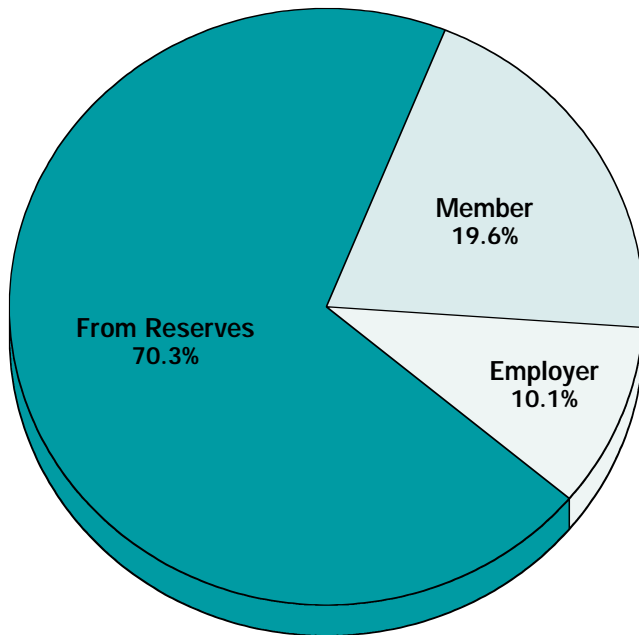


Statistical Section

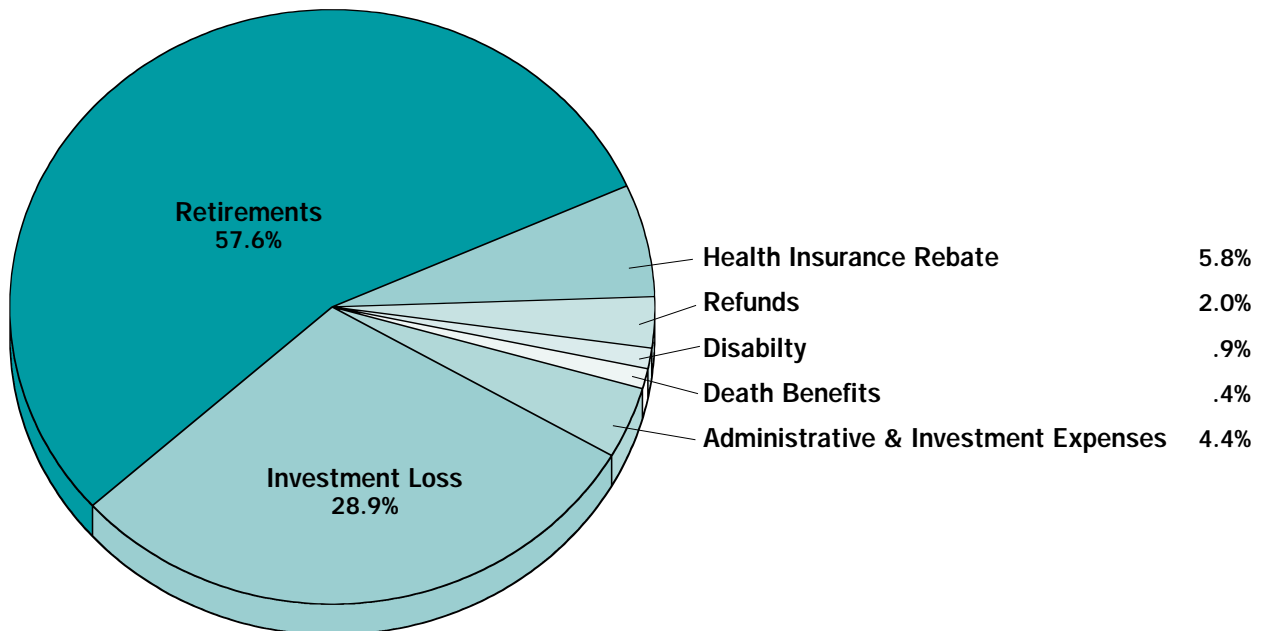
Statistical Section

2001 Revenue — Sources and Applications

Sources



Applications



Statistical Section

Participating Members

Salary Distribution

Fiscal Year	Total Salaries (\$)	Average		
		Salary (\$)	Attained Age	Years of Service
1992	1,127,334,634	36,519	46.6	15.1
1993	1,223,533,870	38,718	46.6	15.1
1994	1,162,159,018	37,728	45.6	13.7
1995	1,169,319,610	37,349	45.2	13.0
1996	1,278,738,666	38,957	45.7	13.0
1997	1,362,611,111	40,515	45.7	13.2
1998	1,434,015,017	41,119	46.4	13.1
1999	1,521,181,503	43,813	46.2	13.3
2000	1,651,810,084	46,661	46.1	13.2
2001	1,690,264,167	44,897	44.8	12.3

Length of Service

Fiscal Year	Total Active Member	Length of Service				
		Under 1 Year	1 to 4 Years	5 to 9 Years	10 to 14 Years	15 Years and Over
1992	30,870	2,284	5,677	4,164	2,421	16,324
1993	31,592	2,397	6,356	4,159	2,403	16,277
1994	30,804	3,517	6,640	4,161	2,357	14,129
1995	31,820	3,150	8,082	4,766	2,598	13,224
1996	32,824	2,982	8,468	5,020	3,154	13,200
1997	33,632	3,037	8,566	5,397	3,366	13,266
1998	34,875	3,502	8,971	5,725	3,428	13,249
1999	34,720	3,074	8,204	6,944	3,450	13,048
2000	35,400	3,042	8,533	7,101	3,882	12,842
2001	37,648	4,713	9,032	7,019	4,120	12,764

Number of Members

Fiscal Year	Male Participants	Female Participants	Total
1992	8,466	22,404	30,870
1993	8,549	23,043	31,592
1994	8,089	22,715	30,804
1995	8,248	23,572	31,820
1996	8,400	24,424	32,824
1997	8,501	25,131	33,632
1998	8,782	26,093	34,875
1999	8,674	26,046	34,720
2000	8,638	26,762	35,400
2001	9,311	28,337	37,648

Statistical Section

Annuitants

Changes In The Number Of Recurring Benefit Payments

Fiscal Year	Additions		Deletions		End of Year	
	Annuity	Disability	Annuity	Disability	Annuity	Disability
1992	546	25	336	20	8,155	308
1993	426	23	398	25	8,183	306
1994	2,595	13	428	28	10,350	291
1995	1,069	19	426	23	10,993	287
1996	303	15	370	24	10,926	278
1997	268	22	437	17	10,757	283
1998	405	34	423	18	10,739	299
1999	600	33	365	20	10,974	312
2000	657	29	434	21	11,197	320
2001	860	33	465	25	11,592	328

Average Benefit Payment Amounts

Fiscal Year	Single Sum Payments		Recurring Payments		Trend Total (\$)
	Separation Refunds (\$)	Lump Sum Death Benefit (\$)	Annual Disability (\$)	Annual Retirement (\$)	
1992	7,263	4,988	11,349	17,995	41,595
1993	7,319	5,049	11,825	19,123	43,316
1994	7,212	5,183	12,051	22,368	46,814
1995	7,834	5,338	12,520	23,904	49,596
1996	7,645	5,141	12,970	24,926	50,682
1997	8,272	5,083	13,649	25,851	52,855
1998	7,140	5,028	14,701	26,819	53,688
1999	6,926	5,216	16,244	28,010	56,396
2000	7,310	5,075	17,546	29,305	59,236
2001	8,156	5,088	18,885	30,807	62,936

* Averages were calculated from the Annual Statistical Reports, except for lump sum death benefits.

Distribution Of Current Annuitants By Pension Amount

Monthly Pension Amount	Retirement		Disability		Survivor		Reversionary		Reciprocal		All Annuities	
	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females
UNDER \$500	72	260	5	14	238	488	10	25	375	723	700	1,510
\$500 TO UNDER \$1,000	125	583	26	46	332	382	1	12	238	278	722	1,301
\$1,000 TO UNDER \$1,500	162	773	19	57	175	244	0	6	144	248	500	1,328
\$1,500 TO UNDER \$2,000	292	1,082	16	45	78	126	1	6	105	202	492	1,461
\$2,000 TO UNDER \$2,500	403	1,289	14	33	4	34	0	1	72	197	493	1,554
\$2,500 TO UNDER \$3,000	447	1,206	11	25	3	21	0	1	76	171	537	1,424
\$3,000 TO UNDER \$3,500	770	1,667	2	13	0	8	0	1	66	145	839	1,834
\$3,500 TO UNDER \$4,000	580	922	0	1	0	1	0	0	32	38	612	962
\$4,000 TO UNDER \$4,500	220	143	0	1	0	0	0	0	15	12	235	156
\$4,500 TO UNDER \$5,000	133	115	0	0	0	0	0	0	17	4	100	119
\$5,000 TO UNDER \$5,500	87	76	0	0	1	0	0	0	5	6	93	82
\$5,500 TO UNDER \$6,000	68	33	0	0	0	0	0	0	5	1	73	34
\$6,000 TO UNDER \$6,500	29	14	0	0	0	0	0	0	2	0	31	14
\$6,500 TO UNDER \$7,000	21	2	0	0	0	0	0	0	0	0	21	2
\$7,000 TO UNDER \$7,500	8	4	0	0	0	0	0	0	0	0	3	4
\$7,500 TO UNDER \$8,000	1	2	0	0	0	0	0	0	1	0	9	2
\$8,000 TO UNDER \$8,500	1	1	0	0	0	0	0	0	0	0	1	1
\$8,500 TO UNDER \$9,000	1	0	0	0	0	0	0	0	0	0	1	0
\$9,000 TO UNDER \$9,500	0	0	0	0	0	0	0	0	0	0	0	0
\$9,500 TO UNDER \$10,000	0	0	0	0	0	0	0	0	1	0	1	0
TOTAL	3,420	8,172	93	235	831	1,304	12	52	1,154	2,025	5,510	11,788

Statistical Section

Benefits Paid

Benefit Expense By Type

Fiscal Year	Annuities (\$)			Fiscal Year	Refunds (\$)		
	Retirement	Survivors	Disability		Separation	Death	Other (1)
1992	166,821,003	7,436,127	3,399,868	1992	4,482,814	2,808,640	1,311,739
1993	191,675,794	8,201,323	3,413,666	1993	3,238,519	2,673,518	1,648,439
1994	268,755,485	9,148,457	3,449,195	1994	3,902,576	2,955,143	9,102,027
1995	303,013,708	10,002,639	3,630,122	1995	5,314,556	3,290,569	1,672,805
1996	314,533,780	11,245,347	3,588,271	1996	4,432,055	3,085,766	1,128,778
1997	324,195,727	12,883,617	3,830,135	1997	5,649,447	3,470,452	1,553,306
1998	338,637,028	14,143,840	4,205,876	1998	5,732,601	3,419,274	2,618,705
1999	300,230,642	12,695,424	4,107,184	1999	5,952,734	2,220,725	1,552,617
2000	383,938,150	16,424,100	5,732,425	2000	7,607,244	3,574,259	3,538,496
2001	421,343,859	17,759,804	6,162,211	2001	7,645,767	2,697,514	4,644,884

Fiscal Year	Death Benefits (\$)		Fiscal Year	Health Ins.	Grand Total
	Heirs of Active Tea.	Heirs of Ann.		Premium Rebate (\$)	
				Amount	
1992	780,166	2,103,560	1992	12,928,357	202,072,274
1993	672,832	2,078,833	1993	25,367,192	238,970,116
1994	792,990	2,336,000	1994	21,409,221	321,851,094
1995	799,070	2,676,250	1995	26,003,656	356,403,375
1996	694,809	2,501,083	1996	28,540,558	369,750,447
1997	804,963	2,364,869	1997	22,796,866	377,549,382
1998	745,541	2,886,964	1998	24,225,631	396,615,460
1999	381,432	1,855,000	1999	22,013,995	351,009,753
2000	724,089	2,669,708	2000	26,144,939	450,353,410
2001	457,746	2,853,167	2001	44,088,569	507,653,521

(1) Includes excess contributions and return of contributions for survivor benefits when no survivors exist.

Statistical Section

Schedule of Revenue By Source

Fiscal Year	10-year Summary (\$ Millions)					Total
	Contributions by Members	Investment Income (B)	Miscellaneous	Contributions by Employers Amount	% of Payroll	
1992	\$ 89.7	\$ 312.0	—	\$ 75.4	6.8	\$ 477.1
1993	120.3	315.9	—	164.0	13.4	600.2
1994	104.3	411.4	.3	257.4	22.2	773.4
1995	92.9	350.0	.6	86.1	7.4	529.6
1996	97.7	730.6	.4	72.6	5.7	901.3
1997	103.9	1,564.6	.7	91.8	6.7	1,761.0
1998	115.1	420.5	—	75.1	5.2	610.7
1999	150.4	1,732.5	.6	60.2	4.0	1,943.7
2000	145.5	941.8	.2	79.6	4.8	1,167.0
2001	149.1	(191.5)	.1	77.0	4.6	34.7

(A) As of June 30, 1997, assets are presented at market value according to GASB Statement No. 25. For comparative purposes, results as of June 30, 1996 have been restated accordingly.

(B) Investment income reflects deductions of investment advisory and custodial fees.

Schedule of Total Expenses

Fiscal Year	10-year Summary (\$ Millions)					Total
	Pension Benefits	Refunds	Death Benefits	Insurance Premium Refunds	Administrative Miscellaneous Expenses	
1992	\$ 177.7	\$ 8.6	\$ 2.9	\$ 12.9	\$ 2.4	\$ 204.5
1993	203.3	7.6	2.8	25.4	3.1	242.2
1994	281.4	16.0	3.1	21.4	3.4	325.3
1995	316.8	10.3	3.5	26.0	2.9	359.3
1996	329.4	8.6	3.2	28.5	2.7	372.5
1997	340.9	10.7	3.2	22.8	3.1	380.7
1998	357.0	11.8	3.6	24.2	3.4	400.0
1999	317.0	9.7	2.3	22.0	25.6	376.6
2000	406.1	14.7	3.4	26.2	4.5	454.9
2001	445.3	15.0	3.3	44.1	4.8	512.5

Notes

Notes



Public School Teachers' Pension and Retirement Fund of Chicago
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