Kathy

Municipal Employees' Annuity and Benefit Fund of Chicago

Actuarial Valuation Report

For the Year Ending December 31, 2003

April 2004

GRS

Gabriel, Roeder, Smith & Company
Actuaries and Consultants

GABRIEL, ROEDER, SMITH & COMPANY
CONSULTANTS & ACTUARIES

20 North Clark Street • Suite 1100 • Chicago, IL 60602•312-456-9800 • Fax 312-456-9801

April 12, 2004

The Retirement Board of the
Municipal Employees' Annuity and Benefit
Fund of Chicago
221 North LaSalle Street
Suite 500
Chicago, Illinois 60601

Subject: Actuarial Certification

Board Members:

At your request, we have performed an actuarial valuation for the Municipal Employees' Annuity and Benefit Fund of Chicago ("the Plan") as of December 31, 2003. An actuarial valuation of the Plan is performed annually. The valuation has been performed to measure the funding status of the Plan and determine the contribution for 2003. It includes disclosure information required under GASB Statement No. 25 and Statement No. 27. The assumptions and methods used were selected by the actuary and meet the parameters set for the disclosure presented in the financial section by Government Accounting Standards Board (GASB) Statement No. 25.

We have provided the supporting schedules for the actuarial section of the comprehensive annual financial report, including:

- Active Member Valuation Data
- Retirements and Beneficiaries Added to and Removed from Rolls
- Solvency (Termination) Test
- Analysis of Financial Experience

We have also provided the following schedules for the financial sections of the report. We relied on information from the prior actuary for years before 1999.

- Schedule of Funding Progress
- Schedule of Employer Contributions

This valuation is based upon:

a) **Data Relative to the Members of the Plan**—Data for active members was provided by the Plan's staff. Data utilized for persons receiving benefits from the Plan was also provided by the Plan's staff. We have tested this data for reasonableness.

b) **Asset Values**—The values of assets of the Plan were provided by the Plan's staff. An actuarial value of assets was used to develop actuarial results for GASB Statement No. 25 and Statement No. 27.

c) **Actuarial Method**—The actuarial method utilized by the Plan is the Entry Age Actuarial Cost Method. The objective of this method is to recognize the costs of Plan benefits over the entire career of each member as a level of percentage of compensation. Any Unfunded Actuarial Accrued Liability (UAAL) under this method is separately amortized. All actuarial gains and losses under this method are reflected in the UAAL.

d) **Actuarial Assumptions**—The same actuarial assumptions as last year were used for this valuation. They are set out in the following pages.

The funding objective is to provide employer and employee contributions sufficient to provide the benefits of the Plan when due. The provision of State Law establishing the Plan constrains employer contributions to be 1.25 times the employee contribution level in the second prior fiscal year. Thus, with an administrative lag, the employer contribution is designed to match the employee contribution in a 1.25:1 relationship. The most recent actuarial valuation of the Plan on the State reporting basis shows that a ratio of 1.56 is needed to adequately finance the Plan. In order for employer contributions to be increased, the State legislature would first need to amend the statute.

The valuation results set out in this report are based on the data and actuarial techniques described above, and upon the provisions of the Plan as of the valuation date. Based on these items, we certify these results to be true and correct.

Gabriel, Roeder, Smith and Company

Alex Rivera

Michael R. Kivi, F.S.A.	Alex Rivera, A.S.A.
Senior Consultant	Senior Consultant

TABLE OF CONTENTS

TABLE OF CONTENTS (CONT'D)

TABLE OF CONTENTS (CONT'D)

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SUMMARY OF ACTUARIAL VALUATION

	December 31, 2002	December 31, 2003	% Change
ACTUARIAL VALUES			
Termination Values			
Liability	$ 4,768,588,091	$ 5,026,726,325	**5.41 %**
Assets - Actuarial Value	6,403,982,494	6,384,098,957	**(0.31)%**
Deficiency/(Excess)	(1,635,394,403)	(1,357,372,632)	**(17.00)%**
Funded Ratio	**134.30%**	**127.00%**	**(5.43)%**
GASB #25 Values			
Actuarial Liability	$ 7,577,100,377	$ 7,988,636,556	**5.43 %**
Assets - Actuarial Value	6,403,982,494	6,384,098,957	**(0.31)%**
Unfunded Liabilty (Surplus)	1,173,117,883	1,604,537,599	**36.78 %**
Funded Ratio	**84.52%**	**79.91%**	**(5.45)%**
Annual Required Contribution (ARC)	$ 158,614,805	$ 198,199,001	**24.96 %**
Market Values			
Actuarial Liability	$ 7,577,100,377	$ 7,988,636,556	**5.43 %**
Assets - Market Value	5,128,210,404	5,922,789,999	**15.49 %**
Unfunded Liability	2,448,889,973	2,065,846,557	**(15.64)%**
Funded Ratio	**67.68%**	**74.14%**	**9.54 %**
Book Values			
Actuarial Liability	$ 7,577,100,377	$ 7,988,636,556	**5.43 %**
Assets - Book Value	5,028,189,322	5,065,867,984	**0.75 %**
Unfunded Liability (Surplus)	2,548,911,055	2,922,768,572	**14.67 %**
Funded Ratio	**66.36%**	**63.41%**	**(4.44)%**

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SUMMARY OF ACTUARIAL VALUATION (CONT'D)

	December 31, 2002	December 31, 2003	% Change
Assets			
Market Value - Beginning of Year	$ 5,820,765,698	$ 5,128,210,404	**(11.90)%**
Income			
Investment Income	(538,062,313)	961,888,872	**278.77 %**
Employer Contributions	130,966,381	141,882,893	**8.34 %**
Employee Contributions	128,395,307	129,579,379	**0.92 %**
Subtotal	(278,700,625)	1,233,351,144	**542.54 %**
Outgo (Refunds, Benefits & Expenses)	413,854,669	438,836,358	**6.04 %**
Net Income/(Expense) Adjustment	-	64,809	
Net Change	(692,555,294)	794,579,595	**214.73 %**
Market Value - End of Year	$ 5,128,210,404	$ 5,922,789,999	**15.49 %**
Book Value - Beginning of Year	$ 5,190,062,134	$ 5,028,189,322	**(3.12)%**
Income			
Investment Income	(7,379,832)	204,987,939	**2877.68 %**
Employer Contributions	130,966,381	141,882,893	**8.34 %**
Employee Contributions	128,395,307	129,579,379	**0.92 %**
Subtotal	251,981,856	476,450,211	**89.08 %**
Outgo (Refunds, Benefits & Expenses)	413,854,669	438,836,358	**6.04 %**
Net Income/(Expense) Adjustment	-	64,809	
Net Change	(161,872,813)	37,678,662	**123.28 %**
Book Value - End of Year	$ 5,028,189,321	$ 5,065,867,984	**0.75 %**
Actuarial Value - Beginning of Year	$ 6,466,797,543	$ 6,403,982,494	**(0.97)%**
Income			
Investment Income	91,677,932	147,425,740	**60.81 %**
Employer Contributions	130,966,381	141,882,893	**8.34 %**
Employee Contributions	128,395,307	129,579,379	**0.92 %**
Subtotal	351,039,620	418,888,012	**19.33 %**
Outgo (Refunds, Benefits & Expense)	413,854,669	438,836,358	**6.04 %**
Net Income/(Expense) Adjustment	-	64,809	
Net Change	(62,815,049)	(19,883,537)	**68.35 %**
Actuarial Value - End of Year	$ 6,403,982,494	$ 6,384,098,957	**(0.31)%**

Municipal Employees' Annuity and Benefit Fund of Chicago
Summary of Actuarial Valuation (Cont'd)

	December 31, 2002	December 31, 2003	% Change
Members			
Active[1]	35,522	35,384	**(0.39)%**
Inactive	11,137	11,159	**0.20 %**
Retirees	15,546	15,853	**1.97 %**
Deferred	4	9	**125.00 %**
Survivors	4,517	4,501	**(0.35)%**
Disabilities	389	513	**31.88 %**
Children	212	210	**(0.94)%**
Payroll Data			
Valuation Payroll	$ 1,377,909,441	$ 1,395,513,060	**1.28 %**
Average Salary	38,790	39,439	**1.67 %**

[1] Active members include disabled employees.

DISCUSSION OF VALUATION RESULTS

This report sets out the results of the actuarial valuation of the Municipal Employees' Annuity and Benefit Fund of Chicago ("the Plan") as of December 31, 2003. The purposes of this valuation are:

1. To develop the minimum actuarially determined contribution for 2004.
2. To develop the annual required contribution (ARC) under GASB #25.
3. To develop the annual pension cost under GASB #27.
4. To review the funding status of the Plan.

The funded status in basic terms is a comparison of the Plan's liabilities to assets expressed as either unfunded liability or as a ratio of assets to liabilities. This comparison can be measured in various ways. Plan liabilities are dependent on the actuarial assumptions and actuarial cost method. Plan assets can be measured at market value, book value, or some variation to smooth the fluctuations that invariably occur from year to year.

For Plan and City financial reports, the funding status is measured using liabilities under the Entry Age Normal funding method and the Actuarial Value of Assets. The Actuarial Value of Assets is determined by annually spreading the difference between expected and actual investment earnings over a five-year period.

Actuarial Obligations of the Plan

The value of all future pension payments, calculated using the actuarial assumptions contained in this report, is the sum of payments to two major groups of beneficiaries - the retired lives and the actives lives.

1. **Retired Lives:**

   For those currently receiving known benefits, i.e., current retirees, widows, widowers, and children, the value is determined based on estimated future longevity with the future benefit payment discounted to present time at the assumed investment earnings rate.

2. **Active Lives:**

   The value of future payments for active employees who will receive benefits in the future is estimated, since the amount of pension is only known at the actual time of retirement. This estimate is made using various assumptions as to future salary increases, probable retirement age, and probability of death, withdrawal, or disablement before retirement. For active employees, the goal is to have enough assets on hand at retirement to pay for all future benefits promised. To provide for an orderly accumulation of these required assets, an actuarial funding method is used.

Using the "Entry Age Normal" funding method, assets are allocated as a level amount (expressed as a percentage of salary) over the employee's working lifetime. These allocated costs are called "normal costs" and are sufficient, if set aside each year, to fully fund his or her benefits when and if he or she retires. The actuarial reserve (amount of assets needed now) is then the present value of future benefits less the value of future normal costs to be paid.

The difference between the sum of actuarial reserves for active and retired lives ("the Actuarial Accrued Liability") and the present assets is called the "Unfunded Actuarial Accrued Liability." If assets exceed the liability, there is a surplus. The unfunded liability depends upon the benefits, the characteristics of the covered group of employees and retirees, the actuarial assumptions, and the actuarial funding method. The unfunded liability can be thought of as the amount of assets that will be needed in future years to provide for all future benefits payable when added to the future normal costs determined by the actuarial funding method.

For the pension plan to be in balance (funded ratio of 100%), the present value of all benefits payable in the future must equal the sum of present assets plus the present value of all future contributions. If a plan is 100% funded, it does not mean that no contributions are ever needed again. It simply means that the plan is where it should be. The assets of the plan are sufficient to provide for future benefits payable based on service to the date of valuation. **Future contributions are still needed** to provide the "normal costs" for service after the date of the valuation in order to have sufficient assets at retirement to provide the future payments of the total projected benefit.

Summary of Results

The annual required contributions (ARC) under GASB #25 for the year ending December 31, 2004 is $198.2 million. This amount is net of employee contributions of $121.5 million. The ARC last year, for the year ending December 31, 2003, was $158.6 million. The ARC is determined using the Actuarial Value of Assets and a forty-year level dollar amortization of the unfunded actuarial liability.

The Unfunded Actuarial Liability increased from $1.173 billion to $1.605 billion during the year, resulting in a change in funding ratio from 84.5% to 79.9%. The increase in the Unfunded Actuarial Liability is largely attributable to a loss on the Actuarial Value of Assets and a change in plan provisions. A more thorough examination of these and other factors can be found in the Reconciliation of Unfunded Actuarial Accrued Liability (gain/loss analysis) in Table 2.

Based on the Market Value of Assets, the Unfunded Actuarial Liability decreased from $2.449 billion to $2.066 billion, and the funded ratio increased from 67.7% to 74.1%.

Plan Membership

	December 31, 2002	December 31, 2003
Active Members		
Number	35,522	35,384
Vested	16,347	16,955
Non-vested	19,175	18,429
Average Age	45.6	45.9
Average Service	10.5	10.8
Average Annual salary	$38,790	$39,439
Inactive Members		
Number	11,137	11,159
Average Age	43.5	43.4
Average Service	3.6	3.5
Retirees		
Number	15,546	15,853
Average Age	73.1	72.6
Average Annual Benefit	$21,211	$22,176
Deferred		
Number	4	9
Average Age	52.5	53.4
Average Annual Benefit	$10,265	$10,016
Surviving Spouse		
Number	4,517	4,501
Average Age	76.4	76.9
Average Annual Benefit	$10,639	$10,841
Children	212	210
Total Members	66,938	67,116

The major characteristics of the data on the members of the Plan are summarized as follows:

Total members receiving benefits under the Plan increased 1.5% during 2003 from 20,063 to 20,354. Total expenditures for benefits increased from $387 million in 2002 to $409 million during 2003, or 5.7%.

Changes in Provisions of the Plan

PA 93-0042 was passed in 2003, and made the following changes to the Plan Provisions:

> The healthcare benefits were increased to $85 per month for non-Medicare eligible participants and $55 per month for Medicare eligible participants for the period from July 1, 2003 through June 30, 2008. Thereafter, the benefits are increased from $85 to $95 and $55 to $65 for the period July 1, 2008 to June 30, 2013.

Discussion of Actuarial Assumptions

Actuarial assumptions are used to project future demographic and economic expectations for purposes of valuing the liabilities of the plan. The assumptions should reflect current patterns. However, their primary orientation is the long-term outlook for each factor affecting the valuation. Thus, while actual experience will fluctuate over the short run, actuarial assumptions are chosen in an attempt to model the future long run experience.

There are two general types of actuarial assumptions:

1. Demographic Assumptions - reflect the flow of participants into and out of a retirement system, and

2. Economic Assumptions - reflect the effect of the economic climate on a retirement system.

Demographic assumptions can be readily studied over recent plan experience. Economic assumptions can be studied against recent experience; however, future experience is more likely to be a result of outside factors than of plan specifics. The most significant demographic assumptions are active turnover, retirement, and post-retirement mortality. The most significant economic assumptions are pay increases, investment return, and inflation. Other actuarial assumptions include disability incidence, active mortality, and percent married.

We have maintained many of the assumptions and methods used by the prior actuary, including the application of loads to account for liabilities for future refunds, disabilities, child annuities, and reciprocal annuities. We will review these assumptions as more data becomes available to us. However, we do not expect these changes will substantially impact the Plan's liabilities.

2003 Experience Analysis

The Plan had an investment gain in 2003 of $558 million relative to the 8% expected rate of return on a market value basis. The loss on an actuarial basis relative to the 8% expected rate of return was $358 million due to the deferred recognition of investment gains and losses.

Individual salary increases varied among plan participants but the overall increase was slightly lower than anticipated by the actuarial assumptions, resulting in an experience gain of $71 million.

There was an additional loss of $109 million from all other factors, including actual retirement, termination, disability, mortality experience, and data changes. This is about 1.4% percent of the December 31, 2003 liabilities, which is a reasonable variation.

Table 2 summarizes the experience gains and losses for the year.

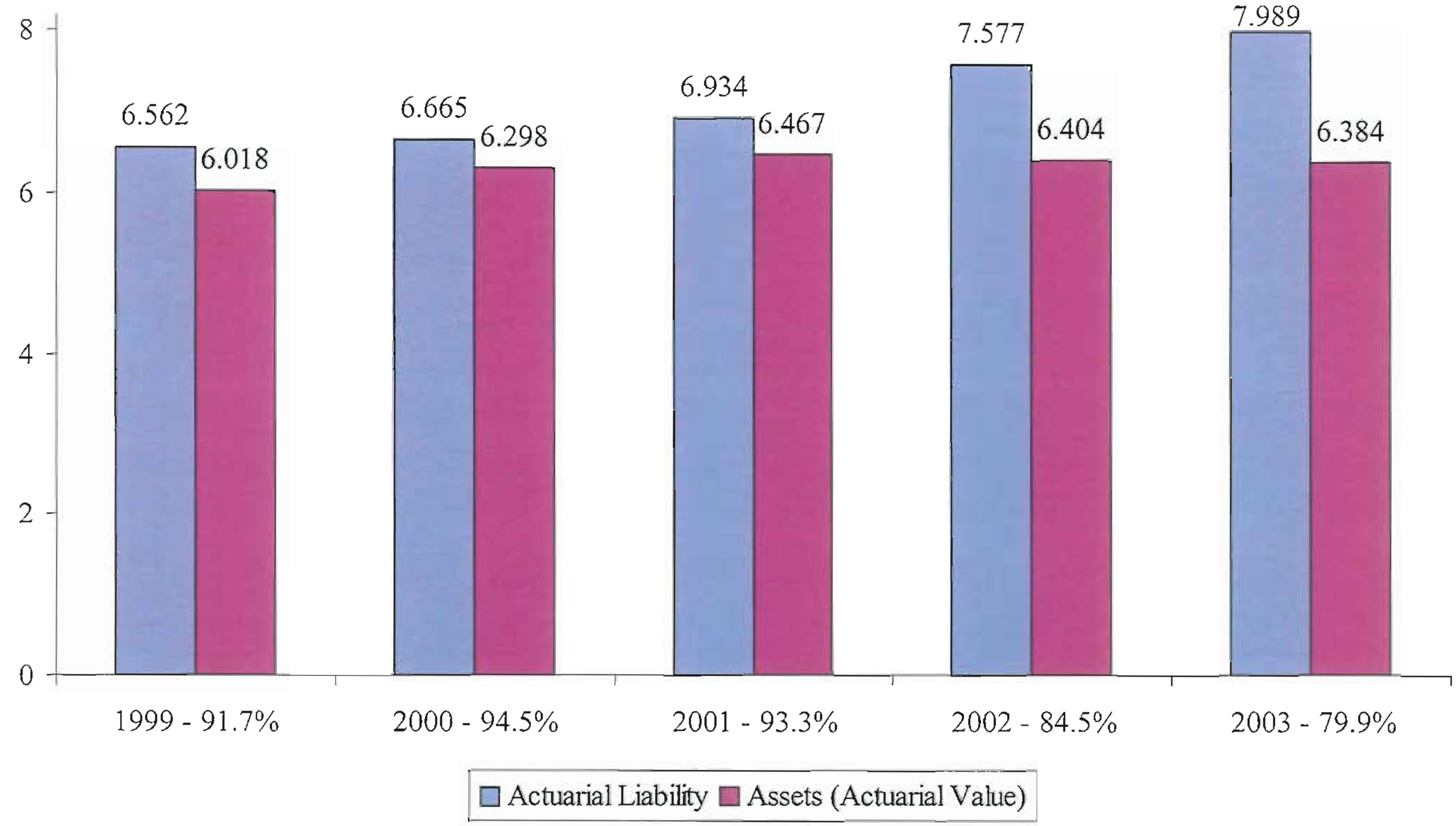
Changes in Assumptions

There have been no changes in actuarial assumptions reflected in this valuation.

Funding Analysis

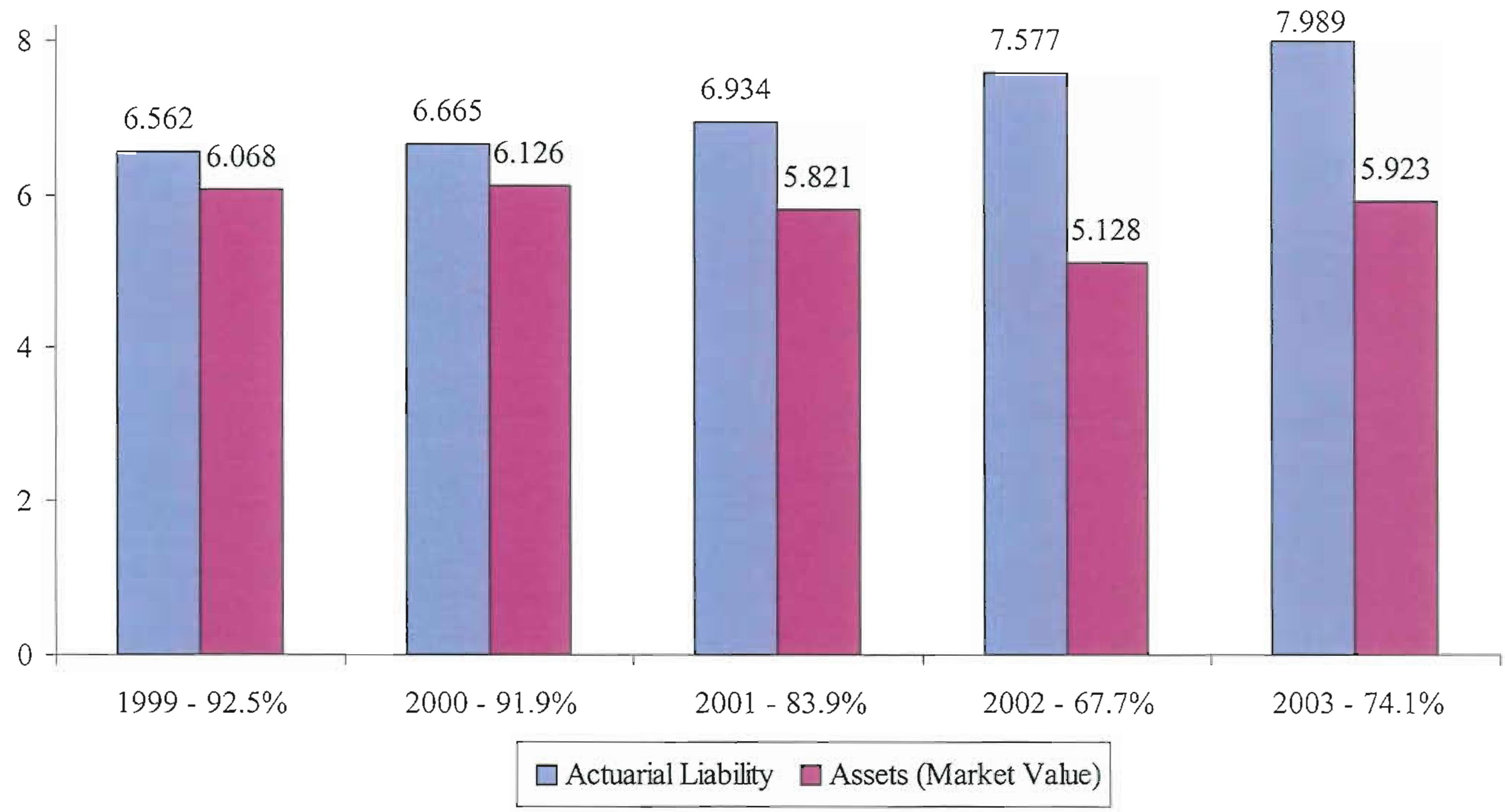
The following charts summarize the various measures of benefit security (funded ratio) examined in this valuation and highlight the trends of the measures.

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
COMPONENTS OF FUNDED RATIO
GASB #25/STATE REPORTING



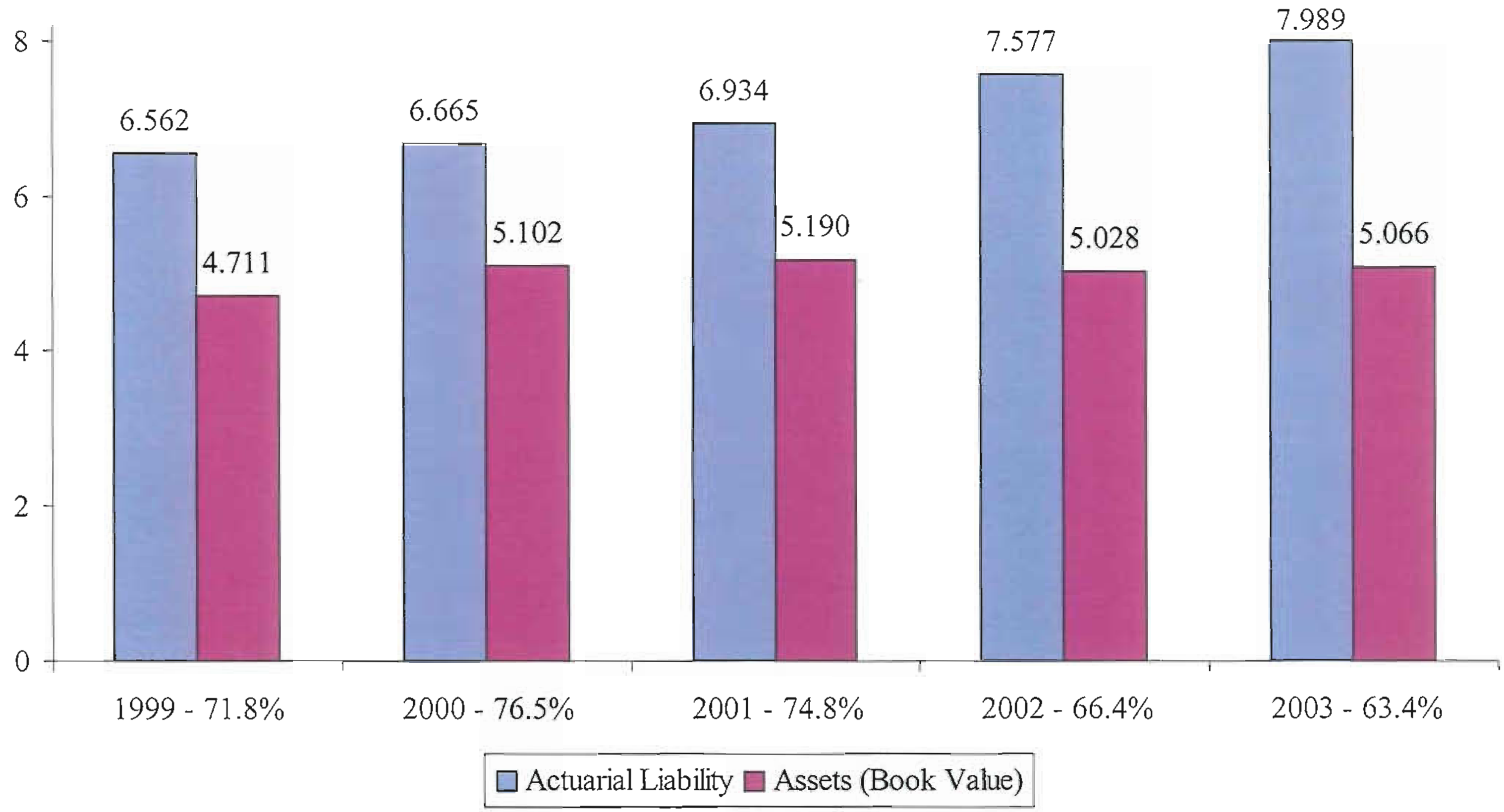
($ IN BILLIONS)

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
COMPONENTS OF FUNDED RATIO
BASED ON MARKET VALUE



($ IN BILLIONS)

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
COMPONENTS OF FUNDED RATIO
BASED ON BOOK VALUE



($ IN BILLIONS)

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SUMMARY OF INCOME AND DISBURSEMENTS
($ IN MILLIONS)

Conclusion

On a market value basis, the funded ratio has increased from 67.7% in the last valuation to 74.1% in this valuation. When measured using the Actuarial Value of Assets, which smoothes gains and losses over a five-year period, the funding ratio decreased from 84.5% in 2002 to 79.9% in 2003. As recent market losses are recognized in the Actuarial Value of Assets in future years, further declines in the funded ratio are expected to emerge.

Based on our analysis, we believe that, overall, the current assumptions are doing a reasonable job of modeling the Plan's actual experience. In the near future, we plan to review certain assumptions and methods, including the mortality table, for continuing appropriateness. Based on that review, we may recommend changes to the methods and assumptions currently being used.

Actuarial Computations

TABLE 1
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
DEVELOPMENT OF ANNUAL REQUIRED CONTRIBUTION UNDER GASB #25 FOR 2004

	2003	2004
(1) Normal Cost	$ 177,517,094	$ 183,656,630
(2) Actuarial Accrued Liability (AAL)	$7,577,100,377	$7,988,636,556
(3) Unfunded AAL (UAAL)		
(a) Actuarial Value of Assets	$6,403,982,494	$6,384,098,957
(b) UAAL [2-3(a)]	$1,173,117,883	$1,604,537,599
(4) 40-Year Amortization (Level $) Payable at BOY	$ 91,090,607	$ 124,589,613
(5) Minimum Actuarially Calculated Contribution		
(a) Interest Adjustment for Semimonthly Payment	$ 10,021,751	$ 11,500,664
(b) Total Minimum Contribution [1+4+5(a)]; but not less than zero	$ 278,629,452	$ 319,746,907
(c) Total Minimum Contribution (Percent of Pay)	20.22%	22.91%
(6) Estimated Member Contributions	$ 120,014,647	$ 121,547,906
(7) Annual Required Contribution (ARC)		
(a) Annual Required Contribution [5(b)-6]	$ 158,614,805	$ 198,199,001
(b) Annual Required Contribution (Percent of Pay)	11.51%	14.20%
(8) Estimated City Contribution (after 4% loss)	$ 140,749,000	$ 152,510,000
(9) City Contribution Deficiency/(Excess)		
(a) in Dollars [(7(a)-8]	$ 17,865,805	$ 45,689,001
(b) as a Percentage of Pay	1.30%	3.27%
(10) Combined City/Member Contributions Deficiency/(Excess)		
(a) in Dollars [5(b)-6-8]	$ 17,865,805	$ 45,689,001
(b) as a Percentage of Pay	1.30%	3.27%

TABLE 2
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
RECONCILIATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY

	2003	2002	2001	2000	1999
Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)					
Beginning of Year	$1,173,117,883	$467,378,934	$367,203,474	$544,458,071	$1,121,870,701
(Gains) Losses During the Year Attributable to:					
Contributions in (excess) deficiency of Normal Cost plus Interest	3,456,024	(50,118,958)	(61,169,938)	(116,656,502)	45,300,907
(Gain) Loss on Investment Return	358,329,234	419,605,037	182,147,072	102,925,143	(569,034,392)
(Gain) Loss from Salary Changes	(70,999,285)	(8,665,613)	118,932,900	(179,627,774)	30,493,969
(Gain) Loss from Retirement, Termination, & Mortality	109,170,676	49,293,343	(139,734,574)	16,104,536	47,080,346
(Gain) Loss from Data Corrections					
Differences in Liabilities From Prior Actuary					(422,338,196)
Change in Methodology					291,084,736
Change in Assumptions					
Plan Amendments	31,463,067	295,625,140			
Net Increase (Decrease) in UAAL	431,419,716	705,738,949	100,175,460	(177,254,597)	(577,412,630)
Unfunded (Overfunded) Actuarial Accrued Liability (UAAL)					
End of Year	$1,604,537,599	$1,173,117,883	$467,378,934	$367,203,474	$544,458,071

TABLE 3
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SUMMARY OF BASIC ACTUARIAL VALUES

		APV of Projected Benefits	2004 Normal Cost
(1)	Values for Active Members		
	(a) Retirement	$ 4,932,901,095	$ 129,826,328
	(b) Termination	236,021,514	25,561,485
	(c) Death	133,326,984	6,230,591
	(d) Health Insurance	91,640,618	3,147,830
	(e) Disability, Children's Benefit & Reciprocal	475,741,116	14,211,762
	(f) Expenses of Administration	-	4,678,634
	Total for Actives	$ 5,869,631,327	$ 183,656,630
(2)	Values for Members in Payment Status	3,740,757,718	-
(3)	Grand Totals	$ 9,610,389,045	$ 183,656,630
	Actuarial Present Value of Future Compensation		$ 12,897,350,496

TABLE 4
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
TERMINATION LIABILITIES

	2002	2003
Liability for Retired Annuitants, Widows/Widowers, and Spouses of Annuitants	$ 3,551,167,505	$ 3,740,757,718
Salary Deductions Contributed by Active Fund Members (with Interest)	1,217,420,586	1,285,968,607
Total	$ 4,768,588,091	$ 5,026,726,325
Actuarial Asset Value	6,403,982,494	6,384,098,957
Excess Upon Termination	$ 1,635,394,403	$ 1,357,372,632
Percent Funded	134.30%	127.00%

TABLE 5
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
ACTUARIAL ACCRUED LIABILITY PRIORITIZED SOLVENCY TEST

Valuation Date 12/31	(1) Active Member Contribution	(2) Retirees and Beneficiaries	(3) Active Members (ER Financed Portion)	Actuarial Value of Assets	Portion (%) of Present Value Covered By Assets (1)	(2)	(3)
1994	$ 742,348,747	$ 1,916,914,202	$ 1,065,084,447	$ 3,129,379,505	100.00%	100.00%	44.14%
1995	805,024,007	1,952,562,309	1,125,704,254	3,466,557,418	100.00%	100.00%	62.98%
1996	860,474,026	2,001,416,124	1,117,048,458	3,907,997,927	100.00%	100.00%	93.65%
1997 [1,2]	935,038,744	2,251,886,541	2,072,219,872	4,467,100,715	100.00%	100.00%	61.78%
1998 [1,2]	865,320,511	3,508,852,569	1,950,542,822	5,202,095,202	100.00%	100.00%	42.45%
1999 [1,3]	881,590,795	3,357,380,909	2,323,327,481	6,017,841,114	100.00%	100.00%	76.57%
2000	986,495,384	3,380,841,203	2,297,843,144	6,297,976,257	100.00%	100.00%	84.02%
2001	1,052,749,399	3,381,254,824	2,500,172,254	6,466,797,543	100.00%	100.00%	81.31%
2002 [2]	1,217,420,586	3,551,167,505	2,808,512,286	6,403,982,494	100.00%	100.00%	58.23%
2003 [2]	1,285,968,607	3,740,757,718	2,961,910,231	6,384,098,957	100.00%	100.00%	45.83%

[1] *Change in actuarial assumptions*
[2] *Change in benefits*
[3] *Change in actuary*

The prioritized solvency test is another means of checking a plan's progress under its funding program, based on the Actuarial Accrued Liability. In this test the plan's present assets (cash and investments) are compared with obligations in order of priority: (1) active member contributions on deposit; (2) the present value of future benefits to present retired lives; (3) the employer financed portion for present active members. In a plan that has been following the discipline of financing, the obligation for active member contributions on deposit (present value 1) and the present value of future benefits to present retired lives (present value 2) will be fully covered by present assets (except in rare circumstances). In addition, the Actuarial Accrued Liability for present active members (present value 3) will be partially covered by the remainder of present assets. Generally, if the plan has been following a system of amortizing the Unfunded Liability, the funded portion of present value (3) will increase over time.

TABLE 6
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
STATUTORY RESERVES AS OF DECEMBER 31, 2003

	New in 2003			Continuing from 2002			Total		
	Annuity Payment Fund	Prior Service Fund	Total	Annuity Payment Fund	Prior Service Fund	Total	Annuity Payment Fund	Prior Service Fund	Total
Statutory Reserve									
Retirees	$ 96,551,033	$296,874,800	$393,425,833	$670,073,256	$2,284,221,478	$2,954,294,734	$766,624,289	$2,581,096,278	$3,347,720,567
Future Surviving Spouses	$ 17,801,696	$ 14,385,960	$ 32,187,656	$136,304,648	$ 151,004,419	$ 287,309,067	$154,106,344	$ 165,390,379	$ 319,496,723
Spouses	$ 13,812,396	$ 14,808,661	$ 28,621,057	$124,349,523	$ 158,030,660	$ 282,380,183	$138,161,919	$ 172,839,321	$ 311,001,240
Annual Benefits									
Retirees	$ 8,749,632	$ 17,057,134	$ 25,806,766	$ 89,610,734	$ 236,133,954	$ 325,744,688	$ 98,360,366	$ 253,191,088	$ 351,551,454
Future Surviving Spouses	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Spouses	$ 1,660,322	$ 2,025,172	$ 3,685,494	$ 18,167,127	$ 26,944,286	$ 45,111,413	$ 19,827,449	$ 28,969,458	$ 48,796,907

TABLE 7
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
DEPARTMENT OF INSURANCE DISCLOSURE

	2002	2003
APV of Credited Projected Benefits		
Payable to Retirees and Beneficiaries	$ 3,551,167,505	$ 3,740,757,718
Current Employees:		
Accumulated Employee Contributions	1,217,420,586	1,285,968,607
Payable to Vested and Non-Vested Employees	1,985,335,395	2,113,740,270
Total APV	$ 6,753,923,486	$ 7,140,466,595
Net Assets Available for Benefits, Actuarial Value	6,403,982,494	6,384,098,957
Unfunded AAL (assets in excess of AAL)	$ 349,940,992	$ 756,367,638
Percent Funded	94.82%	89.41%
Unfunded AAL as Percent of Payroll	25.40%	54.20%
Payroll	$ 1,377,909,441	$ 1,395,513,060

TABLE 8
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
ACTUARIAL RESERVE LIABILITIES
FOR THE FISCAL YEAR ENDING DECEMBER 31, 2003

Accrued Liabilities for Active Participants	$ 3,903,690,697
Reserves For:	
Service Retirement Pension	$ 3,038,765,016
Future Spouses of Current Retirees	321,163,689
Ordinary Disability Benefits	206,123,565
Duty Disability Benefits	57,364,690
Surviving Spouse Pension	325,308,079
Health Insurance Supplement	55,520,934
Children Annuitants	16,745,053
Reciprocal Benefits	63,954,833
Total Accrued Liabilities	$ 7,988,636,556
Unfunded Actuarial Liabilities	$ 1,604,537,599
Actuarial Net Assets	$ 6,384,098,957

Assets of the Plan

ASSETS OF THE PLAN

The book value of plan assets, net of accounts payable, increased from $5.03 billion as of December 31, 2002 to $5.07 billion as of December 31, 2003, while the market value of plan assets increased from $5.13 billion as of December 31, 2002 to $5.92 billion as of December 31, 2003. Table 9 details the development of asset values during 2003 and Table 10 shows the development of the actuarial value of assets as of December 31, 2003.

TABLE 9
RECONCILIATION OF ASSET VALUES
AS OF DECEMBER 31, 2003

		Market Value	Cost Value
(1)	Value of Assets as of 12/31/2002	$ 5,128,210,404	$ 5,028,189,322
(2)	Income for Plan Year:		
	(a) Member Contributions	$ 129,579,379	$ 129,579,379
	(b) City Contributions & Miscellaneous	141,882,893	141,882,893
	(c) Investment Income Net of Expenses	961,888,872	204,987,939
	(d) Total Income	$ 1,233,351,144	$ 476,450,211
(3)	Disbursements for Plan Year:		
	(a) Benefit Payments	$ 408,596,239	$ 408,596,239
	(b) Refunds and Rollovers	25,561,485	25,561,485
	(c) Administration	4,678,634	4,678,634
	(d) Total Disbursements	$ 438,836,358	$ 438,836,358
(4)	Net Income/(Expense) Adjustment	$ 64,809	$ 64,809
(5)	Value of Assets as of 12/31/2003	$ 5,922,789,999	$ 5,065,867,984
(6)	Estimated Rate of Return in 2003:		
	(a) Gross (Investment Expense of $16,875,154)	19.43 %	4.49 %
	(b) Net of Investment Expense	19.07 %	4.15 %

TABLE 10
DEVELOPMENT OF ACTUARIAL VALUE OF ASSETS AS OF DECEMBER 31, 2003

(1) Expected Return on Market Value of Assets for Prior Year

(a) Market Value of Assets as of 12/31/2002 — $ 5,128,210,404

(b) Actual Income and Disbursements in Prior Year Weighted for Timing

Item	Amount	Weight for Timing	Weighted Amount
i) Member Contributions	$ 129,579,379	50.0%	$ 64,789,689
ii) City Contributions & Misc.	141,882,893	50.0%	70,941,447
iii) Net Income/(Expense) Adjustment	64,809	50.0%	32,404
iv) Benefit Payments	(408,596,239)	50.0%	(204,298,119)
v) Refunds	(25,561,485)	50.0%	(12,780,743)
vi) Administration	(4,678,634)	50.0%	(2,339,317)
vii) Total			$ (83,654,639)

(c) Market Value of Assets Adj. for Actual Income and Disbursements [(a) + (b)(vii))]	$ 5,044,555,765
(d) Assumed Rate of Return on Plan Assets for the Year	8.00%
(e) Expected Return [(c) * (d)]	$ 403,564,461

(2) Actual Return on Market Value of Assets for Prior Year

(a) Market Value of Assets as of 12/31/2002	$ 5,128,210,404
(b) Income (less investment income) for Prior Plan Year	271,527,080
(c) Disbursements Paid in Prior Year	438,836,358
(d) Market Value of Assets as of 12/31/2003	5,922,789,999
(e) Actual Return [(d) + (c) - (b) - (a)]	$ 961,888,873

(3) Investment Gain/(Loss) for Prior Year — $ 558,324,412

(4) Actuarial Value of Assets as of 12/31/2003

(a) Market Value of Assets as of 12/31/2003 — $ 5,922,789,999

(b) Deferred Investment Gains and (Losses) for Last 5 Years

	Plan Year	Gain/(Loss)	Weight for Timing	Deferred Amount
i)	1999	$ 63,148,044	0.00%	-
ii)	2000	(262,033,541)	20.00%	(52,406,708)
iii)	2001	(642,588,674)	40.00%	$ (257,035,470)
iv)	2002	(997,543,850)	60.00%	(598,526,310)
v)	2003	558,324,412	80.00%	446,659,530
vi)	Total	$ (1,280,693,609)		$ (461,308,958)

(c) Actuarial Value of Assets [(a) - (b) (vi)] — $ 6,384,098,957

The calculated value is determined by adjusting the market value of assets to reflect the investment gains and losses (the difference between the actual investment return and the expected investment return) during each of the last 5 years at the rate of 20% per year.

Plan Members Data

EXHIBIT A 1
SUMMARY OF CHANGES IN ACTIVE PARTICIPANTS
FOR FISCAL YEAR ENDING DECEMBER 31, 2003

	Male	Female	Total
Number of Active Members at Beginning of Year [1]	14,037	21,485	35,522
Reclassify Gender	(129)	129	0
Totals	13,908	21,614	35,522
Increases:			
Members Added During the Year	935	1,534	2,469
Members Returning From Inactive	643	573	1,216
	1,578	2,107	3,685
Totals	15,486	23,721	39,207
Decreases:			
Terminations During Year	1,510	2,313	3,823
Number of Active Members at End of Year	13,976	21,408	35,384
Members Added During the Year			
New	929	1,532	2,461
Transfer from Permanent File (PF to A)	2	2	4
Activate Laborer (LP to A)	4	0	4
	935	1,534	2,469
Terminations			
Withdrawal (With Refunds)	278	456	734
Withdrawal (Without Refunds)	808	1,359	2,167
Withdrawal (Additional Payroll)	17	16	33
Transfer Payment to Laborers	33	3	36
Retirements	321	438	759
Deaths	53	41	94
Totals	1,510	2,313	3,823

[1] *All employees receiving ordinary and duty disability benefits are included in the active count.*

EXHIBIT A 2
SUMMARY OF CHANGES IN INACTIVE PARTICIPANTS
FOR FISCAL YEAR ENDING DECEMBER 31, 2003

	Male	Female	Total
Number of Inactive Members at Beginning of Year	5,098	6,039	11,137
Reclassify Gender	(103)	103	0
Totals	4,995	6,142	11,137
Increases:			
Members Added During the Year	57	74	131
Members Transferring from Active	808	1,359	2,167
	865	1,433	2,298
Totals	5,860	7,575	13,435
Decreases:			
Terminations During Year	1,070	1,206	2,276
Number of Inactive Members at End of Year	4,790	6,369	11,159
Members Added During the Year			
New[1]	50	64	114
Transfer from Permanent File (PF to A)	7	10	17
Activate Laborer (LP to A)	0	0	0
	57	74	131
Terminations			
Withdrawal (With Refunds)	197	310	507
Withdrawal (Without Refunds)	643	573	1,216
Withdrawal (Additional Payroll)	56	150	206
Transfer to Permanent File	2	1	3
Transfer Payment to Laborers	56	5	61
Retirements	98	151	249
Deaths	18	16	34
Totals	1,070	1,206	2,276

[1] *22 new Inactives of unknown gender are included as males.*

EXHIBIT B
SUMMARY OF CHANGES IN ANNUITANTS AND BENEFICIARIES FOR FISCAL YEAR ENDING DECEMBER 31, 2003

	Number at Beginning of Year	Additions During Year	Terminations During Year	Number at End of Year
Employee Annuitants	15,546	1,002	695	15,853
Deferred Employee Annuitants	4	6	1	9
Surviving Spouse Annuitants	4,517	284	300	4,501
Child Annuitants	212	34	36	210
Ordinary Disability Benefit	260	653	590	323
Duty Disability Benefit	129	328	267	190
Totals	**20,668**	**2,307**	**1,889**	**21,086**

EXHIBIT C
PART I – TOTAL LIVES AND ANNUAL SALARIES OF ACTIVE MALE PARTICIPANTS CLASSIFIED BY AGE AND YEARS OF SERVICE AS OF DECEMBER 31, 2003

Attained Age	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total
	Completed Years of Service									
Under 20	22	45	-	-	-	-	-	-	-	67
	$214,133	$377,449	-	-	-	-	-	-	-	$591,582
20-24	67	284	48	-	-	-	-	-	-	399
	$1,404,569	$6,352,964	$1,504,409	-	-	-	-	-	-	$9,261,942
25-29	90	471	219	15	-	-	-	-	-	795
	$2,735,458	$16,044,756	$9,006,629	$627,663	-	-	-	-	-	$28,414,506
30-34	79	532	499	150	6	-	-	-	-	1,266
	$2,745,418	$21,411,235	$23,335,582	$7,271,831	$289,943	-	-	-	-	$55,054,009
35-39	62	515	514	464	185	12	-	-	-	1,752
	$1,993,749	$21,281,964	$26,922,921	$24,916,238	$9,529,038	$632,973	-	-	-	$85,276,883
40-44	54	502	533	485	439	237	8	-	-	2,258
	$1,568,512	$21,609,924	$27,218,095	$26,636,854	$23,553,619	$14,656,355	$534,904	-	-	$115,778,263
45-49	33	398	401	481	498	510	136	9	-	2,466
	$1,036,379	$17,443,174	$21,714,886	$27,068,865	$26,840,255	$31,021,815	$9,059,821	$515,405	-	$134,700,600
50-54	24	268	272	371	421	420	288	76	1	2,141
	$1,152,871	$11,952,682	$14,597,401	$19,463,672	$23,917,248	$25,581,234	$19,071,558	$4,968,147	$67,992	$120,772,805
55-59	20	160	192	236	301	258	163	98	14	1,442
	$496,473	$7,105,351	$10,269,542	$12,510,753	$16,466,527	$16,110,855	$10,406,389	$6,322,622	$899,722	$80,588,234
60-64	11	96	123	165	191	134	79	45	25	869
	$158,912	$3,663,924	$6,273,084	$8,878,396	$10,534,954	$7,892,909	$4,957,542	$2,779,026	$1,704,098	$46,842,845
65-70	7	36	49	77	57	60	14	15	12	327
	$128,295	$1,134,439	$2,067,253	$4,076,905	$3,096,997	$3,211,789	$918,210	$811,191	$697,363	$16,142,442
70 & Over	4	37	30	29	34	26	17	5	12	194
	$46,873	$734,033	$846,345	$1,153,194	$1,676,562	$1,464,961	$1,146,958	$249,673	$851,785	$8,170,384
w/o DOB	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	$0
Total	473	3,344	2,880	2,473	2,132	1,657	705	248	64	13,976
	$13,681,642	$129,111,895	$143,756,147	$132,604,371	$115,905,143	$100,572,891	$46,095,382	$15,646,064	$4,220,960	$701,594,495

EXHIBIT C

PART II – TOTAL LIVES AND ANNUAL SALARIES OF ACTIVE FEMALE PARTICIPANTS CLASSIFIED BY AGE AND YEARS OF SERVICE AS OF DECEMBER 31, 2003

Attained Age	Completed Years of Service: Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total
Under 20	16	60	-	-	-	-	-	-	-	76
	$156,969	$464,111	-	-	-	-	-	-	-	$621,080
20-24	117	422	75	-	-	-	-	-	-	614
	$2,593,556	$8,853,208	$1,550,954	-	-	-	-	-	-	$12,997,718
25-29	132	769	272	32	-	-	-	-	-	1,205
	$3,578,282	$22,282,803	$8,313,568	$1,026,157	-	-	-	-	-	$35,200,810
30-34	122	947	662	287	20	-	-	-	-	2,038
	$3,841,686	$28,592,855	$24,928,740	$10,390,293	$629,462	-	-	-	-	$68,383,036
35-39	95	928	729	546	216	13	-	-	-	2,527
	$2,389,127	$25,259,954	$25,641,455	$20,881,248	$9,173,316	$634,372	-	-	-	$83,979,472
40-44	108	1,005	904	784	441	145	2	-	-	3,389
	$2,472,508	$25,006,804	$28,385,390	$26,151,720	$18,517,892	$7,168,865	$122,124	-	-	$107,825,303
45-49	85	824	794	830	578	285	90	16	-	3,502
	$1,819,296	$20,987,374	$24,431,766	$26,746,395	$22,483,910	$14,441,041	$4,839,538	$1,147,849	-	$116,897,169
50-54	58	578	606	726	598	328	160	99	8	3,161
	$1,279,283	$14,512,917	$20,312,624	$23,474,144	$21,295,101	$15,274,504	$8,388,824	$4,857,142	$369,006	$109,763,545
55-59	39	365	343	498	522	350	142	129	25	2,413
	$946,592	$8,533,023	$10,632,622	$15,844,136	$17,824,002	$14,322,354	$6,974,142	$5,729,264	$1,232,502	$82,038,637
60-64	15	181	217	299	311	221	134	94	26	1,498
	$337,468	$4,055,058	$5,996,946	$9,131,749	$9,746,951	$8,493,633	$5,466,295	$3,328,754	$1,237,169	$47,794,023
65-70	4	74	95	121	108	93	53	79	29	656
	$42,884	$985,952	$2,442,694	$3,203,840	$3,796,458	$3,442,569	$1,914,228	$2,691,978	$1,044,213	$19,564,816
70 & Over	8	38	45	38	45	62	28	43	22	329
	$81,517	$489,382	$741,009	$886,193	$1,138,412	$2,377,581	$1,122,345	$1,297,913	$718,604	$8,852,956
w/o DOB	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	$0
Total	799	6,191	4,742	4,161	2,839	1,497	609	460	110	21,408
	$19,539,168	$160,023,441	$153,377,768	$137,735,875	$104,605,504	$66,154,919	$28,827,496	$19,052,900	$4,601,494	$693,918,565

EXHIBIT C
PART III – TOTAL LIVES AND ANNUAL SALARIES OF ALL ACTIVE PARTICIPANTS CLASSIFIED BY AGE AND YEARS OF SERVICE AS OF DECEMBER 31, 2003

Attained Age	Completed Years of Service: Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total
Under 20	38	105	-	-	-	-	-	-	-	143
	$371,102	$841,560	-	-	-	-	-	-	-	$1,212,662
20-24	184	706	123	-	-	-	-	-	-	1,013
	$3,998,125	$15,206,172	$3,055,363	-	-	-	-	-	-	$22,259,660
25-29	222	1,240	491	47	-	-	-	-	-	2,000
	$6,313,740	$38,327,559	$17,320,197	$1,653,820	-	-	-	-	-	$63,615,316
30-34	201	1,479	1,161	437	26	-	-	-	-	3,304
	$6,587,104	$50,004,090	$48,264,322	$17,662,124	$919,405	-	-	-	-	$123,437,045
35-39	157	1,443	1,243	1,010	401	25	-	-	-	4,279
	$4,382,876	$46,541,918	$52,564,376	$45,797,486	$18,702,354	$1,267,345	-	-	-	$169,256,355
40-44	162	1,507	1,437	1,269	880	382	10	-	-	5,647
	$4,041,020	$46,616,728	$55,603,485	$52,788,574	$42,071,511	$21,825,220	$657,028	-	-	$223,603,566
45-49	118	1,222	1,195	1,311	1,076	795	226	25	-	5,968
	$2,855,675	$38,430,548	$46,146,652	$53,815,260	$49,324,165	$45,462,856	$13,899,359	$1,663,254	-	$251,597,769
50-54	82	846	878	1,097	1,019	748	448	175	9	5,302
	$2,432,154	$26,465,599	$34,910,025	$42,937,816	$45,212,349	$40,855,738	$27,460,382	$9,825,289	$436,998	$230,536,350
55-59	59	525	535	734	823	608	305	227	39	3,855
	$1,443,065	$15,638,374	$20,902,164	$28,354,889	$34,290,529	$30,433,209	$17,380,531	$12,051,886	$2,132,224	$162,626,871
60-64	26	277	340	464	502	355	213	139	51	2,367
	$496,380	$7,718,982	$12,270,030	$18,010,145	$20,281,905	$16,386,542	$10,423,837	$6,107,780	$2,941,267	$94,636,868
65-70	11	110	144	198	165	153	67	94	41	983
	$171,179	$2,120,391	$4,509,947	$7,280,745	$6,893,455	$6,654,358	$2,832,438	$3,503,169	$1,741,576	$35,707,258
70 & Over	12	75	75	67	79	88	45	48	34	523
	$128,390	$1,223,415	$1,587,354	$2,039,387	$2,814,974	$3,842,542	$2,269,303	$1,547,586	$1,570,389	$17,023,340
w/o DOB	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	$0
Total	1,272	9,535	7,622	6,634	4,971	3,154	1,314	708	174	35,384
	$33,220,810	$289,135,336	$297,133,915	$270,340,246	$220,510,647	$166,727,810	$74,922,878	$34,698,964	$8,822,454	$1,395,513,060

EXHIBIT C

PART IV – TOTAL LIVES AND ANNUAL SALARIES OF BOARD OF EDUCATION PLAN MEMBERS CLASSIFIED BY AGE AND YEARS OF SERVICE AS OF DECEMBER 31, 2003

Attained Age	Completed Years of Service: Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total
Under 20	11	8	-	-	-	-	-	-	-	19
	$157,340	$133,248	-	-	-	-	-	-	-	$290,588
20-24	157	494	27	-	-	-	-	-	-	678
	$3,276,225	$10,881,670	$1,191,326	-	-	-	-	-	-	$15,349,221
25-29	174	758	176	11	-	-	-	-	-	1,119
	$4,539,558	$18,985,426	$4,703,594	$283,801	-	-	-	-	-	$28,512,379
30-34	151	883	451	187	10	-	-	-	-	1,682
	$4,269,227	$22,577,322	$13,541,550	$5,399,635	$276,114	-	-	-	-	$46,063,848
35-39	108	886	501	383	158	10	-	-	-	2,046
	$2,724,129	$20,883,335	$14,652,563	$11,985,616	$5,991,976	$467,537	-	-	-	$56,705,156
40-44	113	969	698	625	349	93	-	-	-	2,847
	$2,568,417	$21,778,628	$18,847,789	$17,785,700	$12,573,524	$4,492,819	$0	-	-	$78,046,877
45-49	89	771	594	662	476	166	63	9	-	2,830
	$1,870,247	$17,742,010	$16,668,768	$18,470,768	$15,563,692	$7,449,464	$3,823,247	$526,718	-	$82,114,914
50-54	59	525	416	554	471	182	125	73	4	2,409
	$1,572,192	$11,757,152	$12,234,330	$15,080,875	$14,395,704	$7,145,938	$6,378,202	$3,418,496	$180,270	$72,163,159
55-59	32	317	227	387	416	186	95	104	20	1,784
	$853,021	$7,047,130	$6,330,214	$10,421,557	$11,833,130	$6,514,757	$4,333,544	$4,563,676	$1,180,738	$53,077,767
60-64	11	155	159	215	265	123	86	80	23	1,117
	$174,694	$3,517,795	$4,435,873	$5,266,047	$7,278,763	$3,478,828	$3,142,800	$2,739,075	$1,306,932	$31,340,807
65-70	5	48	45	79	79	52	26	70	15	419
	$68,740	$910,630	$1,141,877	$1,930,300	$2,202,923	$1,433,520	$805,507	$2,342,650	$648,626	$11,484,773
70 & Over	1	26	16	18	31	23	14	26	10	165
	$23,391	$542,190	$273,729	$398,548	$636,801	$564,422	$437,020	$783,797	$426,086	$4,085,984
w/o DOB	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	$0
Total	911	5,840	3,310	3,121	2,255	835	409	362	72	17,115
	$22,097,181	$136,756,536	$94,021,613	$87,022,847	$70,752,627	$31,547,285	$18,920,320	$14,374,412	$3,742,652	$479,235,473

EXHIBIT C

PART V – TOTAL LIVES AND ANNUAL SALARIES OF CITY PLAN MEMBERS CLASSIFIED BY AGE AND YEARS OF SERVICE AS OF DECEMBER 31, 2003

Attained Age	Completed Years of Service: Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35 & Over	Total
Under 20	27	97	-	-	-	-	-	-	-	124
	$213.762	$708,312	-	-	-	-	-	-	-	$922,074
20-24	27	212	96	-	-	-	-	-	-	335
	$721,900	$4,324,502	$1,864,037	-	-	-	-	-	-	$6,910,439
25-29	48	481	312	36	-	-	-	-	-	877
	$1,774,182	$19,319,435	$12,511,069	$1,370,019	-	-	-	-	-	$34,974,705
30-34	50	596	708	250	16	-	-	-	-	1,620
	$2,317,877	$27,426,768	$34,654,548	$12,262,489	$643,291	-	-	-	-	$77,304,973
35-39	49	554	740	623	241	15	-	-	-	2,222
	$1,658,747	$25,478,377	$37,741,471	$33,575,478	$12,639,918	$799,808	-	-	-	$111,893,799
40-44	49	533	737	642	529	288	10	-	-	2,788
	$1,472,603	$24,495,358	$36,612,478	$34,889,212	$29,371,507	$17,283,079	$657,028	-	-	$144,781,265
45-49	29	448	598	648	596	627	163	16	-	3,125
	$985,428	$20,510,636	$29,256,146	$35,307,624	$33,446,529	$37,889,658	$10,076,112	$1,136,536	-	$168,608,669
50-54	23	320	459	542	547	564	322	102	5	2,884
	$859,962	$14,671,007	$22,522,753	$27,815,195	$30,710,487	$33,552,318	$21,027,658	$6,406,793	$256,728	$157,822,901
55-59	27	206	307	347	406	421	207	123	19	2,063
	$590,044	$8,416,752	$14,536,486	$17,933,332	$22,407,661	$23,884,106	$12,838,129	$7,488,210	$951,486	$109,046,206
60-64	15	122	181	247	237	232	127	59	28	1,248
	$321,686	$4,201,187	$7,834,157	$12,651,954	$13,003,142	$12,907,714	$7,281,037	$3,368,705	$1,634,335	$63,203,917
65-70	6	62	99	119	86	100	41	24	26	563
	$102,439	$1,209,761	$3,368,070	$5,350,445	$4,690,532	$5,153,940	$2,026,931	$1,160,519	$1,092,950	$24,155,587
70 & Over	11	49	59	49	48	65	31	22	24	358
	$104,999	$681,225	$1,313,625	$1,640,839	$2,178,173	$3,278,120	$1,832,283	$763,789	$1,144,303	$12,937,356
w/o DOB	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	$0
Total	361	3,680	4,296	3,503	2,706	2,312	901	346	102	18,207
	$11,123,629	$151,443,320	$202,214,840	$182,796,587	$149,091,240	$134,748,743	$55,739,178	$20,324,552	$5,079,802	$912,561,891

EXHIBIT D
AGE AND SERVICE DISTRIBUTION FOR INACTIVES
AS OF DECEMBER 31, 2003

Attained Age	Years of Service									Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	
Under 20	38	56	-	-	-	-	-	-	-	**94**
20-24	212	283	7	-	-	-	-	-	-	**502**
25-29	311	616	59	1	-	-	-	-	-	**987**
30-34	493	750	153	27	-	-	-	-	-	**1,423**
35-39	465	744	181	62	13	-	-	-	-	**1,465**
40-44	518	661	206	131	43	6	-	-	-	**1,565**
45-49	482	589	220	134	85	33	7	1	-	**1,551**
50-54	370	475	152	129	88	48	20	3	-	**1,285**
55-59	267	292	133	103	58	25	9	3	-	**890**
60-64	167	160	68	37	28	18	7	2	1	**488**
65-69	82	92	37	24	19	5	7	4	1	**271**
70 & Over	145	109	60	30	11	11	6	4	3	**379**
w/o DOB	175	48	31	4	-	1	-	-	-	**259**
Total	**3,725**	**4,875**	**1,307**	**682**	**345**	**147**	**56**	**17**	**5**	**11,159**
Average Age										**43.38**
Average Service										**3.53**

For inactives without a birthdate on record, we assumed an average age of 43.5.

Exhibit E

Statistics on Employee Annuities Classified by Age as of December 31, 2003

	Male		Female	
Age	No.	Annual Payments	No.	Annual Payments
Under 50	8	$ 45,188	4	$ 23,193
50	7	321,769	4	115,990
51	19	772,388	8	283,600
52	20	799,752	18	574,088
53	24	919,347	15	586,913
54	44	2,075,652	26	824,339
55	58	2,157,867	44	1,281,702
56	78	2,671,507	88	2,490,636
57	75	2,609,833	89	2,133,098
58	78	2,436,103	84	2,050,299
59	77	2,255,673	100	2,078,831
60	121	3,894,704	167	3,963,594
61	180	5,947,728	229	4,377,891
62	147	4,519,936	232	4,914,942
63	189	5,253,814	258	5,043,251
64	182	5,443,577	276	5,429,917
65	230	6,746,425	355	6,952,357
66	270	8,159,090	390	7,231,054
67	223	6,402,148	396	7,208,765
68	277	8,522,159	400	7,341,269
69	255	7,112,471	395	7,143,325
70	253	7,225,994	342	5,923,493
71	254	7,278,748	336	5,828,609
72	263	7,896,626	328	5,915,847
73	250	7,462,455	393	6,791,073
74	284	8,409,001	394	6,535,225
75	262	8,081,443	372	6,077,403
76	284	8,153,250	359	6,020,751
77	255	6,769,641	309	4,951,754
78	267	7,852,985	315	5,121,017
79	244	6,914,179	294	4,409,596
80	234	6,458,880	279	4,189,541
81	208	5,537,583	265	4,001,782
82	183	4,867,450	255	3,774,407
83	164	3,958,614	237	3,507,452
84	144	3,547,505	183	2,555,019
85 & over	534	11,080,172	969	13,337,774
Totals	**6,645**	**$190,561,657**	**9,208**	**$160,989,797**

EXHIBIT F
STATISTICS ON SURVIVING SPOUSE ANNUITIES
CLASSIFIED BY AGE AS OF DECEMBER 31, 2003

	Male		Female	
Age	No.	Annual Payments	No.	Annual Payments
Under 30	-	$ -	2	$ 2,400
30	-	-	-	-
31	-	-	2	19,200
32	-	-	1	9,600
33	-	-	1	9,600
34	-	-	-	-
35	-	-	1	9,600
36	-	-	1	9,600
37	-	-	2	19,200
38	-	-	2	19,200
39	1	9,600	1	9,600
40	1	9,600	4	38,400
41	-	-	4	38,400
42	4	38,400	5	48,000
43	1	1,200	10	103,649
44	1	9,600	7	74,994
45	-	-	7	49,848
46	5	48,000	7	69,810
47	2	19,200	15	161,695
48	2	19,200	14	138,407
49	1	9,600	13	142,046
50	2	19,200	9	84,156
51	8	83,547	19	176,750
52	1	9,600	15	161,633
53	3	31,376	20	192,000
54	4	41,100	20	196,794
55	8	77,559	24	269,902
56	4	48,334	27	311,070
57	8	76,800	30	333,124
58	4	39,076	30	327,342
59	4	33,900	28	322,560
60	18	171,041	46	525,108
61	7	81,753	42	500,102
62	7	67,200	41	527,124
63	16	152,993	40	496,226
64	13	125,762	42	522,641
65	10	98,070	53	631,908
66	17	171,058	52	635,613
67	12	107,504	70	876,723
68	15	146,010	79	919,426
69	16	161,557	89	990,289

EXHIBIT F (CONT'D)
STATISTICS ON SURVIVING SPOUSE ANNUITIES CLASSIFIED BY AGE AS OF DECEMBER 31, 2003

	Male		Female	
Age	No.	Annual Payments	No.	Annual Payments
70	16	$ 150,518	95	$ 1,204,854
71	12	119,015	94	1,144,014
72	16	190,686	102	1,179,856
73	11	113,896	109	1,306,797
74	18	176,019	127	1,474,102
75	26	274,436	143	1,778,667
76	27	273,757	161	1,831,554
77	35	339,066	164	1,808,524
78	26	272,589	165	1,813,376
79	20	197,627	201	2,255,200
80	20	216,758	176	2,015,633
81	28	284,785	144	1,534,382
82	16	155,250	160	1,622,940
83	21	204,236	144	1,476,750
84	15	148,175	121	1,273,951
85 & over	84	823,012	934	9,254,902
Totals	**586**	**$5,847,665**	**3,915**	**$42,949,242**

EXHIBIT G

PART I – NUMBER OF REFUND PAYMENTS MADE DURING YEAR TO MALE EMPLOYEES FOR FISCAL YEAR ENDING DECEMBER 31, 2003

Age at Date of Refund	Length of Service at Date of Refund: Under 1 Year	Between 1 and 2	Between 2 and 3	Between 3 and 4	Between 4 and 5	5 and Over	Total
Under 20	-	7	3	3	-	-	13
20 to 24	3	7	6	9	5	4	34
25 to 29	4	14	13	10	11	7	59
30 to 34	5	14	18	9	13	21	80
35 to 39	1	8	11	8	12	31	71
40 to 44	5	10	6	8	8	33	70
45 to 49	5	7	4	6	4	49	75
50 to 54	4	5	3	3	3	18	36
55 to 59	1	3	1	2	2	6	15
60 & Over	4	-	5	3	3	7	22
w/o DOB	-	-	-	-	-	-	-
Totals	**32**	**75**	**70**	**61**	**61**	**176**	**475**

EXHIBIT G

PART II – NUMBER OF REFUND PAYMENTS MADE DURING YEAR TO FEMALE EMPLOYEES FOR FISCAL YEAR ENDING DECEMBER 31, 2003

Age at Date of Refund	Length of Service at Date of Refund: Under 1 Year	Between 1 and 2	Between 2 and 3	Between 3 and 4	Between 4 and 5	5 and Over	Total
Under 20	3	7	3	1	-	-	14
20 to 24	3	13	14	13	5	4	52
25 to 29	4	18	31	19	9	15	96
30 to 34	3	21	24	19	21	45	133
35 to 39	3	20	20	13	15	49	120
40 to 44	5	8	12	8	18	60	111
45 to 49	2	15	5	11	11	52	96
50 to 54	4	4	5	7	6	45	71
55 to 59	3	2	4	3	1	21	34
60 & Over	2	4	3	5	5	20	39
w/o DOB	-	-	-	-	-	-	-
Totals	**32**	**112**	**121**	**99**	**91**	**311**	**766**

EXHIBIT H
HEALTH INSURANCE SUPPLEMENT
CLASSIFIED BY AGE AS OF DECEMBER 31, 2003

Age	Single Coverage	Family Coverage	Total Coverage	Total Not Covered	Total Annuitants	% Covered Annuitants
Employee Annuitants						
30-39	1	-	1	-	1	100.00%
40-49	6	1	7	4	11	63.64%
50-59	267	230	497	459	956	51.99%
60-69	1,392	825	2,217	2,955	5,172	42.87%
70-79	2,128	1,183	3,311	2,747	6,058	54.66%
80-89	1,489	489	1,978	1,259	3,237	61.11%
Over 90	241	29	270	148	418	64.59%
Total	**5,524**	**2,757**	**8,281**	**7,572**	**15,853**	**52.24%**
Spouse Annuitants						
Under 30	-	-	-	2	2	0.00%
30-39	1	2	3	9	12	25.00%
40-49	14	19	33	70	103	32.04%
50-59	75	15	90	178	268	33.58%
60-69	242	6	248	437	685	36.20%
70-79	727	1	728	840	1,568	46.43%
80-89	720	3	723	774	1,497	48.30%
Over 90	139	-	139	227	366	37.98%
Total	**1,918**	**46**	**1,964**	**2,537**	**4,501**	**43.63%**

EXHIBIT I

PART I MALE PARTICIPANTS RECEIVING ORDINARY DISABILITY CLASSIFIED BY AGE AND LENGTH OF SERVICE AS OF DECEMBER 31, 2003

Service:	Under 1 Year		1 to 4		5 to 9		10 to 14		15 to 19		20 & Over		Total	
Attained Age	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments
Under 30	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -	-	$ -
30 to 34	-	-	-	-	2	25,791	-	-	-	-	-	-	2	25,791
35 to 39	-	-	-	-	3	85,768	1	14,721	1	30,430	-	-	5	130,919
40 to 44	-	-	1	10,538	-	-	-	-	4	70,423	-	-	5	80,961
45 to 49	-	-	2	12,950	4	71,014	2	18,057	2	38,723	6	115,111	16	255,855
50 to 54	-	-	-	-	1	14,721	5	105,043	8	172,872	7	193,618	21	486,254
55 to 59	-	-	2	20,247	1	40,333	5	104,795	11	268,330	6	150,023	25	583,728
60 & Over	-	-	2	58,181	3	75,052	13	318,609	9	216,165	8	243,130	35	911,137
Totals	**-**	**$ -**	**7**	**$ 101,916**	**14**	**$ 312,679**	**26**	**$ 561,225**	**35**	**$ 796,943**	**27**	**$ 701,882**	**109**	**$ 2,474,645**

PART II FEMALE PARTICIPANTS RECEIVING ORDINARY DISABILITY CLASSIFIED BY AGE AND LENGTH OF SERVICE AS OF DECEMBER 31, 2003

Service:	Under 1 Year		1 to 4		5 to 9		10 to 14		15 to 19		20 & Over		Total	
Attained Age	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments
Under 30	-	$ -	4	$ 72,102	1	$ 17,903	-	$ -	-	$ -	-	$ -	5	$ 90,005
30 to 34	-	-	6	103,780	3	49,272	-	-	-	-	-	-	9	153,052
35 to 39	-	-	2	17,593	5	99,685	5	103,576	-	-	-	-	12	220,854
40 to 44	-	-	2	12,195	4	70,379	10	157,595	3	56,232	2	23,922	21	320,323
45 to 49	-	-	2	17,922	9	158,450	6	77,085	12	237,211	7	179,901	36	670,569
50 to 54	-	-	1	19,269	4	69,324	10	140,554	13	216,847	9	175,259	37	621,253
55 to 59	1	7,651	-	-	5	98,667	11	142,351	11	176,313	10	165,837	38	590,819
60 & Over	-	-	2	36,734	9	101,915	17	257,698	11	191,392	17	226,768	56	814,507
Totals	**1**	**$ 7,651**	**19**	**$ 279,595**	**40**	**$ 665,595**	**59**	**$ 878,859**	**50**	**$ 877,995**	**45**	**$ 771,687**	**214**	**$ 3,481,382**

Annual payments based on 50% salary.

EXHIBIT I

PART III MALE PARTICIPANTS RECEIVING DUTY DISABILITY CLASSIFIED BY AGE AND LENGTH OF SERVICE AS OF DECEMBER 31, 2003

Service:	Under 1 Year		1 to 4		5 to 9		10 to 14		15 to 19		20 & Over		Total	
Attained Age	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments
Under 30	-	$ -	3	$ 128,807	1	$ 30,740	-	$ -	-	$ -	-	$ -	4	$ 159,547
30 to 34	-	-	3	118,256	5	206,109	-	-	-	-	-	-	8	324,365
35 to 39	-	-	4	170,279	11	444,167	4	154,676	2	101,148	-	-	21	870,270
40 to 44	-	-	4	174,497	5	211,508	6	273,620	3	121,370	2	95,336	20	876,331
45 to 49	-	-	2	97,627	3	143,798	8	360,206	10	354,993	8	340,325	31	1,296,949
50 to 54	-	-	2	88,939	2	104,284	2	62,492	7	240,350	15	509,048	28	1,005,113
55 to 59	-	-	-	-	2	58,021	1	47,034	7	309,264	12	463,502	22	877,821
60 & Over	-	-	-	-	1	40,654	3	119,660	10	415,304	4	184,305	18	759,923
Totals	**-**	**$ -**	**18**	**$ 778,405**	**30**	**$ 1,239,281**	**24**	**$ 1,017,688**	**39**	**$ 1,542,429**	**41**	**$ 1,592,516**	**152**	**$ 6,170,319**

PART IV FEMALE PARTICIPANTS RECEIVING DUTY DISABILITY CLASSIFIED BY AGE AND LENGTH OF SERVICE AS OF DECEMBER 31, 2003

Service:	Under 1 Year		1 to 4		5 to 9		10 to 14		15 to 19		20 & Over		Total	
Attained Age	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments	No.	Annual Payments
Under 30	-	$ -	1	$ 5,884	-	$ -	-	$ -	-	$ -	-	$ -	1	$ 5,884
30 to 34	-	-	2	58,897	1	22,211	-	-	-	-	-	-	3	81,108
35 to 39	-	-	2	82,907	-	-	-	-	-	-	-	-	2	82,907
40 to 44	-	-	1	2,931	2	88,046	1	41,534	1	5,110	1	41,285	6	178,906
45 to 49	-	-	-	-	2	40,715	2	35,585	1	22,856	2	57,699	7	156,855
50 to 54	-	-	2	21,707	-	-	3	103,810	1	38,405	2	45,044	8	208,966
55 to 59	-	-	-	-	1	6,862	3	56,706	3	85,753	-	-	7	149,321
60 & Over	-	-	-	-	1	28,529	2	35,438	1	28,828	-	-	4	92,795
Totals	**-**	**$ -**	**8**	**$ 172,326**	**7**	**$ 186,363**	**11**	**$ 273,073**	**7**	**$ 180,952**	**5**	**$ 144,028**	**38**	**$ 956,742**

Annual payments based on 75% of salary. This would be offset by Workers' Compensation benefits.

EXHIBIT J
HISTORY OF AVERAGE ANNUAL SALARIES

Year End	Members in Service	Percent Increase	Annual Salaries	Percent Increase	Average Salary	Percent Increase	Actuarial Salary Assumption	CPI Chicago
1994	36,254	5.12 %	$ 1,080,425,256	9.07 %	$29,802	3.76 %	6.00%	2.20 %
1995	35,514	(2.04)%	$ 1,087,913,784	0.69 %	$30,633	2.79 %	6.00%	3.20 %
1996	35,020	(1.39)%	$ 1,076,057,784	(1.09)%	$30,727	0.31 %	6.00%	2.70 %
1997	34,839	(0.52)%	$ 1,192,286,688	10.80 %	$34,223	11.38 %	5.00%	2.70 %
1998	33,119	(4.94)%	$ 1,168,639,224	(1.98)%	$35,286	3.11 %	5.00%	2.01 %
1999	35,868	8.30 %	$ 1,267,181,658	8.43 %	$35,329	0.12 %	5.00%	2.57 %
2000	36,089	0.62 %	$ 1,243,439,345	(1.87)%	$34,455	(2.47)%	5.00%	4.03 %
2001	36,679	1.63 %	$ 1,375,048,892	10.58 %	$37,489	8.81 %	5.00%	0.82 %
2002	35,522	(3.15)%	$ 1,377,909,441	0.21 %	$38,790	3.47 %	5.00%	2.50 %
2003	35,384	(0.39)%	$ 1,395,513,060	1.28 %	$39,439	1.67 %	5.00%	1.70 %
Average Increase (Decrease) for the Last 5 years		1.40%		3.73%		2.32%		2.32%

EXHIBIT K
NEW ANNUITIES GRANTED DURING 2003

	Male Annuitants	Female Annuitants	Surviving Spouses of Deceased Employees	Surviving Spouses of Deceased Annuitants
Number Retired / Deceased [1,2]	415	584	54	229
Average Age Attained	60.8	62.7	54.2	74.5
Average Length of Service	26.4	24.6	15.6	N/A
Average Annual Salary (4 out of 10)	$ 60,517	38,771	N/A	N/A
Average Annual Final Salary	N/A	N/A	N/A	N/A
Total Annual Annuity	$ 13,377,927	12,428,839	$ 550,776	$ 3,153,918
Average Annual Annuity	$ 32,236	$ 21,282	$ 10,200	$ 13,773
Total Actuarial Liability	$ 168,544,973	$ 163,193,951	$ 5,825,825	$ 22,678,532
Average Liability	$ 406,132	$ 279,442	$ 107,886	$ 99,033

[1] Does not include 9 employee annuitants and 1 widow annuitant no longer on annuity at the end of 2003.
[2] Includes 6 deferred employee annuitants

EXHIBIT L
NEW RECIPROCAL ANNUITIES GRANTED DURING 2003

	Reciprocal[1]	
	Male Annuitants	Female Annuitants
Number Retired	87	104
Average Age Attained	58.8	59.9
Average Municipal Service	10.3	8.8
Average Total Service	29.4	28.6
Average Annual Salary Last Fund [4 out of 10]	$ 73,235	$ 60,871
Total Annual Annuity	$ 1,552,784	1,262,826
Average Annual Annuity	$ 17,848	$ 12,143
Total Liability (8% 1983 GAM)	$ 20,157,560	17,292,262
Average Liability	$ 231,696	$ 166,272

[1]Includes six new deferred annuitants

EXHIBIT M
RETIREES AND BENEFICIARIES BY TYPE OF BENEFIT

	Annuitants			Disability		Compensation	Reciprocal	
Years	Employee	Spouse	Child	Ordinary	Duty	Annuitants	Employee	Spouse
1994	11,802	3,963	214	403	175	1	1,611	322
1995	11,776	3,997	217	459	165	1	1,611	336
1996	11,841	4,030	226	460	191	1	1,607	350
1997	11,774	4,083	221	464	166	1	1,599	354
1998	14,070	4,120	228	263	120	1	1,768	362
1999	13,985	4,115	213	298	152	1	1,732	399
2000	13,744	4,213	189	300	148	1	1,786	395
2001	13,608	4,138	198	309	196	2 [1]	1,754	387
2002	13,725	4,132	212	260	129	2 [1]	1,821	385
2003	13,909	4,118	210	323	190	2 [1]	1,944	383

[1] Compensation annuitants also included with spouse annuitants

EXHIBIT N
AVERAGE EMPLOYEE RETIREMENT BENEFITS PAYABLE

Years Ended	Average Annual Benefit	Average Current Age of Retirees	Average Annual Benefit at Retirement Current Year	Average Age at Retirement Current Year	Average Years Service at Retirement Current Year
1994	$ 14,304	72.1	$ 10,455	65.1	18.90
1995	14,753	72.0	14,071	64.3	21.90
1996	15,210	72.6	15,090	64.2	22.60
1997	16,088	72.5	13,651	64.4	20.30
1998	18,928	71.5	23,471	62.4	27.60
1999	19,347	72.3	12,625	63.5	N/A
2000	19,789	72.6	13,986	64.5	17.40
2001	20,364	73.0	17,063	63.5	21.40
2002	21,211	73.1	23,407	63.2	22.03
2003	22,176	72.6	25,832	61.9	25.32

EXHIBIT O
HISTORY OF ANNUITIES 1994-2003

Employee Annuitants (Male and Female)			
Year End	Number of Annuitants	Total Annuities	Average Annuities
1994	13,413	$ 191,863,794	$ 14,304
1995	13,387	197,499,522	14,753
1996	13,448	204,538,699	15,210
1997	13,373	215,144,576	16,088
1998	15,838	299,778,262	18,928
1999	15,717	304,074,542	19,347
2000	15,530	307,317,729	19,789
2001	15,362	312,834,517	20,364
2002	15,546	329,741,436	21,211
2003	15,853	351,551,454	22,176

Surviving Spouse Annuities			
Year End	Number of Annuitants	Total Annuities	Average Annuities
1994	4,285	$ 20,583,009	$ 4,804
1995	4,333	21,424,168	4,944
1996	4,380	22,263,041	5,083
1997	4,437	31,086,606	7,006
1998	4,482	45,271,671	10,101
1999	4,514	46,074,319	10,207
2000	4,608	47,500,739	10,308
2001	4,525	47,220,540	10,435
2002	4,517	48,058,286	10,639
2003	4,501	48,796,907	10,841

EXHIBIT P
HISTORY OF RETIREES AND BENEFICIARIES ADDED TO PAYROLLS

Year	Added to Payroll No.	Added to Payroll Ann. Benefits	Removed from Payroll No.	Removed from Payroll Ann. Benefits	Payroll End of Year No.	Payroll End of Year Ann. Benefits	Average Annual Benefit	Increase in Average Benefit
Employee Annuitants (Male or Female)								
1994	567	$10,332,338	698	$8,079,926	13,413	$191,863,794	$14,304	2.18%
1995	650	13,551,155	676	7,915,427	13,387	197,499,522	14,753	3.14%
1996	708	10,683,679	647	3,644,502	13,448	204,538,699	15,210	3.09%
1997	564	19,294,719	639	8,688,842	13,373	215,144,576	16,088	5.78%
1998	3,135	94,348,388	670	9,714,702	15,838	299,778,262	18,928	17.65%
1999	640	7,574,818	725	3,278,538	15,717	304,074,542	19,347	2.21%
2000	593	8,293,448	780	5,050,261	15,530	307,317,729	19,789	2.28%
2001	557	9,504,016	725	3,987,228	15,362	312,834,517	20,364	2.91%
2002	910	20,996,020	726	4,089,101	15,546	329,741,436	21,211	4.16%
2003	1002	25,806,766	695	3,996,748	15,853	351,551,454	22,176	4.55%
Surviving Spouse Annuitants (Not Including Compensation)								
1994	314	$2,046,301	273	$1,136,691	4,285	$20,583,006	$4,804	3.62%
1995	305	2,890,172	257	2,049,011	4,333	21,424,167	4,944	2.93%
1996	298	1,898,417	251	1,059,543	4,380	22,263,041	5,083	2.80%
1997	311	9,943,282	254	1,119,717	4,437	31,086,606	7,006	37.84%
1998	325	15,996,513	280	1,811,448	4,482	45,271,671	10,101	44.71%
1999	312	3,499,596	280	2,696,948	4,514	46,074,319	10,207	1.05%
2000	344	3,308,638	250	1,882,218	4,608	47,500,739	10,308	0.99%
2001	277	3,318,509	360	3,598,708	4,525	47,220,540	10,435	1.23%
2002	294	3,671,626	302	2,833,880	4,517	48,058,286	10,639	1.95%
2003	284	3,704,694	300	2,966,073	4,501	48,796,907	10,841	1.90%

EXHIBIT Q
SCHEDULE OF RETIRED MEMBERS
BY TYPE OF BENEFIT AS OF DECEMBER 31, 2003

Amount of Monthly Benefit	Number of Employee Annuitants	Number of Spouse Annuitants	Number of Child Annuitants	Total Number of Annuitants
Deferred	9	-	-	9
$1-$250	336	77	210	623
251 - 500	236	61	-	297
501 - 750	121	29	-	150
751 - 1,000	3,873	3,584	-	7,457
1,001 - 1,250	2,436	270	-	2,706
1,251 - 1,500	1,383	206	-	1,589
1,501 - 1,750	1,199	121	-	1,320
1,751 - 2,000	934	71	-	1,005
2,001 - 2,250	778	38	-	816
2,251 - 2,500	748	21	-	769
2,501 - 2,750	597	8	-	605
2,751 - 3,000	533	10	-	543
3,001 - 3,250	456	4	-	460
3,251 - 3,500	480	1	-	481
3,501 - 3,750	390	-	-	390
3,751 - 4,000	319	-	-	319
4,001 - 4,250	288	-	-	288
4,251 - 4,500	225	-	-	225
4,501 - 4,750	142	-	-	142
4,751 - 5,000	121	-	-	121
Over $5,000	258	-	-	258
Totals	**15,862**	**4,501**	**210**	**20,573**

Actuarial Methods and Assumptions as of December 31, 2003

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
ACTUARIAL METHODS AND ASSUMPTIONS AS OF DECEMBER 31, 2003

ACTUARIAL COST METHOD

An Actuarial Cost Method is a set of techniques used by the actuary to develop contribution levels under a retirement plan. The principal Actuarial Cost Method used in this valuation is the Entry Age Actuarial Cost Method. Under this Method, a Normal Cost is developed by amortizing the actuarial value of benefits expected to be received by each active participant over the total working lifetime of that participant, from hire to termination.

To the extent that current assets and future Normal Costs do not support participants' expected future benefits, an Unfunded Actuarial Accrued liability ("UAAL") develops. The UAAL is generally amortized over a defined period of time (e.g., 40 years). The total contribution developed under this method is the sum of the Normal Cost and the payment toward the UAAL.

Experience gains (losses) decrease (increase) the UAAL and thus are amortized as part of the UAAL.

CURRENT ACTUARIAL ASSUMPTIONS

Demographic Assumptions

Mortality: 1983 Group Annuity Mortality Table set forward two years. (Adopted 1997)

RATE OF RETIREMENT:

	Entry Ages *Male*									
Age	22	27	32	37	42	47	52	57	62	67
30										
31										
32	0.001									
33	0.002									
34	0.002									
35	0.002									
36	0.002									
37	0.002	0.002								
38	0.002	0.002								
39	0.002	0.002								
40	0.001	0.002								
41	0.001	0.002								
42	0.001	0.002	0.002							
43	0.001	0.002	0.002							
44	0.001	0.002	0.002							
45	0.001	0.001	0.002							
46	0.001	0.001	0.002							
47	0.001	0.001	0.002	0.002						
48	0.001	0.001	0.002	0.002						
49	0.001	0.001	0.002	0.002						
50	0.001	0.001	0.001	0.002						
51	0.001	0.001	0.001	0.002						
52	0.250	0.001	0.001	0.002	0.002					
53	0.150	0.001	0.001	0.002	0.002					
54	0.150	0.001	0.001	0.002	0.002					
55	0.300	0.300	0.050	0.010	0.002					
56	0.100	0.100	0.050	0.010	0.002					
57	0.150	0.100	0.300	0.010	0.001	0.001				
58	0.150	0.100	0.100	0.010	0.020	0.010				
59	0.150	0.150	0.100	0.020	0.020	0.010				
60	0.700	0.200	0.100	0.070	0.030	0.020	0.020	0.010		
61	0.700	0.150	0.150	0.050	0.030	0.030	0.030	0.030		
62	0.700	0.250	0.200	0.500	0.070	0.030	0.030	0.040		
63	0.700	0.350	0.100	0.100	0.050	0.030	0.070	0.050	0.010	
64	0.700	0.400	0.200	0.150	0.070	0.030	0.050	0.050	0.050	
65	0.700	0.700	0.350	0.400	0.400	0.300	0.250	0.100	0.100	
66	0.700	0.550	0.200	0.250	0.300	0.150	0.100	0.050	0.050	
67	0.500	0.900	0.300	0.150	0.500	0.200	0.150	0.100	0.100	
68	0.500	0.450	0.300	0.300	0.250	0.150	0.150	0.150	0.100	
69	0.500	0.700	0.300	0.300	0.250	0.300	0.150	0.200	0.100	
70	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Rates of retirement adopted 1998.

RATE OF RETIREMENT:

	Entry Ages *Female*									
Age	**22**	**27**	**32**	**37**	**42**	**47**	**52**	**57**	**62**	**67**
30										
31										
32	0.001									
33	0.002									
34	0.002									
35	0.002									
36	0.002									
37	0.002	0.001								
38	0.002	0.002								
39	0.002	0.002								
40	0.002	0.002								
41	0.002	0.002								
42	0.002	0.002	0.002							
43	0.001	0.002	0.002							
44	0.001	0.002	0.002							
45	0.001	0.001	0.002							
46	0.001	0.001	0.002							
47	0.001	0.001	0.002	0.002						
48	0.001	0.001	0.001	0.002						
49	0.001	0.001	0.001	0.002						
50	0.001	0.001	0.001	0.002						
51	0.001	0.001	0.001	0.002						
52	0.250	0.001	0.001	0.002	0.002					
53	0.150	0.001	0.001	0.002	0.002					
54	0.150	0.001	0.001	0.001	0.002					
55	0.300	0.300	0.100	0.020	0.002					
56	0.150	0.150	0.020	0.020	0.002					
57	0.200	0.150	0.300	0.020	0.010	0.001				
58	0.250	0.150	0.150	0.040	0.010	0.001				
59	0.150	0.150	0.100	0.050	0.010	0.001				
60	0.500	0.250	0.100	0.100	0.050	0.030	0.020	0.050		
61	0.300	0.200	0.100	0.100	0.020	0.050	0.020	0.080		
62	0.300	0.250	0.200	0.500	0.060	0.050	0.050	0.100		
63	0.100	0.100	0.100	0.150	0.060	0.050	0.050	0.060	0.010	
64	0.450	0.250	0.250	0.100	0.150	0.050	0.050	0.050	0.040	
65	0.300	0.400	0.350	0.300	0.400	0.250	0.200	0.150	0.080	
66	0.700	0.300	0.300	0.300	0.250	0.150	0.100	0.100	0.080	
67	0.650	0.500	0.300	0.200	0.500	0.100	0.150	0.100	0.050	
68	0.350	0.400	0.300	0.250	0.200	0.200	0.100	0.200	0.100	
69	0.350	0.250	0.450	0.200	0.350	0.450	0.300	0.200	0.100	
70	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

Rates of retirement adopted 1998.

RATE OF TERMINATION:

				Entry Ages *Male*						
Age	**22**	**27**	**32**	**37**	**42**	**47**	**52**	**57**	**62**	**67**
22	0.300									
23	0.270									
24	0.240									
25	0.210									
26	0.180									
27	0.150	0.250								
28	0.130	0.230								
29	0.110	0.210								
30	0.090	0.190								
31	0.070	0.170								
32	0.050	0.150	0.150							
33	0.042	0.130	0.140							
34	0.036	0.110	0.130							
35	0.030	0.090	0.120							
36	0.024	0.070	0.110							
37	0.018	0.048	0.100	0.100						
38	0.016	0.042	0.090	0.090						
39	0.014	0.036	0.080	0.080						
40	0.013	0.030	0.070	0.070						
41	0.011	0.024	0.060	0.060						
42	0.009	0.018	0.048	0.050	0.100					
43	0.007	0.016	0.044	0.050	0.092					
44	0.005	0.014	0.040	0.050	0.084					
45	0.004	0.013	0.036	0.050	0.076					
46	0.002	0.011	0.032	0.050	0.068					
47	0.000	0.009	0.028	0.048	0.060	0.080				
48		0.007	0.022	0.042	0.058	0.078				
49		0.005	0.016	0.036	0.056	0.076				
50		0.004	0.011	0.030	0.054	0.074				
51		0.002	0.005	0.024	0.048	0.072				
52		0.000	0.000	0.018	0.038	0.070	0.080			
53				0.014	0.028	0.060	0.074			
54				0.010	0.018	0.050	0.068			
55				0.007	0.008	0.040	0.062			
56				0.003	0.010	0.030	0.056			
57				0.000	0.000	0.018	0.050	0.080		
58						0.014	0.040	0.064		
59						0.010	0.030	0.048		
60						0.003	0.020	0.032		

Rates of termination adopted 1998.

RATE OF TERMINATION:

	Entry Ages Female									
Age	**22**	**27**	**32**	**37**	**42**	**47**	**52**	**57**	**62**	**67**
22	0.200									
23	0.190									
24	0.180									
25	0.170									
26	0.160									
27	0.150	0.170								
28	0.140	0.166								
29	0.130	0.162								
30	0.120	0.158								
31	0.110	0.154								
32	0.100	0.150	0.100							
33	0.086	0.140	0.098							
34	0.074	0.130	0.096							
35	0.062	0.120	0.094							
36	0.050	0.110	0.092							
37	0.038	0.099	0.090	0.080						
38	0.034	0.084	0.078	0.074						
39	0.030	0.070	0.066	0.068						
40	0.026	0.056	0.054	0.062						
41	0.022	0.042	0.042	0.056						
42	0.018	0.028	0.028	0.050	0.100					
43	0.015	0.022	0.026	0.050	0.096					
44	0.011	0.017	0.024	0.050	0.092					
45	0.007	0.011	0.022	0.050	0.088					
46	0.004	0.006	0.020	0.050	0.084					
47	0.000	0.000	0.018	0.048	0.080	0.070				
48			0.017	0.042	0.070	0.066				
49			0.011	0.036	0.060	0.062				
50			0.007	0.030	0.050	0.058				
51			0.004	0.024	0.040	0.054				
52			0.000	0.018	0.028	0.050	0.070			
53				0.015	0.026	0.048	0.068			
54				0.011	0.024	0.046	0.066			
55				0.007	0.022	0.044	0.064			
56				0.004	0.020	0.042	0.062			
57				0.000	0.018	0.038	0.060	0.060		
58					0.014	0.032	0.060	0.054		
59					0.010	0.026	0.050	0.048		
60					0.000	0.001	0.050	0.042		

Rate of termination adopted 1998.

Economic Assumptions

Investment Return Rate:	8.00% per annum (net of investment expense). This assumption contains a 3.00% inflation assumption and a 5.00% real rate of return assumption. Adopted 1999.
Future Salary Increases:	The assumed rate of individual salary increases is 5.00% per year. The salary assumption includes a 3.00% inflation and 2.00% merit and longevity assumption. Adopted 1999.
Asset Value:	The Actuarial Value of Assets is smoothed by using a five-year phase-in of each year's unexpected investment gains and losses. Adopted 1999.

Other Assumptions

Marital Status:	It is assumed that 85% of members have an eligible spouse. The male spouse is assumed four years older than the female spouse. No assumption is made about other dependents. Adopted 1999.
Group Health Insurance:	It is assumed for valuation purposes that the health insurance supplement in effect as of June 30, 2013 will continue for life for all employee annuitants (and their future surviving spouses). The amount of the Plan paid health insurance from July 1, 2003 until June 30, 2008 is $85.00 per month for each annuitant (employees and surviving spouses) not qualified to receive Medicare benefits, and $55.00 if qualified. Then, the amount of the Plan paid health insurance from July 1, 2008 until June 30, 2013 is $95.00 per month for each annuitant (employees and surviving spouses) not qualified to receive Medicare benefits, and $65.00 if qualified. It is assumed that all annuitants age 65 and older will be eligible for Medicare and all annuitants less than age 65 will not be eligible for Medicare. Future surviving spouses of retirees are assumed to be eligible for Medicare, as well as surviving spouse annuitants that are currently receiving a health insurance supplement.
Required Ultimate Multiple:	The actuarial requirements (adjusted for tax levy loss) less expected employee contributions divided by the actual employee contributions made in the second prior year.
Loss in Tax Levy:	4% overall loss on tax levy is assumed.
Reciprocal Loading:	Based on a loading of the retirement liability.

THREE METHODS OF FINANCING UNFUNDED LIABILITY

Normal Cost Plus Interest Method:

This is the method of valuation that was used in reports prior to 1997. It is intended to continue the current provisions of the Article governing the Plan in full force and effect on a permanent basis and in the amount required each year to keep the unfunded liability from increasing if all assumptions are realized.

The normal cost plus interest only method of funding is that recommended by the former Illinois Public Employees' Pension Laws Commission. It was also the minimum required for private pension plans for IRS qualification before ERISA.

Normal Cost Plus 40 Year Amortization Method:

GASB #25 now requires an amortization of the unfunded liability, as does ERISA's minimum funding standards which require the initial unfunded liability existing on January 1, 1976, be amortized over a 40 year period. We have calculated the cost of amortizing the existing unfunded liability.

Both of these cost methods, the normal cost plus interest method and the normal cost plus 40 year amortization method, express the past service costs as a level annual dollar amount. It assumes that there will be a stable membership with a growing payroll. Consequently, as the total payroll increases in the future, the level annual amount becomes a decreasing percent of the total payroll.

Under both methods, level dollar amounts represent a greater percent of payroll initially and a decreasing percent of payroll as future payrolls increase.

THREE METHODS OF FINANCING UNFUNDED LIABILITY (CONT'D)

Level Annual Percent of Payroll Method:

An alternative method for funding that is receiving increased attention for public employee pension plans is a method that sets the funding standard cost objective as a level annual percent of payroll rather than as a level annual amount. This method will result in increasingly greater dollar amounts each year as payrolls increase.

This constant percent of payroll method is not an acceptable method under ERISA, but is permitted under GASB #25. It may be more acceptable in the future in view of the presumably permanent nature of public retirement systems with a constant flow of new entrants and the desire to place a relatively constant tax burden (as percentage of salary) on future generations of taxpayers. Please note that if this amount is recomputed each year with the same "open" amortization period, the unfunded liability will never be amortized.

For the Retirement Board's guidance, we have estimated the financial effects of different amortization methods. The costs under these funding methods are contingent upon all actuarial assumptions being met and continued active membership at the same level. These three methods meet the requirements set forth in Illinois Compiled Statutes, Chapter 40, and Section 5/1A-102. The results are given in the following table:

Actuarial Assets with Various Amortization Methods	Required 2004 Tax Levy	Required Multiple	Unfunded Liability Will	Portion Applicable to Unfunded Liability
1. Normal Cost Plus Interest Only	N/A	1.51	Remain Constant	$118,854,637
2. Normal Cost Plus 40-Year Level Dollar Amortization	N/A	1.56	Decrease	$124,589,613
3. Normal Cost Plus 40-Year Level % of Payroll	N/A	1.08	Increase	$65,938,260
4. Present Law	$158,866,000	1.25		

In determining funding policy, it is essential to provide a margin of safety for unfavorable operating experience such as salaries over anticipated salaries, decreasing age of retirement, increasing longevity, and declining plan membership.

Summary of Provisions of the Plan as of December 31, 2003

SUMMARY OF PROVISIONS OF THE PLAN AS OF DECEMBER 31, 2003

PLAN DESCRIPTION

Any employee of the City of Chicago or the Board of Education employed under the provisions of the municipal personnel who is not participating in any other pension plan or retirement system is covered by the Municipal Employees' Annuity and Benefit Fund of Chicago (Municipal Plan) which is a defined benefit single employer pension plan with a defined contribution minimum. Although this is a single employer plan, the defined benefits, as well as the employer and employee contribution levels, are mandated in Illinois Compiled Statutes (Chapter 40, Pensions, and Article 5/8) and may be amended only by the Illinois legislature. The City of Chicago accounts for the plan as a pension trust fund. The payroll for employees covered by the Municipal Plan for the year ended December 31, 2003 was $1,395,513,060 and includes City of Chicago payroll and Board of Education payroll. At December 31, 2003, the Municipal Plan membership consisted of:

Retirees and beneficiaries currently receiving benefits (includes 513 disabilities)	21,086	
Terminated inactive employees entitled to benefits or a refund of contributions but not yet receiving them	11,159	
Current employees (includes 513 disabilities)		
Vested		16,955
Non-vested		18,429
Total		35,384

The Municipal Plan provides retirement benefits as well as death and disability benefits. Employees age 55 or more with at least 10 years of service are entitled to receive a money purchase annuity with partial city contributions if under age 60 with less than 20 years of service. Employees age 55 or more with at least 20 years of service or age 50 or more with at least 30 years of service are entitled to receive a minimum formula annuity of 2.4% per year of service times the final average salary (highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of retirement). If the employee retires prior to age 60, the annuity shall be reduced by ¼ of 1% for each month the employee is under age 60 if the employee has less than 25 years of service. The annuity is not reduced if the employee is age 50 with at least 30 years of service. The original annuity is limited to 80% of the highest average annual salary. Beginning January 1, 1999, there is a 10-year deferred vested benefit payable at age 60. Employees who withdraw from service at age 60 or over with at least 10 years of service are entitled to a minimum of $850 per month.

The monthly annuity is increased by 3% at the first payment date following the later of age 60 or the first anniversary of retirement, and by 3% annually thereafter; except that for an employee retiring prior to age 60 the first increase will not occur later than the later of (1) the third anniversary of retirement or (2) the attainment of age 53.

Covered employees are required to contribute 8.5% of their salary to the Municipal Plan. If an employee leaves covered employment without qualifying for an annuity, accumulated contributions are refunded with interest (3% or 4% depending on when an employee became a participant).

The City of Chicago is required by state statutes to contribute the remaining amounts necessary to finance the requirements of the Plan. It is required to levy a tax at a rate not more than an amount equal to the total amount of contributions by the employees to the Plan made in the calendar year two years prior to the year for which the annual applicable tax is levied, multiplied by 1.25 annually.

DEFINITIONS

These terms are defined in Article 1A of the Illinois Pension Code *Regulation of Public Pensions.*

"Accrued liability" means the actuarial present value of future benefit payments and appropriate administrative expenses under a plan, reduced by the actuarial present value of all future normal costs (including any participant contributions) with respect to the participant included in the actuarial valuation of the plan.

"Actuarial present value" means the single amount, as of a given valuation date, that results from applying actuarial assumptions to an amount or series of amounts payable or receivable at various times.

"Actuarial value of assets" means the value assigned by the actuary to the assets of a plan for the purposes of an actuarial valuation.

"Beneficiary" means a person eligible for or receiving benefits from the pension plan.

"Credited projected benefit" means that portion of a participant's projected benefit based on an allocation taking into account service to date determined in accordance with the terms of the plan based on anticipated future compensation.

"Current value" means the fair market value when available; otherwise, the fair value as determined in good faith by a trustee, assuming an orderly liquidation at the time of the determination.

"Normal cost" means that part of the actuarial present value of all future benefit payments and appropriate administrative expenses assigned to the current year under the actuarial valuation method used by the plan (excluding any amortization of the unfunded accrued liability).

"Participant" means a participating member or deferred pensioner or annuitant of the pension plan, or a beneficiary thereof.

"Pension plan" or "Plan" means the Municipal Employee's and Retirement Board Employees' Annuity Benefit Fund of Chicago established under Article 8 of the Illinois Pension Code.

"Plan year" means the calendar year for which the records of a given plan are kept.

"Projected benefits" means benefit amounts which are expected to be paid at various future times under a particular set of actuarial assumptions, taking into account, as applicable, the effect of advancement in age and past and anticipated future compensation and service credits.

"Supplemental annual cost" means that portion of the unfunded accrued liability assigned to the current year under one of the following bases:

1. interest only on the unfunded accrued liability;
2. the level annual amount required to amortize the unfunded accrued liability over a period not exceeding 40 years;
3. the amount required for the current year to amortize the unfunded accrued liability over a period not exceeding 40 years as a level percentage of payroll.

"Total annual cost" means the sum of the normal cost plus the supplemental annual cost.

"Unfunded accrued liability" means the excess of the accrued liability over the actuarial value of the assets of a plan.

"Vested pension benefit" means an interest obtained by a participant or beneficiary in that part of an immediate or deferred benefit under a plan which arises from the participant's service and is not conditional upon the participant's continued service for an employer any of whose employees are covered under the plan, and which has been forfeited under the terms of the plan.

MEMBERS

Persons appointed under civil service who are employed by the City and Board of Education of Chicago (other than teachers); temporary and non-career service employees who have a total of at least one year of service and have four consecutive months of service immediately prior to filing written application with the Retirement Board; aldermen and other officials of the City and the Board of Education of Chicago who shall, while in office, file written application with the Retirement Board. Beginning January 1, 1984, temporary and non-career service employees will automatically be members. Aldermen and other officials of the City and the Board of Education of Chicago will still file written application with the Retirement Board. Current and former employees of the Chicago Housing Authority and the Public Building Commission who have service in the Plan or who reinstate service in this Plan, may elect to participate in this Plan with respect to their employment with the Chicago Housing Authority or the Public Building Commission under certain conditions.

SERVICE

For all purposes except minimum annuity and ordinary disability credit, service in four months in any calendar year constitutes one year of service credit.

For minimum annuity, one half-year credit is given for one complete month of service and a full year credit is given for one complete month of service plus service in at least five other months. For Ordinary Disability credit, the exact number of days, months and years is used.

SUMMARY OF PRINCIPAL ELIGIBILITY AND BENEFIT PROVISIONS AS OF DECEMBER 31, 2003

RETIREMENT ANNUITY

Money Purchase Formula

Maximum is 60% of highest salary. Applies in cases where an employee is age 55 or older and has a minimum of 10 years of service. If employee is age 55 to 60 with service less than 20 years, the annuity is based on all employee deductions plus 1/10th of the City contributions for each year over 10. In the case of withdrawal before age 55 and application after age 55, the annuity is based on employee deductions plus 1/10th of the City contributions for each year over 10, with interest to date of application or age 55, whichever is later. The age factor for age 55 is used.

The annuity is based on all employee deductions and City contributions in cases where the employee is (a) age 55 to 60 with 20 or more years of service; (b) age 60 or older; or (c) resigning at the time of disability credit expiration.

Minimum Annuity Formula

Maximum is 80% of final average salary.

a) An employee age 60 or older with at least 10 years of service, or an employee age 55 or older with at least 20 years of service, or an employee age 50 or older with at least 30 years of service, is entitled to an annuity equal to 2.4% for each year of service of the final average salary during the four highest consecutive years within the last 10 years of service prior to retirement. If the employee withdraws from service before age 60 with less than 20 years of service, he can begin to receive an annuity no earlier than age 60. For an employee who is eligible to begin receiving an annuity before age 60, the annuity is discounted 0.25% for each month the employee is younger than age 60 unless he has at least 25 years of service.

b) The employee will receive a minimum annuity of $850 per month if the employee withdraws at age 60 or older with at least 10 years of service.

Reversionary Annuity

An employee may elect to reduce his or her annuity by an amount less than or equal to $400 to provide a reversionary annuity for a spouse, parent, child, brother, or sister, to begin upon the employee's death. The election must be made before retirement and have been in effect one year prior to death. The one-year requirement is waived if the beneficiary is the employee's spouse. The death of the employee before retirement voids this election. The reversionary annuity for a spouse when added to the spouse's annity cannot exceed 100% of the employee's reduced annuity. If the employee resigns after June 30, 1983, the 3% automatic annual increase in the annuity will be computed on the original, not the reduced, annuity; if the beneficiary dies before the employee annuitant, the full annuity is restored for annuities granted after June 30, 1983. The amount of the monthly reversionary annuity is determined by multiplying the amount of the monthly reduction in the employee's annuity by a factor based on the age of the employee and the difference between the ages of the employee and the reversionary annuitant at the starting date of the employee's annuity.

Reciprocal Annuity

Under reciprocal retirement, an employee can receive an annuity based on combined service credits in two or more governmental units in Illinois to whose pension funds he or she has contributed.

Automatic Increase in Annuity

An employee annuitant is entitled to receive an increase of 3% of the currently payable annuity. This increase begins upon the earlier of the following:

1.) the later of the third anniversary of retirement and age 53, and
2.) the later of the first anniversary of retirement and age 60.

Increases apply only to life annuities.

Elected City Officer's Optional Plan

An alternative plan for elected officials of 3% of the Final Salary for the first 8 years, 4% for the next four years and 5% thereafter, subject to the maximum 80%, is available. The elected official must contribute an additional 3% of salary to receive these benefits. This plan also includes alternative widow and disability benefit formulas. This plan became effective upon approval from the IRS on September 17, 1991.

SPOUSE ANNUITY

The surviving spouse annuity is the greater of the annuity under the money purchase formula or the minimum annuity formula. Surviving spouses who remarry on or after September 4, 2000 will not have their annuities terminated.

Money Purchase Formula

When an employee retires, the spouses' annuity is fixed, based on employee deductions and City pay credits made for spouses' annuity purposes and a joint life age factor. (If the employee is a female, these are deductions accumulated since October 1974).

If the employee dies in service, the spouse's annuity is based on all sums accumulated to their credit.

For 3% annuities fixed on or after August 1, 1983, the "Combined Annuity Mortality Table" shall continue to be used; however, surviving spouse's single life annuities and reversionary annuities shall be computed using the best factor (the factor producing the highest annuity), without regard to gender.

Summary of Principal Eligibility and Benefit Provisions as of December 31, 2003 (cont'd)

Spouses' Minimum Annuity Formula

If the employee retires or dies in service and is at least age 55 with 20 or more years of service, or is at least age 50 with 30 or more years of service, the spouse's annuity is equal to half the amount of annuity the employee was entitled to receive at the time of retirement or death in service. This annuity must then be discounted 0.25% for each month the spouse is under age 55 (or age 50 if the employee had at least 25 years of service) at the time the employee retires or dies in service.

If the employee dies while receiving a retirement annuity, the spouse is eligible for an annuity of one-half of the employee's annuity at death. This annuity is discounted for his/her age under 55 at the time of the employee's death, unless the employee had at least 25 years of service and withdrew from service on or after June 27, 1997, in which case the spouse annuity would be discounted for spouse age under 50 at the time of the employee's death.

If the employee dies in service on or after August 27, 2002, with at least 10 years of service, the spouse is entitled to an annuity of half of the minimum formula annuity earned and accrued to the credit of the employee at the date of death. For the purposes of this benefit, the minimum formula annuity earned and accrued to the credit of the employee is equal to 2.40% for each year of service of the highest average annual salary for any four consecutive years within the last 10 years of service immediately preceding the date of death, up to a maximum of 80% of the highest average annual salary. This annuity is not reduced due to the age of the employee or spouse. The spouse is eligible for this annuity only if the marriage was in effect for 10 full years or more.

The spouse will receive a minimum annuity of $800 per month if the employee retires with at least 10 years of service or dies in service with at least five years of service.

Child's Annuity

A child's annuity is provided for an unmarried child of a deceased employee who is under the age of 18, if the child was born before the withdrawal from service, or legally adopted at least one year before the child's annuity becomes payable. The annuity is $220 per month while the spouse of the deceased employee is alive and $250 per month if the spouse is deceased.

Family Maximum

Non-Duty Death: 60% of final monthly salary.
Duty Death: 70% of final monthly salary.

SUMMARY OF
PRINCIPAL ELIGIBILITY AND BENEFIT PROVISIONS
AS OF DECEMBER 31, 2003 (CONT'D)

DISABILITIES

Duty Disability Benefits

Any employee who becomes disabled as the result of an injury incurred in the performance of any act of duty has a right to receive a duty disability benefit in the amount of 75% of salary at date of injury, plus $10 a month for each unmarried child less than age 18. Child's duty disability benefit is limited to 15% of the employee's salary as of the date of injury. Duty disability benefits begin one day after the later of the last day worked or the last day paid.

If the disability has resulted from any mental disorder, physical defect or disease which existed at the time such injury was sustained, the duty disability benefit shall be 50% of salary at date of injury. Disablement because of heart attacks, strokes, or any disablement due to heart disease shall not be considered the result of an accident suffered in the performance of duty. However, the employee will receive service credit and the City will contribute salary deductions for annuity purposes if the employee is receiving Workers' Compensation.

A duty disability benefit is payable to age 65 if the disability benefits begin before age 60. For an employee who begins disability on or after age 60, disability benefits will continue for five years. A duty disability benefit which continues for more than five years and which starts before the employee's age 60, will be increased by 10% on January 1st of the sixth year.

The City contributes salary deductions for annuity purposes for the duty disability benefit. Such amounts contributed by the City after December 31, 1981, while the employee is receiving duty disability benefits, are not refundable to the employee and will be used for annuity purposes only.

Ordinary Disability Benefits

This benefit is granted for disability incurred other than in performance of an act of duty and is 50% of salary as of the last day worked. The first payment shall be made one month after the disablement occurs provided the employee is not then in receipt of salary. Length of time on disability is limited to a maximum of 25% of the employee's total service or five years, whichever occurs first.

The Plan contributes salary deductions for annuity purposes for the ordinary disability benefit. Such amounts contributed by the Plan after December 31, 2000, while the employee is receiving ordinary disability benefits, are not refundable to the employee and will be used for annuity purposes only.

GROUP HEALTH HOSPITAL AND SURGICAL INSURANCE PREMIUMS

The pension plan shall provide payments in the amount of $85 per month for non-Medicare eligible city annuitants (defined in section 164.1 of Article 8 of the Illinois Pension Code as persons receiving an age and service annuity, a widow's annuity, a child's annuity, or a minimum annuity as a direct result of previous employment by the City of Chicago) and $55 per month for Medicare eligible city annuitants from July 1, 2003 through June 30, 2008. Thereafter, the pension plan shall provide payments in the amount of $95 per month for non-Medicare eligible city annuitants and $65 per month for Medicare eligible city annuitants from July 1, 2008 through June 30, 2013.

The city health care plans referred to above and the Board's payments to the city for such plans are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

Should the Board of Education continue to sponsor a retiree health plan, the Board is authorized to provide payments to the Board of Education, on behalf of each eligible annuitant who chooses to participate in the Board of Education retiree health benefit plan, in the amount of $85 per month for non-Medicare eligible participants and $55 per month for Medicare eligible participants from July 1, 2003 through June 30, 2008. Thereafter, the Board is authorized to provide payments to the Board of Education, on behalf of each eligible annuitant who chooses to participate in the Board of Education retiree health benefit plan, in the amount of $95 per month for non-Medicare eligible participants and $65 per month for Medicare eligible participants from July 1, 2008 through June 30, 2013.

The Board of Education health benefit plan referred to above and the Board's payments to the Board of Education for such plan are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

REFUNDS

To Employees

An employee who resigns before age 55, or before age 60 with less than 10 years of service is entitled to all salary deductions accumulated with interest to date of resignation, plus the 0.5% deducted for annuity increase purposes without interest.

To Estate

Amounts contributed by an employee, excluding the 0.5% deductions for annuity increase, that have not been paid out as annuity, are refundable to his or her estate, with interest either to the date of retirement or death, if the employee died in service.

Refund in Lieu of Annuity

If the annuity of an employee or spouse is less than $800 a month, the employee or spouse may elect to receive a refund, as above, in lieu of an annuity.

Spouses' Annuity Contributions

If unmarried at the time of retirement, the employee is entitled to a refund, with interest, of contributions made for the spouse's annuity.

Disability Deductions

The employee's pension deductions paid by the city while the employee is receiving duty disability benefits are no longer refunded to the employee if the duty disability was granted after December 31, 1981, or if the ordinary disability was granted after December 31, 2000. These deductions are now used only for annuity purposes.

DEDUCTIONS AND CONTRIBUTIONS

Covered employees are required to contribute 8.5% of their salary to the Plan.

The City shall annually levy a tax which, when added to the amounts deducted from the salaries of the employees, or otherwise contributed by them, will be sufficient for the requirements of the Plan. The tax will produce an amount that does not exceed the amount of contributions by the employees to the Plan made in the calendar year two years prior to the year for which the annual applicable tax is levied, multiplied by 1.25 for the year 1999 and each year thereafter.

When the balance of the prior service reserve equals its liabilities (including in addition to all other liabilities, the present value of all annuities, present and prospective, according to the applicable mortality tables and rates of interest), the City shall cease to contribute the amounts to provide prior service annuities and other annuities and benefits.

TAX SHELTER OF EMPLOYEE SALARY DEDUCTIONS

Beginning January 1, 1982, the City employee salary deductions were designated for income tax purposes as made by the employer. The W-2 salary is therefore reduced by the amount of contributions. For pension purposes gross wages remain unchanged. Income tax will be paid when a refund or annuity is granted. For the purposes of benefits, refunds, or financing, these contributions are treated as employee contributions. Beginning September 20, 1981, the Board of Education paid contributions in the amount of 7% of the employee's salary. The 1985 amendments contained a provision whereby the amount of pick-up, if any, is included in the pensionable salary for contributions and benefits. Such provision was retroactive to September 20, 1981. Beginning May 28, 2000, the remainder of contributions due for Board of Education employee salary deductions was designated for income tax purposes to be made by the employer and treated in the same manner as City employee salary deductions.

Historic Information

1979 Session

SB 964

- Disability benefit for chronic alcoholism, pregnancy, or childbirth.

HB 1023

- Reciprocal Act: changes proportionate pension credits under the "alternative formula."

HB 2012

- Under IRS Code Section 414(h), employer may pick up the employee contributions for all compensation earned after December 31, 1980, by a reduction in the cash salary or an offset to a future salary increase or by a combination of both.

1980 Session

HB 3635

- Reversed all changes made by HB 2012 and put the pick-up section as a new paragraph; they are treated as employee contributions for all purposes, including refunds and determination of the tax levy.

Spring 1981 Session

SB 21

- Actuarial Reporting Standards.

SB 851

- Authorizes investments in conventional mortgage pass-through securities.

SB 879

- Financial statement required by Department of Insurance within 6 months and actuarial statement within 9 months; $100 penalty per day if late.

HB 212

- Eliminates refund of City contributions made while an employee is receiving duty disability benefits.

HB 213

- $200 refund in lieu of annuity

HB 215

- Authorizes securities lending.

Spring 1982 Session

SB 1147

- Minimum reporting and actuarial information for 1984.

SB 1180

- Board of Education may incur an obligation to "pick up" employee contributions. These contributions may be paid by a special Pension Contribution Liability Tax. If levied, no payment is required until actual collection of the tax.

SB 1452

- Provides that an active member of the General Assembly who was employed by the City of Chicago by temporary appointment or in an exempt position, and could have elected to participate in the Plan but did not so elect, may establish credit for such service by making the required contribution.

SB 1579

- Expanded fiduciary standards, prohibited transactions, civil action may be brought by Attorney General or by a participant; list of permitted investments moved to general section of the statute.

HB 740

- Pension credit may be established for services rendered for a transportation system operated by a public utility prior to the establishment of the CTA.

HB 2286

- Allows persons who withdrew from service or became eligible for survivors' benefits in 1981 and who receive a monthly annuity between $100 and $200 to elect a refund in lieu of annuity.

Spring 1983 Session

SB22

- Delegation of investment authority restrictions.

HB 380

- Maximum survivor annuity from $400 to $500; 10% increase in duty disability benefit January 1 of the sixth year.

HB 514

- 10% prudent person investment category.

HB 637

- Allows an active member of the General Assembly to establish credit in this plan for time for which he or she could have elected to participate with interest at 6% and to transfer credits to the Park Fund.

HB 1144

- Revises provision allowing a person who withdrew from service or began receiving a widow's annuity in 1981 to elect to receive a refund in lieu of annuity by extending the deadline for election by one year to March 1, 1984, and by raising the amount subject to refund to $250 per month.

- 3% post-retirement annuity increase for those who qualify.

- Mandatory coverage for all employees in temporary positions.

- Reversionary annuity revisions - table of factors.

- Credit for Executive Director of Chicago Land Clearance Commission or Chicago Dwellings Association or for service as administrator of Illinois--Indiana Bi-State Commission--if certain contributions are made before April 1, 1984.

Federal Law and Regulation or Supreme Court Decision

- For an employee under the age of 70 who commences disability on or after attainment of age 60 in service, the ordinary disability benefit payments shall not exceed in the aggregate throughout the employee's service a period equal to 1.4 of the total service rendered prior to the date of the disability but no more than five years or age 70, whichever is earlier. The duty disability payments shall be payable for a period of five years or age 70, whichever occurs first.

- For 3% annuities fixed on or after August 1, 1983, the "Combined Annuity Mortality Table" shall continue to be used; however, widows' single life annuities and reversionary annuities shall be computed using the best factor (the factor producing the highest annuity, not depending upon sex).

1984 Session

- Illinois Public Employees' Pension Laws Commission abolished.

1985 Session

HB 561

- 1.80, 2.00, 2.20, 2.40% benefit accrual rate for those born before January 1, 1936, and retiring after July 18, 1985.
- Reduction in age discount factor (employee and widow) from 0.5% to 0.25% for employees born before January 1, 1936, and retiring after July 18, 1985.
- Health insurance supplement up to $25 per month if the employee is age 65 or older with at least 15 years of service (for each employee annuitant in receipt of annuity and for each employee who retires on annuity in the future).
- Disability provisions extended to age 70 in certain cases.
- Unisex money purchase factors for widows/widowers.
- Membership provisions extended to age 70.
- Board of Education employee contribution "pick up" included in the definition of salary for contribution and benefit purposes (retroactive).

1986 Session

HB 2630

- Beginning for retirement or death in service on or after January 23, 1987, the spouse dollar cap is eliminated.
- Beginning for retirement on or after January 1, 1987, the first annuity increase will begin on the first annuity payment date following the first anniversary of retirement or age 60 if later.

1987 Session

HB 2715

- 1.80, 2.00, 2.20, 2.40% benefit accrual rates for those born on or after January 1, 1936, and retiring on or after January 1, 1988.
- Reduction in an age discount factor (employee and widow) from .5% to .25% for employees born on or after January 1, 1936, and retiring or dying in service on or after January 1, 1988. No discount for employee age less than 60 if employee has at least 35 years of service.

- Minimum employee annuity of $250 and minimum spouse of $200 under certain conditions.
- Elimination of cap on maximum widow's annuity for spouses of certain retired employees with repayment of any "excess spouse" refund.
- Change amount of children's benefits to $120 or $150, effective January 1, 1988.
- Provides for certain "Good Government" initiatives.

1988 Session

- No legislative changes.

1989 Session

SB 95

- Signed August 23, 1989. Changed the amount of plan paid health insurance "supplement" from January 1, 1988 until December 31, 1992 to $65 per month for each annuitant not qualified to receive Medicare benefits (and $35 if qualified) and from January 1, 1993 until December 31, 1997 the amounts are $75 and $45, respectively. Widows will now be supplemented and employee annuitants will no longer be required to meet the age 65 and 15 years of service requirements. The City will be required to pay 50% of the aggregated cost of health care claims for the retired group under all health care plans offered by the City. A procedure was established for the City to determine, with the help of an independent actuary, the aggregate cost of claims and premiums for each calendar year from 1989 through 1997 for the retired group.

HB 332

- Signed August 23, 1989. Eliminated age-related discriminatory provisions as required by Federal law or regulation. Provided for Age Discrimination changes effective January 1, 1988 to eliminate age 65 requirements for marriage in service and children's benefits, provided contributions after age 65 for spouse benefits, provided employee accumulation annuities be computed after age 70, provided employee and spouse accumulation annuities not be "fixed" at age 65, provided no age 70 restriction on disability benefits, provided for active members over age 65 that their accounts be "unfixed" and accumulate interest until the date of withdrawal, and provided that there be no age 70 membership limitation and removed the permitted "no spouse" refund at age 65.
- Allow for local labor officials on a leave of absence from the Plan to contribute for their service as a local labor official.

1990 Session

SB 136

- Amends Chapter 120, Paragraph 671 of the Revenue Act to provide for a separate listing on the tax bill of the dollar amount of tax due from the person assessed which is allocable to a tax levied under the Illinois Pension Code, or any other tax levied by a municipality or township for public pension or retirement purposes. Effective January 1, 1990.

SB 1951

- Signed January 14, 1991. Beginning for withdrawals on or after January 1, 1991, annuity payments will be made as of the first day of the calendar month during the annuity payment period.
- 2.2% benefit accrual rate for employees retiring on or after July 1, 1990.
- No discount for employee age less than 60 if employee has at least 30 years of service and retires on or after July 1, 1990.
- Minimum employee annuity of $350 and minimum spouse of $300 under certain conditions.
- Spouses and widows of employees retiring or dying in service on or after July 1, 1990 with 20 or more years of service at age 55 or over will be eligible for half of the employee's annuity discounted .25% for each month the spouse or widow is less than 55.
- Retroactive eligibility for 35 years no discount and spouse and widow annuities computed as half of employee annuity.
- Refund in lieu of $300 annuity.
- Disability benefit retroactive one year from application; duty disability deductions in lieu for heart attack or stroke.
- An alternative plan for elected officials of 3% of salary for the first 8 years, 4% for the next 4 years and 5% thereafter, subject to a maximum of 80%, is available. The elected official must contribute an additional 3% of salary to receive these benefits. This plan also includes alternative widow and disability benefit formulas. This plan will become effective upon approval from the IRS.
- Collateral for securities lending expanded.
- Fractional payment for refund repayment and temporary service authorized. Credit established by fractional payment shall be earliest service for which credit may be established.

1991 Session

HB 971

- Signed November 19, 1991. Eligibility for the alternative plan for elected officials was extended to persons who hold office as a City officer on April 30, 1991 until 30 days after the date the plan takes effect, notwithstanding the ending of his term of office prior to that effective date.

1992 Session

SB 1650

- Signed January 25, 1993.
- Transfer provisions for County elected officers and judges.
- **Early Retirement Incentive** was created for withdrawals from December 31, 1992 to June 30, 1993.
    - Requires a total of 20 years of service (with at least 10 in this plan, 5 in a Reciprocal plan and up to 5 purchased under ERI).
    - Requires age 55 or older.
    - Requires an election form to be filed before June 1, 1993.
    - Retired under this Article.
    - Provides for elimination of the age discount for employees 55-60.
    - Provides for 80% maximum final average salary compared to the present 75%.
    - Provides for an optional purchase of up to five years of service credit for 4.25% of the November 1, 1992 salary.
    - Provides for a 24-month option to pay for ERI service.
    - Provides for a tax levy derived from ERI contributions.

1993 Session

- No legislative changes.

1994 Session

- No legislative changes.

1995 Session

SB 114

- Approved July 14, 1995.
- The amount of earnings that may be taken into account by any retirement system is limited to the maximum dollar limitation specified in Section 401(a)(17) of the Internal Revenue Code, except for persons who became Members before 1996.
- The Plan is authorized to make certain involuntary distributions required by Section 401(a)(9) of the Internal Revenue Code.

SB 424

- Approved July 7, 1995.
- The Pension Laws Commission was created as a legislative support services agency.

1996 Session

SBJPA

- On August 20, 1996 the Small Business Job Protection Act was signed by President Clinton.
- Treatment of governmental plans under Code Section 415:
  - Rule limiting annual benefit to 100% of the average of the highest 3 year compensation no longer applies.
  - Excess benefit plans are permitted to provide Members with benefits in excess of the Code Section 415 limits.
  - Early retirement reduction does not apply to certain survivor and disability benefits.
  - The definition of compensation now includes elective deferrals.
  - Taxation of distributions:
    - $5,000 death benefit exclusion was repealed for deaths after August 20, 1996.
    - Five-year averaging for lump sum distributions was repealed effective January 1, 2000.
    - Annuity payments will be taxed according to a simplified general rule which uses investment and age as of annuity starting date for annuities which start on or after November 19, 1996.

1997 Session

HB 15

- Approved June 27, 1997.

- For withdrawals from service occurring on or after July 1, 1990, an alternate method of calculating salary using the annual equivalent of average salary instead of the salary rate applicable for the greatest part of the year is allowed.

- Annuities effective on or after January 1, 1998 will be payable on the first day of the calendar month.

- The prudent person rule for investing is allowed.

- An eligible employee is allowed to contribute for all periods of temporary service while still in City service, for up to 90 days after withdrawal from City service, or while in reciprocal service.

- The Board is allowed to adopt rules prescribing the manner of repaying refunds and purchasing any optional credit including accepting rollovers for payments.

- The City is allowed to use deposits from any legal source (including borrowing) in lieu of all or part of the tax levy on or after June 27, 1997.

HB 313

- Approved June 27, 1997. For withdrawals from service occurring on or after June 27, 1997, an employee (or surviving spouse) age 50 or over with at least 30 years of service is eligible to receive an annuity based on the minimum annuity formula.

- For withdrawals from service occurring on or after June 27, 1997, an employee under age 60, with at least 25 years of service, is not subject to an age discount.

- The surviving spouse of a retiree dying on or after June 27, 1997, while receiving an annuity is eligible for one-half of the employee's annuity at death, discounted for spouse's age under 55 at the time of employee's death.

- Beginning June 27, 1997, employees already receiving annuity will receive a minimum annuity of $550 for life (reciprocal annuitants must have at least five years of Municipal service). Any future employee annuitant withdrawing from service after attainment of age 60 with 10 or more years of service would qualify for this minimum.

- Beginning June 27, 1997, widow(er)s already receiving annuity will receive a minimum annuity of $500 for life (reciprocal annuitants must have at least five years of Municipal service). For future spouses of retirees, 10 years of service is required. For spouses of employees dying in service in the future, five years of service is required.

- Beginning June 27, 1997, the child's annuity will be increased to $220 per month if the spouse of the deceased employee parent survives or $250 per month if no such spouse survives.
- Coverage in the City group health insurance is extended through June 30, 2002, with some modification in the plans offered. Pension plan supplement remains $45 and $75 for Medicare eligible and non-Medicare eligible annuitants respectively.
- Spouses of employees dying in service after age 50 on or after June 27, 1997 will be eligible to receive 50% of the annuity that the employee would have received. This annuity will be reduced by 0.25% per month for each month that the spouse is below the age of 55.
- Spouses of employees dying after retirement on or after June 27, 1997 will be eligible to receive 50% of the employee's annuity at death. This annuity will be reduced by 0.25% per month for each month that the spouse is below the age of 55.

HB 1641

- Approved August 22, 1997.
- Beginning August 22, 1997, for surviving spouses of employees who retired or died in service before January 23, 1987, the previous $300, $400, or $500 maximum spouse annuity limitation is removed. If an excess spouse refund was paid, it must be repaid with interest.
- Service paid under Section 8-230 can be counted for ordinary disability purposes for periods of disability on or after August 22, 1997.
- Early Retirement Incentive was created for withdrawals from December 31, 1997 to June 30, 1998.
    - Requires an election form to be filed before June 1, 1998.
    - Requires a member to be a current contributor on November 1, 1997 and have not previously retired under this Article.
    - Provides for elimination of the age discount for employees age 55 to 60.
    - Provides for 80% maximum final average salary compared to the present 75%.
    - Provides for an optional purchase of up to five years of service credit for 4.25% of the November 1, 1997 salary.
    - Provides for a 24-month option to pay for ERI service.
    - Provides for a tax levy derived from ERI contributions.

1998 Session

HB 3515

- Approved August 14, 1998.
- Beginning January 1, 1999, the automatic increase for employee annuitants changed to 3% compounded for all past, current, and future annuitants regardless of the effective date of the annuity. Term annuities are not eligible for the increase.
- Employees withdrawing after January 1, 1999 will be eligible for the minimum formula upon attainment of age 60 if they have at least 10 years of service.
- Beginning January 1, 1999, employees already receiving an annuity as of August 14, 1998 will receive a minimum annuity of $850 for life (reciprocal annuitants must have at least five years of Municipal service). Any future employee annuitant withdrawing from service after August 14, 1998 after attainment of age 60 with 10 or more years of service would qualify for this minimum.
- Beginning January 1, 1999, widow(er)s already receiving annuity as of August 14, 1998 will receive a minimum of $800 for life (reciprocal annuitants must have at least five years of Municipal service). For future spouses of retirees dying after August 14, 1998, 10 years of service is required. For spouses of employees dying in service after August 14, 1998, five years of service is required.
- The conditions of the reversionary option were changed as follows:
    - The nullification of reversionary payment due to employee dying was reduced to 365 days after written designation was filed with the board and now applies only to parents, children, and siblings (not spouses).
    - Employees may reduce their monthly annuity by as much as $400.
    - The increased annuity for spouse may now be as much as 100% of the reduced employee annuity.
- Spouses and widows that are eligible for the "50% employee amount" will no longer have this amount reduced for under age 55 if the employee dies on or after January 1, 1998 and withdrew from service on or after June 27, 1997, and the employee retired after age 55 with at least 25 years of service or after age 50 with at least 30 years of service. The age discount will only apply if the spouse is under age 50.
- The child of an annuitant who withdraws after January 1, 1998 having attained age 50 with at least 30 years of service is eligible for a child annuity upon the death of the annuitant.
- The required employer multiple has been set at 1.25 for 1999 and beyond.

- Money deposited under 5/8-173(f) may be used by the plan for any of the purposes for which the proceeds of the tax levied by the city under this section may be used.

- An employee or former employee may pay and receive credit for all periods of full-time employment by the Public Building Commission as long as they are not receiving credit for the same service from another retirement system. Employee must pay employee and employer contributions based on the salary received from the Public Building Commission for employment. Repayment must be made before annuity begins.

- Annuitants may authorize a portion of their annuity to be withheld for payment of dues to the labor organization by which they were represented. A minimum of 25 annuitants must choose an organization for it to be included in this plan.

HB 1612

- Effective July 1, 1999, Qualified Illinois Domestic Relations Orders were recognized.

1999 Session

- No Changes

2000 Session

HB 1583

- Approved July 6, 2000.

- An employee or widow whose annuity would amount to less than $800 per month may elect to receive a refund in lieu of annuity. Formerly, only employees and widows whose annuity would be less than $300 per month could choose a refund.

- The reversionary annuity tables have been extended down to age 50 from age 55 to comply with the change in the law allowing retirement at age 50 with 30 years of service.

- The Board is allowed to pay an annuity (if the person qualifies) directly to a Medicare approved, State certified nursing home or to a publicly owned and operated nursing home, hospital, or mental institution. Each person must qualify under the provisions of this amendment.

- Annuities of widows who remarry on or after the date 60 days after the effective date of this amendment would not be terminated upon remarriage.

- For annuities effective before January 1, 1998, all annuity payments will be made on the first day of the calendar month, for the entire month without proration.

2001 Session

EGTRRA

- On June 7, 2001, the Economic Growth and Tax Relief Reconciliation Act of 2001 was signed by President Bush.
- Beginning January 1, 2002, payments for eligible optional service credits may be made with funds rolled over from a 457 deferred compensation plan or a 403(b) tax deferred annuity plan (if allowed by the 457 or 403(b) plan).

2002 Session

SB 314

- Effective July 1, 2002.
- The accrual rate for the minimum formula annuity is changed from 2.2% to 2.4% of final average salary and the maximum annuity is changed from 75% to 80% of final average salary for employees withdrawing from service on or after January 1, 2002.
- The 3% post-retirement automatic increase will now begin no later than 3 years after retirement for an eligible retiree (An eligible retiree is an employee annuitant, not a widow or widower annuitant, originally granted a lifetime annuity). For eligible retirees less than age 60 on the first anniversary of retirement, the 3% increase will begin at the earlier of age 60, and the latest of the following dates:
    - The third anniversary of retirement
    - The attainment of age 53; or
    - January 1, 2002

  For eligible retirees age 60 or older on the first anniversary of retirement, the 3% increase will begin on the first anniversary of retirement.

HB 5168

- Effective June 28, 2002.
- For the eligible spouse of an employee who dies in service on or after August 28, 2002, with at least 10 years of service, the annuity is no less than 50% of the minimum formula annuity the employee would have been entitled to based on service and salary to the date of death without regard to age eligibility requirements. This is equal to 2.4% of final average salary for each year of service. The employee and the spouse must have been married for ten years.
- For children of employees who die in service on or after June 28, 2002, there is no service requirement for eligibility for children's annuity.

- The definition of "child" now includes any child adopted before employee withdraws from service and at least one year prior to the date any benefit for the child accrues. Previously the adoption also had to take place before the employee attained age 55.

- For ordinary disability benefits paid on or after January 1, 2001, the ordinary disability benefit is 50% of the employee's salary at the date of disability with the amounts ordinarily contributed by the employee for annuity purposes contributed by the Plan. These contributions are not refundable.

- The pension plan subsidy for retiree health insurance was extended through June 30, 2003. For annuitants (older than child annuitants) taking the employer-provided plan, the subsidy is $75 per month if the annuitant is not eligible for Medicare, and $45 per month if the annuitant is eligible for Medicare.

- Current and former Chicago Housing Authority employees who have service in this Plan or who reinstate service in this Plan may elect to participate in this Plan with respect to their employment with the Chicago Housing Authority under certain conditions. Contributions can be made for past service as well as current service.

- Current and former Public Building Commission employees who have service in this Plan or who reinstate service in this Plan may elect to participate in this Plan with respect to their employment with the Public Building Commission under certain conditions. Contributions can be made for past service as well as current service.

- An employee with 10 years of service in this Plan may establish service credit for up to seven years of full-time employment by the Illinois Housing Development Authority.

- The City Clerk and City Treasurer may elect to establish alternative credits in the Aldermanic Plan.

- Chicago aldermen may receive an annuity at age 55 with 10 years of service or age 60 with eight years of service.

- An alderman in service on June 1, 1995, can make payments for prior service up to 30 days after the effective date, even though he might be out of service or retired.

- A member of the Plan who has service in Police Fund may apply to Police to transfer his credits and service to Municipal under certain conditions. This must be done within 90 days of the effective date. Employee and employer contributions will be transferred.

2003 Session

SB 1701

- Effective July 1, 2003.

- The healthcare benefits were extended and increased to $85 per month for non-Medicare eligible participants and $55 per month for Medicare eligible participants for the period from July 1, 2003 through June 30, 2008. Thereafter, the benefits are extended and increased from $85 to $95 and $55 to $65 for the period July 1, 2008 to June 30, 2013

- The healthcare benefits referred to above are not and shall not be construed to be pension or retirement benefits for the purposes of Section 5 of Article XIII of the Illinois Constitution of 1970.

EXHIBIT R

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO

HISTORY OF RECOMMENDED EMPLOYER MULTIPLES AND TAXES LEVIED

Year of Report	Statutory Multiple	Normal Cost Plus Interest	Normal Cost Plus 40 Year Amortization	Normal Cost Plus 40 Year % of Salary Amortization	Tax Levy Year	City	Park	Total Tax Levy
1983[2]	1.69	2.05	2.16	1.48	1983	$ 62,700,000	$ 55,000	$ 62,755,000
1984	1.69	1.95	2.04	1.46	1984	71,736,000	54,000	71,790,000
1985[1,2]	1.69	1.98	2.08	1.48	1985	73,215,000	50,000	73,265,000
1986[1,2]	1.69	1.77	1.84	1.34	1986	81,059,000	45,000	81,104,000
1987[1,2]	1.69	1.83	1.90	1.40	1987	90,799,000	45,000	90,844,000
1988	1.69	1.80	1.87	1.39	1988	97,051,000	39,000	97,090,000
1989[1,2]	1.69	1.44	1.49	1.08	1989	101,532,000	37,000	101,569,000
1990[1,2]	1.69	1.75	1.80	1.31	1990	107,000,000	30,000	107,030,000
1991[2]	1.69	1.65	1.70	1.24	1991	114,530,000	26,000	114,556,000
1992	1.69	1.70	1.75	1.29	1992	123,173,000	27,000	123,200,000
1993[2]	1.69	1.90	1.96	1.44	1993	137,373,000	27,000	137,400,000
1994	1.69	1.78	1.84	1.32	1994	139,618,000	24,000	139,642,000
1995	1.69	1.81	1.87	1.38	1995	162,433,000	13,000	162,446,000
1996	1.69	1.71	1.75	1.34	1996	156,985,000	5,700	156,990,700
1997[1,2,3]	1.69	1.16	1.19	0.92	1997	159,874,300	10,000	159,884,300
1998[1,2]	1.25	1.73	1.77	1.38	1998	159,083,000	5,900	159,088,900
1999[1,4]	1.25	0.87	0.89	0.68	1999	122,717,400	4,600	122,722,000
2000	1.25	0.80	0.81	0.67	2000	142,421,600	2,400	142,424,000
2001	1.25	0.80	0.82	0.65	2001	135,624,600	0	135,624,600
2002[2]	1.25	1.32	1.35	0.97	2002	136,980,000	0	136,980,000
2003[2]	1.25	1.51	1.56	1.08	2003	146,613,000	0	146,613,000

[1] *Change in actuarial assumptions.*
[2] *Change in benefits.*
[3] *Change in asset valuation method to GASB.*
[4] *Change in actuary.*

EXHIBIT S
ANNUAL REQUIRED CONTRIBUTIONS OF EMPLOYER AND TREND INFORMATION

Year	Annual Required Contribution (ARC) of the Employer[1]	Required Statutory Basis[2]	Actual[3]	Percent of ARC Contributed
1994	$121,536,892	$133,637,250	$137,076,271	111.16%
1995	127,020,331	155,935,200	159,275,835	125.39%
1996	123,313,173	150,244,150	152,556,327	123.71%
1997	100,278,969	153,004,815	156,832,214	156.40%
1998	108,174,346	152,248,055	158,564,165	146.58%
1999	157,514,076	117,813,120	119,644,186	75.96%
2000	93,016,467	136,727,040	140,171,920	150.70%
2001	83,526,133	130,199,616	131,439,834	157.36%
2002	92,711,870	131,500,800	130,966,381	141.26%
2003	158,614,805	140,748,480	141,882,893	89.45%

[1] Under Normal Cost plus 40 Year Level-Dollar Amortization. Negative ARC values are set to zero, as no contribution is then required

[2] Tax levy after 4% loss

[3] Net tax levy plus miscellaneous. Includes prior year adjustments for taxes beginning in 1991

Year	Assets Available for Benefits as a % of Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability (Surplus) as a % of Covered Payroll End of Year	Employer Contribution as a % of Covered Payroll Beginning of Year
1994	74.03%	101.60 %	13.84%
1995	78.67%	86.38 %	14.74%
1996	86.57%	56.34 %	14.02%
1997	84.94%	66.43 %	14.57%
1998	82.26%	96.00 %	13.30%
1999	91.70%	42.97 %	10.24%
2000	94.49%	29.53 %	11.06%
2001	93.26%	33.99 %	10.57%
2002	84.52%	85.14 %	9.52%
2003	79.91%	114.98 %	10.30%

GASB Exhibits

EXHIBIT A-1
GASB #25 AND #27 DISCLOSURES

GASB: Financial Accounting Information

In an effort to enhance the understandability and usefulness of the pension information that is included in the financial reports of pension plans for state and local governments, the Governmental Accounting Standards Board (GASB) has issued Statement No. 25 – Financial Reporting for Defined Benefit Pension Plans and Statement No. 27 – Accounting for Pensions by State and Local Governmental Employers. Under GASB #25 and #27, systems select one actuarial method from several acceptable alternatives, and report all information on this one basis.

This report includes the following Exhibits with information required to be reported under GASB #25 and #27.

Exhibit A-2: Schedule of Funding Progress for GASB #25

This exhibit shows a history of funding progress under GASB (we included additional years prior to GASB #25). The funding progress is a comparison of Actuarial Value of Assets with the Actuarial Accrued Liability (AAL), and a comparison of the unfunded AAL (UAAL) with payroll.

Exhibit A-3: Schedule of Employer Contributions for GASB #25

This exhibit shows the Annual Required Contribution (ARC) as computed under GASB #25, and the percent of this amount actually received.

Exhibit A-4: Supplementary Information for GASB #25 and #27

This exhibit has certain information required in the notes to the Plan and City financial reports.

Exhibit A-5: Annual Pension Cost and Contributions Made for GASB #27

This exhibit shows the components of annual pension cost (ARC, interest on the Net Pension Obligation (NPO), and the adjustment to the ARC), increase or decrease in the NPO, and the NPO at the end of the year. The exhibit also includes the dollar amount of city contributions made.

Exhibit A-6: Pension Cost Summary for GASB #27

This exhibit shows a seven-year summary of annual pension cost, percentage of annual pension cost contributed that year and NPO at the end of the year.

Exhibit A-7: Development of Net Pension Obligation (NPO) at January 1, 1997

This exhibit documents the calculation of the pension liability at transition in accordance with GASB #27.

EXHIBIT A-2
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SCHEDULE OF FUNDING PROGRESS FOR GASB #25

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b - a) / c]
1994	$ 3,129,379,505	$ 4,227,053,182	$ 1,097,673,677	74.03%	$ 1,080,425,256	101.60%
1995	3,466,557,418	4,406,303,090	939,745,672	78.67%	1,087,913,784	86.38%
1996	3,907,997,927	4,514,208,388	606,210,461	86.57%	1,076,057,784	56.34%
1997	4,467,100,715	5,259,125,157	792,024,442	84.94%	1,192,286,688	66.43%
1998	5,202,095,202	6,323,965,903	1,121,870,701	82.26%	1,168,639,224	96.00%
1999	6,017,841,114	6,562,299,185	544,458,071	91.70%	1,267,181,658	42.97%
2000	6,297,976,257	6,665,179,731	367,203,474	94.49%	1,243,439,345	29.53%
2001	6,466,797,543	6,934,176,477	467,378,934	93.26%	1,375,048,892	33.99%
2002	6,403,982,494	7,577,100,377	1,173,117,883	84.52%	1,377,909,441	85.14%
2003	6,384,098,957	7,988,636,556	1,604,537,599	79.91%	1,395,513,060	114.98%

EXHIBIT A-3
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
SCHEDULE OF EMPLOYER CONTRIBUTIONS FOR GASB #25

	2003	2002	2001	2000	1999
1. Contribution Multiplier	1.25	1.25	1.25	1.25	1.25
2. Payroll (beginning of year)	$ 1,377,909,441	$ 1,375,048,892	$ 1,243,439,345	$ 1,267,181,658	$ 1,168,639,224
3. City of Chicago Contribution, Net of Reserve for Loss in Tax Collection	$ 141,882,893	$ 130,966,381	$ 131,439,834	$ 140,171,920	$ 119,644,186
4. City of Chicago Contribution as a Percent of Covered Payroll	10.30%	9.52%	10.57%	11.06%	10.24%
5. Employee Contributions	$ 129,579,379	$ 128,395,307	$ 118,240,732	$ 107,371,034	$ 102,454,040
6. Employee Contributions as a Percent of Covered Payroll	9.40%	9.34%	9.51%	8.47%	8.77%
7. Current Year Normal Cost	$ 177,517,094	$ 168,543,796	$ 156,416,139	$ 153,795,162	$ 169,007,509
8. Normal Cost as a Percent of Covered Payroll	12.88%	12.26%	12.58%	12.14%	14.46%
9. 40-Year Level Dollar Amortization of the Unfunded Liability	$ 91,090,607	$ 36,291,179	$ 28,512,725	$ 42,276,242	$ 90,528,771
10. 40-Year Level Dollar Amortization as a Percent of Covered Payroll	6.61%	2.64%	2.29%	3.34%	7.75%
11. Interest Adjustment for Semi-Monthly Payment	$ 10,021,751	$ 7,642,391	$ 6,899,694	$ 7,315,422	N/A
12. Actuarially Determined Contribution (ADC) [1] (NC + 40-year level dollar + interest adjustmen	$ 278,629,452	$ 212,477,366	$ 191,828,558	$ 203,386,826	$ 259,536,280
13. ADC as a Percent of Covered Payroll	20.22%	15.45%	15.43%	16.05%	22.21%
14. Annual Required Contribution (ARC) [1] (ADC - estimated employee contributions)	$ 158,614,805	$ 92,711,870	$ 83,526,133	$ 93,016,467	$ 157,514,076
15. ARC as a Percent of Covered Payroll	11.51%	6.74%	6.72%	7.34%	13.48%

[1] *ADC and ARC amounts cannot be less than zero.*

In the year 2003 the City contributed $141,882,893. In 2003, the employee contributions were $129,579,379, or 9.40% of payroll. City contributions were $16,731,911 less than the ARC.

EXHIBIT A-4

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO

SUPPLEMENTARY INFORMATION FOR

GASB #25 AND GASB #27

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

Valuation date	December 31, 2003
Actuarial Cost Method	Entry Age Normal
Actuarial Value of Assets	5-year smoothed market
Amortization Method	Level dollar open
Remaining Amortization Period	40 years
Actuarial Assumptions:	
Investment Rate of Return	8.0% per year
Projected Salary Increases	5.0% per year
Inflation	3.0% per year
Post Retirement Benefit Increases	3.0% per year beginning at the earlier of 1) the later of the first anniversary of retirement and age 60 2) the later of the third anniversary of retirement and age 53

Actuarial Accrued Liability (AAL)

	2002	2003
Payable to Retirees and Beneficiaries	$ 3,551,167,505	$ 3,740,757,718
Current Employees:		
Accumulated Employee Contributions Including Statutory Interest	1,217,420,586	1,285,968,607
Payable to Vested and Non-Vested Employees (not split)	2,808,512,286	2,961,910,231
Total Actuarial Accrued Liability	$ 7,577,100,377	$ 7,988,636,556
Net Plan Actuarial Assets	6,403,982,494	6,384,098,957
Unfunded AAL (assets in excess of AAL)	$ 1,173,117,883	$ 1,604,537,599
Percent Funded	84.52%	79.91%
Unfunded AAL as Percent of Payroll	85.14%	114.98%
Payroll	$ 1,377,909,441	$ 1,395,513,060

EXHIBIT A-5
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
HISTORY OF ANNUAL PENSION COST AND CONTRIBUTIONS MADE FOR GASB #27 FROM 1997

Year Ending December 31:	1997	1998	1999	2000	2001	2002	2003
Contribution Rates							
Plan Members:	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%	8.5%
City: Proceeds from a tax levy not more than an amount equal to the total amount of contributions by the employees to the Fund made in the calendar year two years prior to the year for which the annual applicable tax is levied, multiplied by:	1.69	1.25	1.25	1.25	1.25	1.25	1.25
Annual Pension Cost							
Annual Required Contribution (ARC)	$ 194,218,814	$ 108,174,346	$ 157,514,076	$ 93,016,467	$ 83,526,133	$ 92,711,870	$ 158,614,805
Interest on NPO	(11,923,863)	(16,832,011)	(20,863,197)	(18,001,235)	(21,697,440)	(25,581,562)	(28,702,083)
Adjustment to ARC	12,024,406	16,832,011	20,249,897	18,954,128	21,059,616	24,829,559	27,858,348
Annual Pension Cost	$ 194,319,357	$ 108,174,346	$ 156,900,776	$ 93,969,360	$ 82,888,309	$ 91,959,867	$ 157,771,070
Employer Contributions	$ 156,832,216	$ 158,564,165	$ 121,126,249	$ 140,171,920	$ 131,439,834	$ 130,966,381	$ 141,882,893
Net Pension Obligations (NPO)							
NPO at Beginning of Year	$ (149,048,289)	$ (210,400,142)	$ (260,789,961)	$ (225,015,434)	$ (271,217,994)	$ (319,769,519)	$ (358,776,033)
Increase/(Decrease) in NPO	(61,351,853)	(50,389,819)	35,774,527	(46,202,560)	(48,551,525)	(39,006,514)	15,888,177
NPO at End of Year	$ (210,400,142)	$ (260,789,961)	$ (225,015,434)	$ (271,217,994)	$ (319,769,519)	$ (358,776,033)	$ (342,887,856)

EXHIBIT A-6

MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO

PENSION COST SUMMARY FOR GASB #27

Year Ended December 31	Annual Pension Cost	% of Annual Pension Cost Contributed	Net Pension Obligation
1997	$ 100,379,512	156.24%	$ (210,400,142)
1998	108,174,346	146.58%	(260,789,961)
1999	156,900,776	77.20%	(225,015,434)
2000	93,969,360	149.17%	(271,217,994)
2001	82,888,309	158.57%	(319,769,519)
2002	91,959,867	142.42%	(358,776,033)
2003	157,771,070	89.93%	(342,887,856)

EXHIBIT A-7
MUNICIPAL EMPLOYEES' ANNUITY AND BENEFIT FUND OF CHICAGO
DEVELOPMENT OF NET PENSION OBLIGATION (NPO) AT JANUARY 1, 1997

Year Ending December 31	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996
Assumptions and Method										
Interest Rate	7.5%	7.5%	7.5%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
Amortization Period (years)	40	40	40	40	40	40	40	40	40	40
Cost Method	EAN	EAN	EAN	EAN	EAN	EAN	EAN	EAN	EAN	EAN
Annual Pension Cost										
Actuarially Determined Contribution (ADC)										
Normal Cost	$ 88,977.737	$ 97.968.692	$ 102,508.633	$ 97,096,679	$ 112,142,424	$ 118,648,314	$ 127,216,909	$ 128,073.255	$ 130,280.273	$ 139,953.559
40 Year Amortization	64,525.862	63.861,328	64,292,258	55,269,863	76,643,717	73,815,385	73,466.733	77.661,767	88.576,205	75.832.286
Total ADC	$ 153.503.599	$ 161,830.020	$ 166.800.891	$ 152,366.542	$ 188.786,141	$ 192.463.699	$ 200,683.642	$ 205.735.022	$ 218,856.478	$ 215,785.845
Interest on NPO	-	439.828	855.310	947,637	(946.630)	(1,271,063)	(2,131,133)	(5,214,560)	(6.759.558)	(9,388.909)
Adjustment to ADC	-	(448.998)	(862,522)	(955,628)	954.612	1,281,780	2,149,103	5.258.530	6,816,555	9,468,078
Annual Pension Cost	$ 153.503.599	$ 161,820.849	$ 166.793.679	$ 152,358,552	$ 188.794,123	$ 192,474.417	$ 200,701,611	$ 205.778,991	$ 218,913,475	$ 215,865.014
Contributions for Year										
Employer Contributions	$ 86.928.550	$ 92,913,800	$ 97,196,000	$ 102,422,150	$ 110,807,484	$ 119,851,582	$ 133,957,499	$ 137,076.271	$ 159,275.835	$ 152,556.327
Employee Contributions	60,710.680	64,080,041	68,443,590	73,614,748	82,042,041	83,373,713	105,286,953	88,015,188	92,504,531	94,995.616
Total Contributions	$ 147.639.230	$ 156,993,841	$ 165,639,590	$ 176,036.898	$ 192,849,525	$ 203,225,295	$ 239,244,452	$ 225,091,459	$ 251,780.366	$ 247,551,943
Net Pension Obligations (NPO)										
NPO at Beginning of Year	$ 0	$ 5.864.369	$ 10,691,377	$ 11,845,466	$ (11,832,880)	$ (15,888,282)	$ (26.639,160)	$ (65,182,001)	$ (84,494,469)	$ (117,361,360)
Annual Pension Cost	153,503.599	161,820.849	166,793,679	152,358,552	188.794,123	192,474,417	200,701,611	205,778,991	218,913,475	215,865.014
Total Contributions	(147,639,230)	(156,993,841)	(165,639,590)	(176,036.898)	(192,849,525)	(203,225,295)	(239,244,452)	(225,091,459)	(251,780,366)	(247,551,943)
NPO at End of Year	$ 5.864,369	$ 10,691,377	$ 11,845,466	$ (11,832,880)	$ (15,888,282)	$ (26,639,160)	$ (65,182,001)	$ (84,494,469)	$ (117,361,360)	$ (149,048,289)