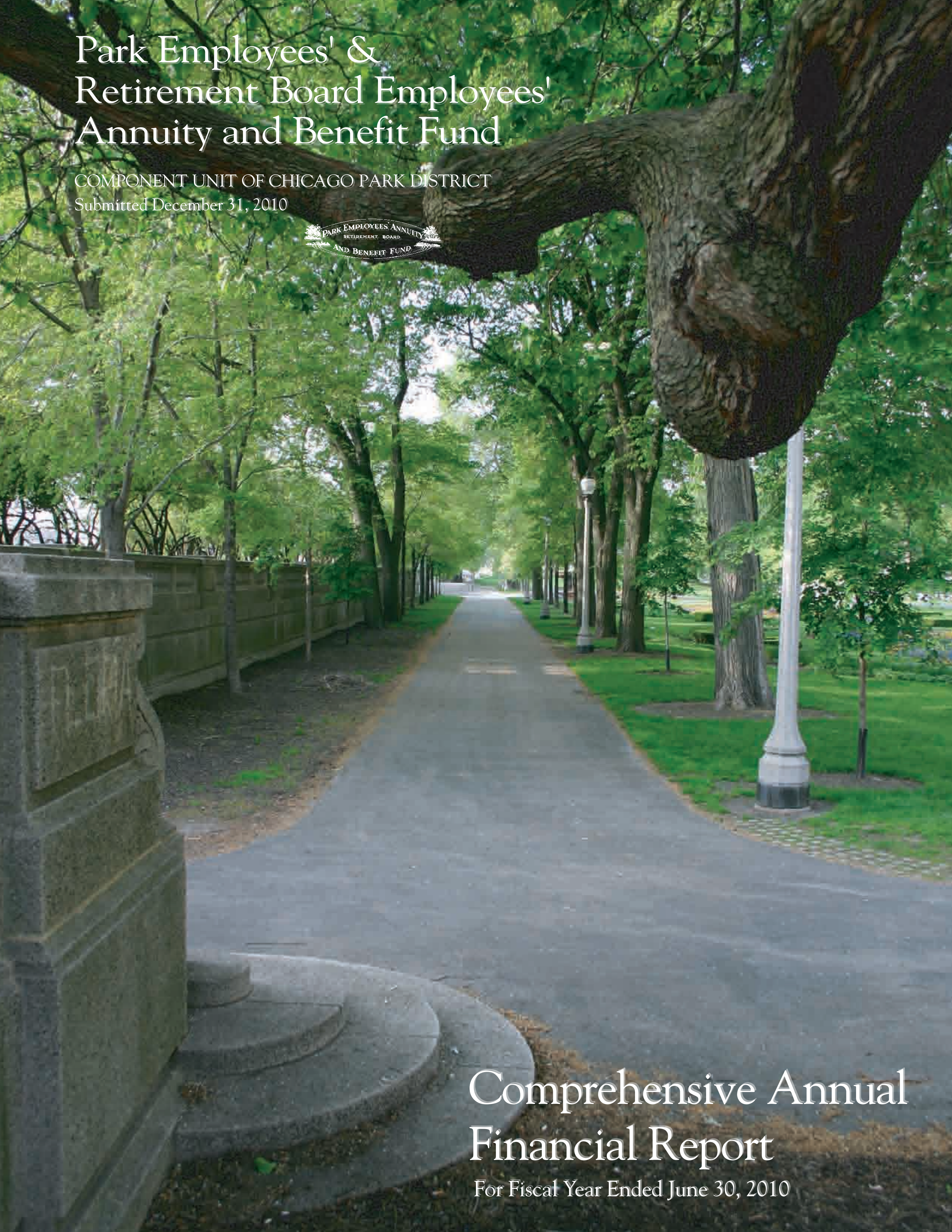
Park Employees' & Retirement Board Employees' Annuity and Benefit Fund

COMPONENT UNIT OF CHICAGO PARK DISTRICT
Submitted December 31, 2010



Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2010

Comprehensive Annual Financial Report

of the

Park Employees'
And Retirement Board Employees'
Annuity and Benefit Fund

(Component Unit of Chicago Park District)

for the

Fiscal Year ended June 30, 2010

Prepared by The Staff of the Retirement Board

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Buckingham Fountain - Grant Park

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Park Employees' and Retirement Board Employees' Annuity & Benefit Fund, Illinois

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2009

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

GOVERNMENT FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA CORPORATION SEAL CHICAGO

President

Executive Director

Transmittal Letter

Retirement Board of the
PARK EMPLOYEES' ANNUITY AND BENEFIT FUND
55 East Monroe Street, Suite 2720
Chicago, Illinois 60603
Tel. # (312) 553-9265 Fax # (312) 553-9114

December 22, 2010

To the Retirement Board of the Park Employees' and
Retirement Board Employees' Annuity and Benefit Fund
Chicago, Illinois 60603

Dear Members of the Retirement Board:

Enclosed is the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago's (Fund) Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2010. The accuracy of the information contained in the report including all disclosures is the sole responsibility of the Fund. The intent of the CAFR is to present fairly the financial condition of the Fund and its related results of operations. The statements and disclosures contained in the CAFR are necessary to assist the Fund's participants, taxpayers and other interested parties towards fully understanding the Fund's financial condition. Readers of the CAFR are directed to review the Management Discussion and Analysis (MD & A) narrative of the Financial Section for important overview and analysis.

Fund Background

The Fund is a single employer, defined benefit plan covering the eligible public employees of the Chicago Park District. The Fund was created by an act of the Legislature of the State of Illinois, approved June 21, 1919 and effective July 1, 1919, covering the three major park systems of Chicago. With the statutory consolidation of the separate park districts of Chicago on May 1, 1934, the Chicago Park District was created authorizing the Fund to cover its employees. The Fund is administered in accordance with Chapter 40 of the Illinois Compiled Statutes, Act 5, Articles 1 and 12.

Responsibilities of the Board of Trustees

The Board of Trustees is composed of seven members. Four members are elected by the active participants for four-year terms and three members are appointed by the Chicago Park District Board of Commissioners for three-year terms. Terms are staggered so that one member is elected and appointed each year. The Board of Trustees elects a President, Vice President and Secretary from within its ranks at its annual meeting in July of every year. These elected office holders each have a prescribed set of duties. The Board of Trustees has various duties and responsibilities which include: invest funds in accordance with state law and its internal investment policy; approve the appointments of all necessary consultants and advisors; develop and approve all rules, regulations and policies governing the operation of the Fund; review and approve all applications for disability, annuities and other benefits; monitor the financial and operational activities of the Fund; and approve all proposed legislation. The day-to-day operations of the Fund are the responsibility of the Executive Director.

Accounting Method and Internal Controls

The CAFR was prepared to conform with the principles of governmental accounting and reporting as pronounced by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA). In recording assets and liabilities, revenues and expenses, the accrual basis of accounting is used. All revenues including contributions are recognized when earned and expenses are recorded when incurred. All reserves are recorded and maintained in accordance with actuarial reserve requirements.

The Fund employs a system of internal controls to adequately safeguard its assets and assure the reliability of its financial records which includes the financial statements, supporting schedules and statistical tables. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and that the valuation costs and benefits requires estimates and judgements by management. An evaluation of the internal control structure during the Fund's annual independent audit disclosed no material weaknesses. Management with the assistance of its outside auditors continually reviews the system of internal control to insure its adequacy and effectiveness.

Revenues

Revenues received during the year are from three primary sources:

Source	2010	2009	Increase (Decrease)	Percent Change
Employer Contribution	$ 10,829,339	$ 9,677,765	$ 1,151,574	11.9
Employee Contribution	9,829,998	10,141,146	(311,148)	(3.1)
Investment Income	41,419,975	(103,488,375)	144,908,350	140.0
Total	$ 62,079,312	$ (83,669,464)	$145,748,776	174.2

Employee contributions are based on the statutory contribution rate of 9% of salary for all active members in the Fund. During the current year employee contributions reflect a slight decrease, mainly due to mandatory furlough days required to be taken by a majority of Chicago Park District employees.

Employer contributions are statutorily set and are provided by the employer through a direct property tax levy. The tax levy is determined by multiplying the annual employee contributions two years prior to the levy year, by a factor of 1.1. The 1.1 factor is the Fund's multiplier and is one of the lowest of all major public pension fund multipliers in the Chicago area. The increase in the employer's contributions is a result of the replacement of some of the employees who took the severance package offered by the employer in 2008.

Investment income is comprised of actual earnings (i.e. dividends, interests, realized gains and losses) and unrealized gains and losses. During the fiscal year ended June 30, 2010, the investment market has shown signs of recovery, and this has impacted an unrealized gain for the Fund of $144,908,350.

The largest category of the Fund's expenses is for benefit payments. A breakdown of expenses are as follows:

Category	2010	2009	Increase (Decrease)	Percent Change
Retirement Benefits	$ 50,528,497	$ 49,910,083	$ 618,414	1.2
Spouses Benefits	10,083,124	9,819,764	263,360	2.7
Children Benefits	17,400	24,250	(6,850)	(28.2)
Disability Benefits	312,818	258,117	54,701	21.2
Death Benefits	249,500	252,500	(3,000)	(1.2)
Refund Payments	1,368,903	2,680,359	(1,311,456)	(48.9)
Administrative Expenses	1,465,562	1,335,180	130,382	8.9
Total	$ 64,025,804	$ 64,280,253	$ (254,449)	(0.4)

Funding Status

For the current fiscal year, the Fund has complied with Governmental Accounting Standards Board (GASB) Statement No. 25 which requires the actuarial value of assets and annual required contributions be market related. In computing the actuarial valuation, a five-year smoothed market value was used. The actuarial valuations were based upon the actuarial liabilities being computed using the Projected Unit Credit Actuarial Cost Method. Actuarial valuations for fiscal years 2004 and prior were based upon the Entry Age Normal Actuarial Cost Method. The Trustees approved the change in valuation methods because of the resulting positive impact on funding due to the marked decline in the average age of active members.

Based upon the above, the unfunded liability as of June 30, 2010 was $314,443,347 which compares to $270,142,419 for the previous year. The funding ratio as of June 30, 2010 is 62.3% compared to 67.2% for the previous year. For 2010, the funding ratio declined because of continual recognition of deferred unrealized losses for 2006, 2008 and 2009 due to the five-year smoothing of market values used to determine the actuarial value of assets. It is anticipated that as the financial markets strengthen the funding ratio will begin to increase approaching levels closer to full funding.

Investment Policy and Performance

The Fund's investment policy was developed to insure the long-term financing of its funding requirements. Utilizing the services of Marquette Associates, Inc., the Trustees will review the investment policy on an on-going basis making amendments as needed. The Fund's current investment policy, which details investment authority, asset allocation, diversification, liquidity, performance measurement and objective, is provided in the Investment Section of the CAFR.

As of June 30, 2010, the fair value of investments was $411,534,199 which compares to $408,581,785 as of June 30, 2009. As of June 30, 2010, the Fund's annual investment rate of return was 11.3% compared to -18.6% for the previous year. The Fund's 11.3% rate of return under performed the custom benchmark by 40 basis points and the more equity-oriented peer fund median. The Fund over the trailing three-year and five-year periods lagged the performance benchmark, by 200 and 160 basis points, respectively.

Technology

The Fund has continued to make improvements in its information systems. In 2008, the Fund implemented a document imaging system, and will soon be eliminating the use of paper files as a means to store member information. The Fund has also implemented a sophisticated system to provide nightly backups to a series of off-site locations. This backup system will allow the Fund to reduce the maximum duration of processing downtime to 48 hours, given any disaster scenario. The Fund has also updated its website and now allows visitors to access Board Meeting minutes, Comprehensive Annual Financial Reports, Investment Information, as well as keeping visitors apprised of the latest Pension Fund news.

Legislative Program

During the fiscal year ended June 30, 2010 the State of Illinois has passed revolutionary legislation that will dramatically impact all of the systems covered by Chapter 40 of the Illinois Compiled Statutes. This wide sweeping legislation will affect the benefits of all new hires on or after January 1, 2011, who have no prior service or experience in this or any other reciprocal system.

GFOA Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Park Employees' and Retirement Board Employees' Annuity and Benefit Fund, Illinois for its comprehensive annual financial report for the fiscal year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Governmental Accounting Standards Board

The Fund is currently in full compliance with all pronouncements from the Governmental Accounting Standards Board.

Retirement Board

The annual election for an employee representative to the Retirement Board was held on Friday, June 25, 2010. Robert Geraghty was elected for a four-year term beginning July 1, 2010. The Chicago Park District Board of Commissioners has appointed Melinda M. Gildart, replacing Claude A. Walton, and reappointed Pamela A. Munizzi to three year terms starting October 21, 2010.

Acknowledgments

All the statistical and financial information compiled and presented in this CAFR is due to the combined efforts of the administrative staff of the Fund under the direction of the Executive Director, Dean J. Niedospial and the Deputy Executive Director, John D. Lord. Their efforts are hereby acknowledged with thanks and appreciation.

On behalf of the Retirement Board,

Pamela A. Munizzi

Pamela A. Munizzi
President

PARK EMPLOYEES' ANNUITY AND BENEFIT FUND
MEMBERS
as of June 30, 2010

Elected by the Employees

Frank C. Hodorowicz
Term expires June 30, 2011

John J. Shostack
Term expires June 30, 2012

Edward L. Affolter
Term expires June 30, 2013

Robert Geraghty
Term expires June 30, 2014

Appointed by the Commissioners of the Chicago Park District

Joseph M. Fratto

Pamela A. Munizzi

Claude A. Walton

OFFICERS

Pamela A. Munizzi, President
Joseph M. Fratto, Vice President
Edward L. Affolter, Secretary

ADMINISTRATIVE STAFF

Dean J. Niedospial, Executive Director
John D. Lord, Deputy Executive Director

CONSULTANTS

Jacobs, Burns, Orlove, Stanton & Hernandez, Attorney
Sandor Goldstein, F.S.A., Consulting Actuary
Marquette Associates, Inc., Investment Consultant

CUSTODIAN

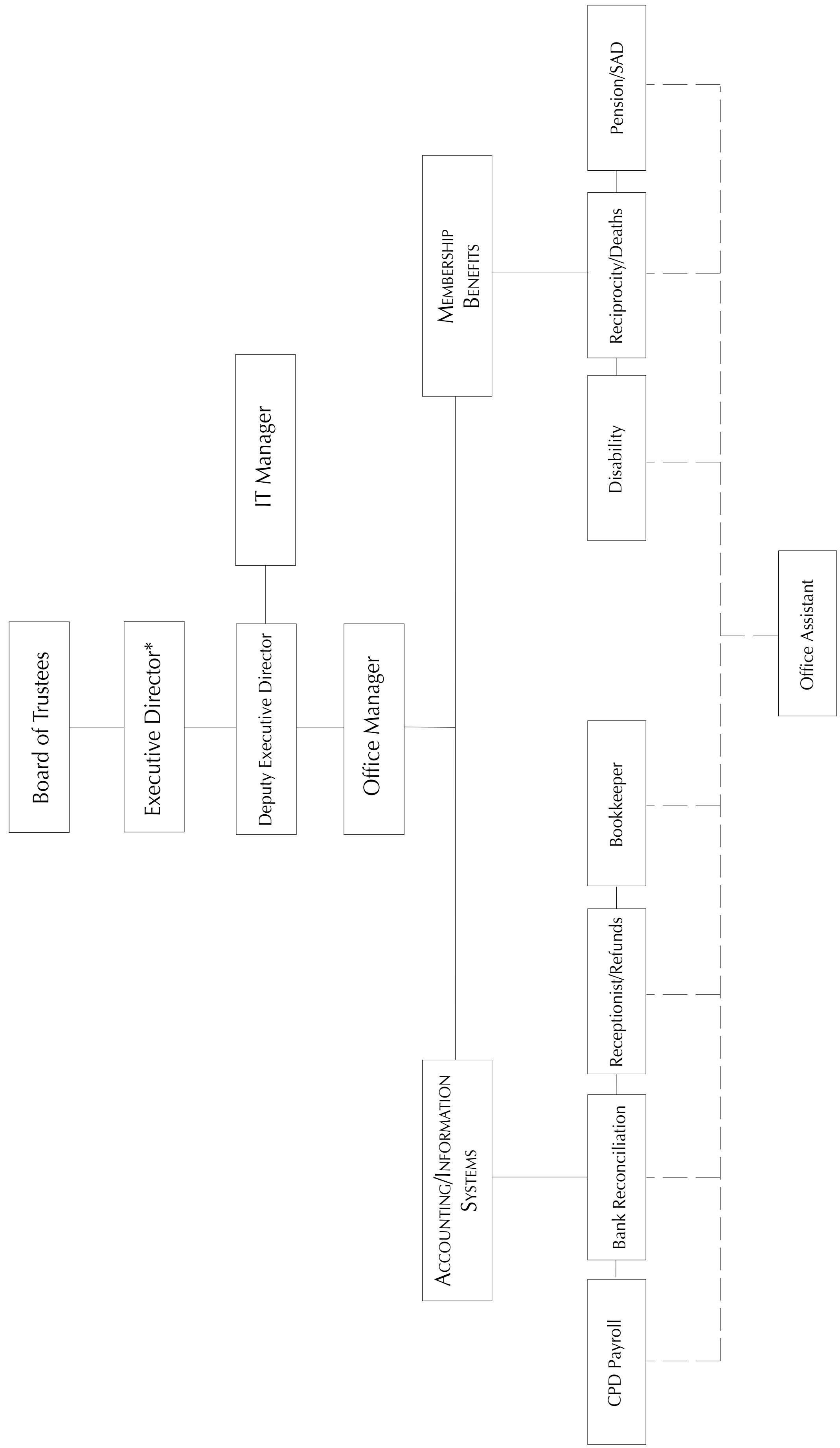
The Northern Trust Company of Chicago

INVESTMENT ADVISORS

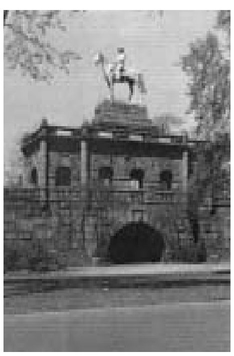
Ariel Capital Management — Chicago
Chicago Equity Partners, LLC — Chicago
Entrust Capital — New York
Great Lakes Advisors, Inc. — Chicago
Harbourvest Partners LLC — Boston
K2 Advisors, LLC — Connecticut
L.M. Capital Group, LLC — San Diego
MacKay Shields, LLP — New York
Mesirow Private Equity, Inc — Chicago
New York Life Capital Partners, LLC — New York
Northern Trust Quantitative Advisors — Chicago
Pine Bridge Investments (Formerly AIG) — New York
Principal Global Investor — Chicago
RBC Global Asset Management, Inc. (Formerly Voyageur) — Minnesota
Trumbull Property Fund, LP — Hartford
ULLICO — Washington D.C.
Wellington Trust Company, NA — Boston

PARK EMPLOYEES' AND RETIREMENT BOARD EMPLOYEES' ANNUITY AND BENEFIT FUND

ORGANIZATION CHART



* The Executive Director is responsible for the handling of all investment matters. The Fund does not internally manage any investments. (Please see Schedule of Annual Investment Expenses for a listing of managers and other service providers.)



Grant Monument - Lincoln Park

Financial Section

Report of the Independent Auditor

BANSLEY AND KIENER, L.L.P.
Certified Public Accountants
O'Hare Plaza
8745 West Higgins Road, Suite 200
Chicago, Illinois 60631
Tel. # (312) 263-2700

The Retirement Board
Park Employees' and Retirement Board Employees'
Annuity and Benefit Fund of Chicago
Chicago, Illinois 60603

We have audited the statements of plan net assets of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago (the Plan), a Component Unit/Fund of the Chicago Park District, as of June 30, 2010 and 2009, and the related statements of changes in plan net assets for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the plan net assets of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago as of June 30, 2010 and 2009, and the changes in its plan net assets for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's discussion and analysis and the schedules of funding progress and employer contributions are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audits were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedules of tax levies receivable, administrative and general expenses, annual professional expenses, and annual investment expenses are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Bansley and Kiener, L.L.P.
Certified Public Accountants
December 30, 2010

Management's Discussion and Analysis Year Ended June 30, 2010

This discussion and analysis of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago (Plan) financial performance provides an overview of the Plan's financial activities for the year ended June 30, 2010. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

a) The Plan's net assets decreased during the year by $1.9 million or 1.4% compared to a decrease of $147.9 million or 26.3% for 2009.

b) The Plan's annual investment return of 11.3% underperformed the portfolio benchmark return of 11.7%.

c) The Plan's three-year rate of return of -4.1% lagged the portfolio benchmark return of -2.1%.

d) The Plan's five-year rate of return of 1.9% lagged the portfolio benchmark return of 3.5%.

e) The Plan's ten-year rate of return of 3.2% lagged the portfolio benchmark return of 3.4%.

f) The 2010 addition to the Plan's net assets of $62.0 million is $145.7 million higher than the 2009 reduction.

g) Total 2010 deductions of $64.0 million is 0.4% lower than the 2009 deduction.

h) The Plan's actuarially computed funding ratio is 62.3%, which is 4.9% less than 2009.

Using this Annual Report

Management's Discussion and Analysis introduces the Plan's basic financial statements. The basic financial statements include the notes to the financial statements, required supplementary information and other additional information which will supplement the basic financial statements.

The financial statements provide information about the Plan's overall financial condition. The first of these statements is the Statement of Plan Net Assets. This is a statement indicating financial position information that includes assets and liabilities with the difference reported as net assets. Over time increases and decreases in net assets may serve as a useful indicator of whether the financial position of the Plan is improving or deteriorating.

The second financial statement is the Statement of Changes in Plan Net Assets during the fiscal year. All additions such as member and employer contributions and investment income are included. All deductions such as benefit payments, refunds of contributions and administrative and general expenses are reflected. An important purpose of the design of this statement is to show the individual components of additions and deductions that occurred during the fiscal year.

The accompanying Notes to the Financial Statements will provide information essential to achieve full disclosure and understanding of the Plan's financial statements.

In addition to the basic financial statements and accompanying notes, the report also presents certain required supplementary information including the Schedules of Funding Progress and Employer Contributions along with the accompanying note to these schedules. Other supplementary information includes schedules of Tax Levies Receivable, Administrative and General Expenses, Annual Professional Expenses and Annual Investment Expenses.

The Plan as a Whole

Plan Net Assets

The Plan's net assets at fiscal year-end are $412,373,355. This is $1,946,492 lower than 2009 year-end net assets of $414,319,847. This compares to a reduction of $147,949,717 for the prior fiscal year. The following tables are comparative summaries of net assets:

Statement of Plan Net Assets - Current Year

	2010	2009	Increase (Decrease)
Total Assets	$ 451,657,596	$424,368,430	$27,289,166
Total Liabilities	39,284,241	10,048,583	29,235,658
Net Assets	$ 412,373,355	$414,319,847	$(1,946,492)

Statement of Plan Net Assets - Prior Year

	2009	2008	Increase (Decrease)
Total Assets	$424,368,430	$638,006,131	$(213,637,701)
Total Liabilities	10,048,583	75,736,567	(65,687,984)
Net Assets	$414,319,847	$562,269,564	$(147,949,717)

Changes in Plan Net Assets

The 2010 investment income was $41,419,975 as compared to the investment loss of $103,488,375 in 2009. The increase in 2010 investment income is primarily a direct result of the increase in market value of the Plan's investments producing unrealized income. The unrealized gains and losses are directly tied to the economic state of the broader financial markets.

For the fiscal year, expenditures were $64,025,804 which is $254,449 lower than 2009. The slight increase in retirement and spouse's benefit expenditures is primarily the result of the 3% annual increase. The reduction in refunds is due to a 26% reduction in withdrawals. All other benefit increases and decreases were minor in nature.

Statement of Changes in Plan Net Assets - Current Year

	2010	2009	Increase (Decrease)
ADDITIONS			
Employer Contributions	$10,829,339	$ 9,677,765	$ 1,151,574
Employee Contributions	9,829,998	10,141,146	(311,148)
Investment Income (Loss) (includes security lending activities)	41,419,975	(103,488,375)	144,908,350
Total Additions	62,079,312	(83,669,464)	145,748,776
DEDUCTIONS			
Retirement Benefits	50,528,497	49,910,083	618,414
Spouse Benefits	10,083,124	9,819,764	263,360
Childrens Benefits	17,400	24,250	(6,850)
Disability Benefits	312,818	258,117	54,701
Death Benefits	249,500	252,500	(3,000)
Total Benefits	61,191,339	60,264,714	926,625
Refund of Contributions	1,368,903	2,680,359	(1,311,456)
Administrative & General Expenses	1,465,562	1,335,180	130,382
Total Deductions	64,025,804	64,280,253	(254,449)
Increase (Decrease) in Plan Net Assets	(1,946,492)	(147,949,717)	146,003,225
Beginning of Year	414,319,847	562,269,564	(147,949,717)
End of Year	$ 412,373,355	$ 414,319,847	$ (1,946,492)

The Plan as a Whole (continued)

Statement of Changes in Plan Net Assets - Prior Year

	2009	2008	Increase (Decrease)
ADDITIONS			
Employer Contributions	$ 9,677,765	$ 8,998,687	$ 679,078
Employee Contributions	10,141,146	10,264,805	(123,659)
Investment Income (Loss) (includes security lending activities)	(103,488,375)	(17,391,594)	(86,096,781)
Total Additions	(83,669,464)	1,871,898	(85,541,362)
DEDUCTIONS			
Retirement Benefits	49,910,083	47,935,949	1,974,134
Spouse Benefits	9,819,764	9,440,330	379,434
Childrens Benefits	24,250	22,299	1,951
Disability Benefits	258,117	279,139	(21,022)
Death Benefits	252,500	295,900	(43,400)
Total Benefits	60,264,714	57,973,617	2,291,097
Refund of Contributions	2,680,359	1,964,838	715,521
Administrative & General Expenses	1,335,180	1,289,579	45,601
Total Deductions	64,280,253	61,228,034	3,052,219
Increase (Decrease) in Plan Net Assets	(147,949,717)	(59,356,136)	(88,593,581)
Beginning of Year	562,269,564	621,625,700	(59,356,136)
End of Year	$ 414,319,847	$ 562,269,564	$ (147,949,717)

The actuarial valuation was based upon the actuarial liabilities being computed using the Projected Unit Credit Actuarial Cost Method. Actuarial valuations for fiscal years 2004 and prior were based upon the Entry Age Normal Actuarial Cost Method. The Trustees approved the change in valuation methods because of the resulting positive impact on funding due to the marked decline in the average age of active members.

The Plan's actuarially computed funding ratio is 62.3%, which is 4.9% less than 2009. This drop is the direct result of the continual recognition of deferred unrealized losses for 2006, 2008 and 2009 due to the five-year smoothing of market values used to determine the actuarial value of assets. The annual investment return for the fiscal year was 11.3%, which is higher than the -18.6% for 2009.

The Plan's 11.3% return underperformed its performance benchmark by roughly 40 basis points and underperformed the peer median by roughly 70 basis points. The Plan over the trailing three-year and five-year periods underperformed the performance benchmark by roughly 200 and 160 basis points respectively. Over the trailing ten-year period the Plan returned 3.2%, underperforming the 8.0% actuarial rate of return.

The Plan is postured to generate strong investment returns as financial markets improve. The Plan's strong financial condition positions the plan to continue providing benefits well into the future.

Contacting the Plan's Financial Management

This report is intended to provide a general overview of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago for its employees and other interested parties. If you have questions, requests, or need additional information, please contact the Plan at 55 East Monroe Street, Suite 2720, Chicago, Illinois 60603.

Statements of Plan Net Assets

June 30, 2010 and 2009

	2010	2009
ASSETS		
Cash	$ 64,527	$ 61,379
Receivables		
Contributions from employer, net of allowance for loss of $208,667 in 2010 and $813,513 in 2009	16,299	4,579,768
Employee contributions	535,297	508,687
Due from broker for securities sold	-	4,582,583
Accrued investment income	849,835	1,063,847
Miscellaneous	1,105	10,818
	1,402,536	10,745,703
Investments, at fair value		
Short-term investments	15,669,242	15,864,575
Bonds	80,464,068	92,895,993
Common and preferred stocks	57,832,724	58,480,290
Collective investment funds	112,919,062	105,323,262
Pooled separate real estate accounts	15,663,010	12,076,548
Private equity partnerships	128,986,093	123,941,117
	411,534,199	408,581,785
Invested securities lending collateral	38,527,702	4,891,085
Furniture and fixtures - net	85,632	52,960
Prepaid expenses	43,000	35,518
Total Assets	451,657,596	424,368,430
LIABILITIES		
Accounts Payable	475,968	421,338
Accrued benefits payable	280,571	287,145
Securities lending collateral	38,527,702	5,090,925
Due to broker for securities purchased	-	4,249,175
Total Liabilities	39,284,241	10,048,583
Net assets held in trust for pension benefits	$412,373,355	$414,319,847

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Plan Net Assets

Years Ended June 30, 2010 and 2009

	2010	2009
Additions		
Contributions		
Employer contributions	$ 10,829,339	$ 9,677,765
Employee contributions	9,829,998	10,141,146
Total contributions	20,659,337	19,818,911
Investment income (loss)		
Net appreciation (depreciation) in fair value of investments	36,262,140	(111,526,629)
Interest	4,050,974	6,328,915
Dividends	1,938,396	2,259,228
Investment return on pooled separate real estate accounts	83,734	279,143
Partnership income	1,862,214	2,097,880
	44,197,458	(100,561,463)
Less investment expenses	2,947,487	2,847,397
	41,249,971	(103,408,860)
Security lending activities		
Securities lending income	81,823	421,372
Securities lending loss	118,100	(199,840)
Borrower rebates	15,555	(231,751)
Bank fees	(45,474)	(69,296)
	170,004	(79,515)
Total additions (reductions)	62,079,312	(83,669,464)
Deductions		
Benefits		
Annuity payments	60,629,021	59,754,097
Disability and death benefits	562,318	510,617
Total benefits	61,191,339	60,264,714
Refund of contributions	1,368,903	2,680,359
Administrative and general expenses	1,465,562	1,335,180
Total deductions	64,025,804	64,280,253
Net increase (decrease)	(1,946,492)	(147,949,717)
Net assets held in trust for pension benefits		
Beginning of year	414,319,847	562,269,564
End of year	$ 412,373,355	$414,319,847

The accompanying notes are an integral part of the financial statements.

Notes to Financial Statements

Note 1: Plan Description and Contribution Information

The Plan is the administrator of a single employer defined benefit plan (PERS) established by the State of Illinois to provide annuities and benefits for substantially all employees of the Chicago Park District. The Plan is considered a component unit of the Chicago Park District's financial statements as a pension trust fund. The Plan is administered in accordance with the Illinois Compiled Statutes. The defined benefits as well as the employer and employee contribution levels of the Plan are mandated by Illinois State Statutes and may be amended only by the Illinois legislature. The Plan provides retirement, disability and death benefits to plan members and beneficiaries.

At June 30, 2010 and 2009, Plan membership consists of:

	2010	2009
Retirees and beneficiaries currently receiving benefits	2,956	3,013
Current employees	2,816	2,865
Vested terminated members entitled to benefits	160	159

Employees attaining the age of 50 with at least ten years or more of creditable service are entitled to receive a minimum service retirement pension. The retirement pension is based upon the average of the four highest consecutive years of salary within the last ten years at various rates depending on years of service. If the employee retires prior to the attainment of age 60, the allowance computed is reduced by one-quarter percent for each full month the employee is under age 60. There is no reduction if the participant has 30 years of service. Employees with four years of service at age 60 may receive a retirement benefit. The monthly annuity of an employee who retires at age 60 or after is increased each year, following one year's receipt of pension payments, by three percent of the original monthly annuity and the same three percent (not compounded) annually thereafter. Effective August 18, 1998, Public Act 90-766 established an employee who retires with at least 30 years of service is eligible to receive the annual increase of three percent, following one full year's receipt of pension payments, without regard to the attainment of age 60 and whether or not the employee was in service on or after the effective date of this amendment.

Effective January 16, 2004, Public Act 093-0654 established an early retirement incentive program in which employees who had attained age fifty (50) and had at least 10 years of creditable service with the Chicago Park District and elected to retire during the period from January 31, 2004 to February 29, 2004 were able to attain up to five years of additional service credit upon making specified contributions. For employees who have previously earned maximum pension benefits, they were able to receive a lump sum from the Plan equal to 100% of their salary for the year ending on February 29, 2004 or the date of withdrawal, whichever is earlier. The program also changed the benefit formula to 2.4% for each year of service.

Covered employees are required by state statutes to contribute 9.0 percent of their salary to the Plan. If a covered employee leaves employment before the age of 55, accumulated employee contributions are refundable without interest. The District is required by state statute to contribute the remaining amounts necessary to finance the requirements of the Plan on an actuarially funded basis. 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 fiscal year two years prior to the year for which the annual applicable tax is levied, multiplied by a factor of 1.1 annually. The District has no legal obligation to fund pension costs above that allowed by statute.

Note 2: Summary of Significant Accounting Policies

Reporting Entity

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

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

2) Fiscal dependency on the primary government.

Based upon the required criteria, the Plan has no component units. The Plan is considered a component unit fund of the Chicago Park District and, as such, is included in the Chicago Park District's financial statements. Accordingly, these financial statements present only the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund and are not intended to present fairly the financial position of the Chicago Park District and the result of its operations in conformity with generally accepted accounting principles.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments

The Plan is authorized to invest in bonds, notes, and other obligations of the U.S. Government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; real estate; collective investment funds; and private equity partnerships as set forth in the Illinois Compiled Statutes. Income on all investments is recognized on the accrual basis. Gains and losses on sales and exchanges of investments are recognized on the transaction date of such sale or exchange. Dividend income is recognized based on dividends declared.

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Fair values for bonds and stocks are determined by quoted market prices. Investments for which market quotations are not readily available are valued at their fair values as determined by bank administrator under the direction of the Board of Trustees, with the assistance of a valuation service.

Administrative Expenses

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

New Accounting Pronouncement

The Plan implemented Governmental Accounting Standards Board Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, and Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments* for the fiscal year beginning July 1, 2009. These pronouncements have no impact on the Plan's net assets.

Evaluation of Subsequent Events

Management has evaluated subsequent events through December 30, 2010, the date the financial statements were available to be issued.

Reclassifications

Certain reclassifications have occurred in the prior year financial statements to conform with current year presentations.

Note 3: Investments

The Plan's investments are held by a bank administered trust fund, except for the collective investment funds, pooled separate real estate accounts and private equity partnerships. Investments that represent 5 percent or more of the Plan's net assets (except those issued or guaranteed by the U.S. Government) are separately identified.

	2010	2009
Investments at Fair Value As		
Determined by Quoted Price		
Short Term Investments	$ 15,669,242	$ 15,864,575
Bonds	80,464,068	92,895,993
Common and Preferred Stock	57,832,724	58,480,290
	153,966,034	167,240,858
Investments at Fair Value As		
Determined by Bank Administrator		
Collective investment funds		
International Research Equity	29,550,403	27,929,788
NTGI QM Collective Daily S&P 500	25,283,983	24,764,091
NTGI QM Collective Daily US Market cap Equity	20,767,422	18,981,639 *
NTGI QM Collective Daily All Country World Index	37,317,254	33,647,744
Pooled separate real estate accounts	15,663,010	12,076,548
Private equity partnerships		
Entrust Diversified Select Equity Fund	23,564,427	21,835,037
K2 Long Short Fund	21,108,614	23,166,693
Other	84,313,052	78,939,387
	$411,534,199	$408,581,785

* Does not represent 5% or more of the Plan's net assets at that date.

The Plan shall apply the prudent investor rule in investing for funds under its supervision. The "prudent investor rule" means that in making investments, the fiduciaries shall exercise the judgment and care, under the circumstances then prevailing, that an institutional investor of ordinary prudence, discretion, and intelligence exercises in the management of large investments entrusted to it, with regards to preservation of capital and income and not speculation. The funds belonging to the Plan must be invested exclusively for the benefit of their members and in accordance with the respective Plan's investment goals and objectives.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates of debt securities that will adversely affect the fair value of an investment. The price of a debt security typically moves in the opposite direction of the change in interest rates.

The Plan does not maintain a policy relative to interest rate risk. The Board of Trustees recognized that its investments are subject to short-term volatility. However, their goal is to maximize total return within prudent risk parameters.

Note 3: Investments (continued)

At June 30, 2010 and 2009 the following tables show the investments in debt securities by investment type and maturity (expressed in thousands):

2010

Security Type	Total Market Value	Less Than 1 Year	1-6 Years	6-10 Years	10+ Years	Maturity N/D*
Asset backed	$ 951	$ 2	$ 339	$ 610	$ -	$ -
Commercial mortgage backed	5,384	-	-	-	5,384	-
Corporate convertible bonds	545	348	-	-	197	-
Corporate bonds	31,967	261	11,598	14,287	5,821	-
Government agencies	6,250	805	5,130	233	82	-
Government bonds	8,513	-	2,115	2,949	3,449	-
Government mortgage backed	26,511	42	560	3,207	22,689	13
Municipal/provincial bonds	124	-	-	-	124	-
Guaranteed Fixed	-	-	-	-	-	-
Non-government backed CMOs	219	-	1	-	218	-
Short term investment funds	15,669	15,669	-	-	-	-
Short term bills and notes	-	-	-	-	-	-
Total	$ 96,133	$ 17,127	$19,743	$ 21,286	$ 37,964	$ 13

2009

Security Type	Total Market Value	Less Than 1 Year	1-6 Years	6-10 Years	10+ Years	Maturity N/D*
Asset backed	$ 3,371	$ -	$ 2,023	$ 1,261	$ 87	$ -
Commercial mortgage backed	5,102	-	-	571	4,531	-
Corporate convertible bonds	1,115	-	920	-	195	-
Corporate bonds	41,443	730	15,070	14,280	11,269	94
Government agencies	3,327	-	1,244	1,695	388	-
Government bonds	14,363	-	8,853	1,971	3,539	-
Government mortgage backed	20,207	-	1,078	2,509	16,620	-
Municipal/provincial bonds	256	-	-	-	256	-
Guaranteed Fixed	1,904	-	1,904	-	-	-
Non-government backed CMOs	1,467	-	44	26	1,397	-
Short term investment funds	15,865	15,865	-	-	-	-
Short term bills and notes	341	341	-	-	-	-
Total	$ 108,761	$ 16,936	$31,136	$ 22,313	$ 38,282	$ 94

* Information not determinable

Some investments are more sensitive to interest rate changes than others. Variable and floating rate collateralized mortgage obligations (CMOs), asset-backed securities (ABS), interest-only and principal-only securities are examples of investments whose fair values may be highly sensitive to interest rate changes.

Credit Risk

Credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Park Employees' Retirement Fund maintains a highly diversified portfolio of debt securities encompassing a wide range of credit ratings. Each fixed income manager is given a specific set of guidelines to invest within, based on the mandate for which it was hired. The guidelines specify in which range of credit the manager may invest. These ranges include investment grade and high yield categories.

The following tables present the Plan's ratings as of June 30, 2010 and 2009 (expressed in thousands):

2010

S & P Credit Rating	Index Market Value	Asset Backed Securities	Comm'l Mortgage Backed	Corporate Bonds	Gov't Agencies	Gov't Bonds	Gov't Mortgage Backed	Gov't Issued CMO	Non-Gov't Backed CMOs	Municipal Bonds
AAA	$ 14,520	$ 204	$3,519	$ -	$6,168	$4,411	$ -	$ -	$ 218	$ -
AA	2,699	-	93	2,606	-	-	-	-	-	-
A	10,641	-	884	9,757	-	-	-	-	-	-
BBB	16,040	560	619	14,655	82	-	-	-	-	124
BB	4,588	185	-	4,366	-	37	-	-	-	-
B	609	-	-	609	-	-	-	-	-	-
CCC	25	-	-	25	-	-	-	-	-	-
CC	-	-	-	-	-	-	-	-	-	-
C	-	-	-	-	-	-	-	-	-	-
D	-	-	-	-	-	-	-	-	-	-
NR	16,435	2	269	16,163	-	-	-	-	1	-
US Gov't Agency	30,576	-	-	-	-	4,065	26,511	-	-	-
Total	$ 96,133	$ 951	$5,384	$48,181	$6,250	$8,513	$26,511	$ -	$ 219	$ 124

2009

S & P Credit Rating	Index Market Value	Asset Backed Securities	Comm'l Mortgage Backed	Corporate Bonds	Gov't Agencies	Gov't Bonds	Gov't Mortgage Backed	Non-Gov't Issued CMO	Gov't Backed CMOs	Municipal Bonds
AAA	$ 11,161	$ 970	$4,987	$ -	$ 316	$ 2,579	$ -	$ 1,904	$ 405	$ -
AA	2,733	87	-	2,646	-	-	-	-	-	-
A	13,190	358	-	10,908	1,641	-	-	-	283	-
BBB	21,158	1,241	-	19,698	72	-	-	-	36	111
BB	2,901	18	-	2,848	-	35	-	-	-	-
B	1,201	-	-	1,108	-	-	-	-	93	-
CCC	2,428	50	-	2,378	-	-	-	-	-	-
CC	15	-	-	15	-	-	-	-	-	-
C	4	-	-	4	-	-	-	-	-	-
D	68	-	-	68	-	-	-	-	-	-
NR	20,648	647	115	19,091	-	-	-	-	650	145
US Gov't Agency	33,254	-	-	-	1,298	11,749	20,207	-	-	-
Total	$108,761	$3,371	$5,102	$58,764	$3,327	$14,363	$20,207	$ 1,904	$1,467	$256

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the pension fund will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. A review of the Plan's exposure to custodial credit risks reflects that there is none.

Note 4: Deposits

At June 30, 2010 and 2009, the Plan's book balances of cash were $64,527 and $61,379, respectively, at the Northern Trust Company Bank. The actual bank balances were $64,496 and $61,857, respectively, at June 30, 2010 and 2009. The Plan maintains cash balances at the Northern Trust Company. Accounts at this institution may, from time to time, exceed amounts insured by the Federal Deposit Insurance Company.

Note 5: Securities Lending

Under the provisions of state statutes, the Plan lends securities (both equity and fixed income) to qualified and Plan approved brokerage firms for collateral that will be returned for the same securities in the future. The Plan's custodian, The Northern Trust Company, manages the securities lending program, which includes the securities of the Plan as well as other lenders, and receives cash, U.S. Treasury securities or letters of credit as collateral. The collateral received cannot be pledged or sold by the Plan unless the borrower defaults. However, the Plan does have the right to close the loan at any time. All security loan agreements are initially collateralized at 102% of the loaned securities. Whenever adjustments are needed to reflect changes in the market value of the securities loaned, the collateral is adjusted accordingly. Cash collateral is invested in the lending agent's short-term investment pool, which at year end has a weighted average maturity of 112 days. As of June 30, 2010 and 2009, the Plan had loaned to borrowers securities with a market value of $37,461,938 and $4,773,029, respectively. As of June 30, 2010, the fair value of the collateral received by the Plan was $38,527,702, and the collateral invested by the Plan was $38,527,702. As of June 30, 2009, the fair value of the collateral received by the Plan was $5,090,925 and the collateral invested by the Plan was $4,891,085, resulting in a realized and unrealized loss in the amount of $199,840.

At year end, the Plan has no credit risk exposure to the borrowers because the amounts the Plan owes the borrowers exceed the amounts the borrowers owe the Plan.

Note 6: Operating Leases

The Plan entered into an operating lease for office space through April 30, 2013. The lease provides that the lessee pay monthly base rent subject to annual increases, plus an escalation rent computed on costs incurred by the lessor.

Following is a schedule of minimum future rental payments for the next four years under the noncancelable operating lease at June 30, 2010:

Year ending June 30	Amount
2011	$ 59,744
2012	61,891
2013	53,305
	$174,940

The total rental expense for the years ended June 30, 2010 and 2009 was $133,365 and $141,724, respectively.

During the year ended June 30, 2010 and 2009, the Plan leased mail machine equipment under an operating lease which expired March 31, 2014. Effective September 1, 2009, the quarterly charge increased to $1,491 from $1,455. During the years ended June 30, 2010 and 2009, the Plan leased photocopy equipment under an operating lease which expires June 30, 2012. Effective November 1, 2009, the monthly charge increased to $482 from $421. Minimum future rental commitments at June 30, 2010, under the operating lease agreement, are as follows:

Year ending June 30	Amount
2011	$10,257
2012	10,257
2013	4,473
2014	3,355
	$28,342

Equipment rent expense was $11,053 and $11,110 for the years ended June 30, 2010 ad 2009, respectively.

Note 7: Commitments

During the years ended June 30, 2010 and 2009, the Plan committed to purchase an additional $75,000,000 interest in private equity partnerships. At June 30, 2010 and 2009, the Plan had a remaining contractual obligation of $27,089,866 and $33,580,730, respectively, to purchase additional interest in the private equity partnerships.

Note 8: Funded Status and Funding Progress

The funded status of the Plan as of June 30, 2010, the most recent actuarial valuation date, is as follows (dollar amounts in thousands):

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)
$518,583	$833,026	$314,443	62.3%	$107,361	292.9%

The schedules of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Additional information as of the latest actuarial valuation follows:

Valuation date	06/30/10
Actuarial cost method	Projected unit
Amortization method	Level dollar
Amortization period	30 years (open period)
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5%
Inflation rate	4.0%

Required Supplementary Information

Schedule of Funding Progress
(Dollar amounts in thousands)

Actuarial Valuation Date	Value of Assets (a)	Actuarial Actuarial Liability (AAL) -Entry Age (b)	Accrued (AAL) (UAAL) (b-a)	Unfunded Funded Ratio (a/b)	Covered Payroll (c)	UAAL as of percentage of Covered Payroll ((b-a)/c)
06/30/10	$518,583	$833,026	$314,443	62.3%	$107,361	292.9%
06/30/09	553,755	823,897	270,142	67.2	108,883	248.1
06/30/08	586,676	795,379	208,703	73.8	111,698	186.9
06/30/07	583,296	767,931	184,635	76.0	106,602	173.2
06/30/06	572,659	745,244	172,585	76.8	101,058	170.8
06/30/05	587,774	734,361	146,587	80.0	95,707	153.1

Schedule of Employer Contributions
(Dollar amounts in thousands)

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2010	$25,319	43%
2009	22,400	43
2008	18,285	49
2007	16,073	60
2006	14,572	70
2005	16,437	59

Note to Schedules of Funding Progress and Employer Contributions

Valuation date	06/30/10
Actuarial cost method	Projected unit
	Entry age (2004 and prior)
Amortization method	Level dollar
Amortization period	30 years (open period)
Asset valuation method	5-year smoothed market
Actuarial assumptions:	
Investment rate of return	8.0%
Projected salary increases	4.5%
Inflation rate	4.0%

Additional Information

Tax Levies Receivable

Levy Year (Calendar)	Tax Levy	Collections	Tax Levies Receivable	Allowance for Uncollectible Taxes	Allowance for Uncollectible Write-offs as a Percentage of Tax Levy	Net Tax Levies Receivable
At June 30, 2010:						
2006	$ 9,715,923	$9,647,611	$ 68,312	$ 68,312	0.70%	$ –
2007	9,149,814	9,129,738	623	623	0.01	–
2008	9,857,126	9,718,370	119,580	119,580	1.22	–
2009	10,331,182	10,294,731	36,451	20,152	0.20	16,299
			$ 224,966	$ 208,667		$ 16,299
At June 30, 2009:						
2005	$10,046,917	$9,900,404	$ 146,513	$ 146,513	1.46%	$ –
2006	9,715,923	9,690,821	25,102	25,102	0.26	–
2007	9,149,814	8,999,813	150,001	150,001	1.64	–
2008	9,857,126	4,785,461	5,071,665	491,897	5.00	4,579,768
			$5,393,281	$ 813,513		$4,579,768

Schedule of Administrative and General Expenses

	Year Ended June 30, 2010	2009
Actuary expense	$ 48,000	$ 46,000
Auditing	25,000	23,000
Conference and convention expense	21,924	35,732
Contributions for annuities of Ret. Board Employees	91,025	100,699
Depreciation	18,958	15,234
Equipment rental	11,053	11,110
Equipment maintenance	1,156	918
Filing fee - State of Illinois	8,000	8,000
File storage expense	4,130	2,308
Hospitalization	141,980	124,840
Legal	18,146	20,737
Legislative consultant	35,250	4,500
Medical fees	866	1,443
Office supplies and expenses	32,974	21,254
Postage	20,792	11,660
Insurance - surety bond and other	2,352	2,165
Printing	1,904	730
Rent expense	133,365	141,724
Salaries	822,409	743,852
Social Security - Medicare	8,262	7,897
Telephone	8,329	8,909
Transportation	714	1,574
Trustees' election expense	8,973	894
Total administrative and general expenses	$1,465,562	$1,335,180

Schedule of Annual Professional Expenses

	Year Ended June 30,	
	2010	2009
Actuary	$48,000	$46,000
Auditing	25,000	23,000
Legal	18,146	20,737
Legislative Consultant	35,250	4,500
Medical	866	1,443
Total	$127,262	$95,680

Schedule of Annual Investment Expenses

	Year Ended June 30, 2010	2009
U.S. EQUITY		
Ariel Capital Management	$ 135,616	$ 102,921
Great Lakes Advisors, Inc.	97,014	108,871
Northern Trust Quantitative Advisors	20,890	49,072
RBC Global Asset Management	144,977	48,193
	398,497	309,057
NON - U.S. EQUITY		
Wellington Trust Company, NA	243,480	206,907
Northern Trust Quantitative Advisors	23,762	8,399
	267,242	215,306
U.S. BONDS		
Chicago Equity Partners	67,168	-
LM Capital Group	9,666	-
MacKay Shields, L.L.P.	159,901	184,881
Pacific Investment Management Co.	-	36,202
Reams Asset Management Co.	42,768	91,769
Taplin, Canida & Habacht	-	2,523
	279,503	315,375
REAL ESTATE		
Principal Financial Group	95,972	146,793
ULLICO	221,552	-
	317,524	146,793
PARTNERSHIPS		
HarbourVest Partners	350,000	350,000
Pinebridge Investments	49,752	54,754
Entrust Capital	277,339	277,258
Trumbull Property	259,640	345,623
Mesirow Financial	226,790	314,893
K2 Advisors	298,456	258,815
New York Life Capital Partners	59,766	97,671
	1,521,743	1,699,014
BANKING		
Custody	50,000	50,000
Other	22,978	21,852
	72,978	71,852
CONSULTING		
Marquette Associates	90,000	90,000
TOTAL	$ 2,947,487	$ 2,847,397

Investment Section

Chess Pavillion - Lincoln Park

INTRODUCTION

The Plan is authorized to invest in bonds, notes, and other obligations of the U.S. Government; corporate debentures and obligations; insured mortgage notes and loans; common and preferred stocks; stock options; real estate; collective investment funds; and private equity partnerships as set forth in the Illinois Compiled Statutes. Income on all investments is recognized on the accrual basis. Gains and losses on sales and exchanges of investments are recognized on the transition date of such sale or exchange. Dividend income is recognized based on dividends declared. Investments are reported at market value. Short-term investments are reported at cost, which approximates market value. Market value for bonds and stocks are determined by quoted market prices and for investments for which market quotations are not readily available are valued at their fair values as determined by bank administrator under the direction of the Board of Trustees, with the assistance of a valuation service.

The Investment Section was prepared by staff with assistance from Marquette Associates, Inc., the Fund's investment consultant and Northern Trust Company, the Fund's custodian. Return calculations were prepared using a time-weighted rate of return methodology in accordance with the performance presentation standards of the CFA Institute.

INVESTMENT RECAP

Market Environment

The U.S. stock market rose 15.7% during the year ended June 30, 2010, as measured by the Dow Jones Wilshire 5000 Index. Within the U.S. stock market, there was significant differentiation in returns between large-cap, mid-cap, and small-cap stocks over the year, with returns of 15.2%, 25.1%, and 21.5% for the Russell 1000, Russell Mid-Cap and Russell 2000 respectively. In addition, value stocks outperformed growth stocks, with returns of 17.6% and 13.9% for the Russell 3000 Value and Russell 3000 Growth respectively.

The non-U.S. developed equity markets (as measured by the MSCI EAFE Index) underperformed their U.S. counterparts, posting a return of 6.4% for the year ended June 30, 2010. Emerging markets (as measured by the MSCI Emerging Markets Index) outperformed U.S. equity markets, posting a return of 23.5% for the year ended June 30, 2010. Most major currencies (including the Pound and Euro) weakened relative to the U.S. Dollar, contributing to the relative underperformance of the non-U.S. markets.

The broad bond market, as measured by the Barclays Aggregate Index, advanced 9.5% during the fiscal year. The credit sector (as measured by the Barclays U.S. Credit Index) significantly outperformed the government sector (as measured by the Barclays U.S. Government Index) over the trailing year with returns of 14.7% and 6.5% respectively. Riskier securities outperformed higher quality securities as the continuing economic rebound caused investors to flock to lower quality debt.

In the private equity market, the Venture Economics All Private Equity Index posted a return of 14.5% during the fiscal year. Continuing improvements in the capital markets caused deal flow, asset values, and realizations to increase over the year. While spreads on secondary transactions tightened and valuation multiples for companies increased, the use of leverage remained conservative in the private equity space.

The Federal Reserve held the Fed Funds rate constant at 0.0% - 0.25% range throughout the course of the fiscal year. Real GDP increased at a 1.7% annualized rate in the second quarter of 2010. This was a significant improvement of the 0.7% decrease in the second quarter of 2009 but well below growth rates typical of the early stages of an economic recovery. Inflation, as measured by the Consumer Price Index, posted an increase of 1.1% for the year ending June 30, 2010. The unemployment rate was 9.5% on June 30, 2010, unchanged from the rate on June 30, 2009.

Performance Commentary

The Pension Fund posted a one-year return of 11.3%, net of fees, underperforming the custom benchmark by 0.4%. The best performing asset class for the one-year period was U.S. Equities, which returned 21.8%, net of fees. Fixed Income returned 11.4%, net of fees. Together, these two asset classes comprised 49.7% of the total Fund's assets as of June 30, 2010.

The Fund posted a three-year annualized return of -4.1%, net of fees, underperforming the custom benchmark by 2.0%. On a five-year basis, the Fund returned 1.9%, net of fees, underperforming the custom benchmark by 1.6%.

The broad U.S. stock market, as measured by the Dow Jones Wilshire 5000 Index, returned 15.7% during the fiscal year. As mentioned, the Fund's U.S. Equity portfolio returned 21.8%, net of fees, over that time period, outperforming the benchmark by 6.1%. The U.S. Equity portfolio was led by the Ariel Smid-Cap Value portfolio, which returned 36.0%, net of fees, for the fiscal year, outperforming the benchmark, the Russell 2500 Value Index by 9.5%. At the end of the fiscal year, the Fund's U.S. stock market assets comprised 25.5% of the total Fund's assets.

The international stock market, as measured by the MSCI EAFE Index, returned 6.4%% during the fiscal year. The Fund's International Equity portfolio returned 11.1%, net of fees, over that time period, outperforming the benchmark by 4.7%. The International portfolio is comprised of an index manager, Northern Trust, and an active manager, Wellington Management. Wellington underperformed the benchmark by 4.9%, net of fees, for the fiscal year. At the end of the fiscal year, the Fund's international stock market assets comprised 16.1% of the total Fund's assets.

The real estate market, as measured by the NCREIF - ODCE Index, returned -6.0% during the fiscal year. The Fund's real estate portfolio returned -5.2%, net of fees, over that time period, outperforming the benchmark by 0.8%. At the end of the fiscal year, the Fund's real estate assets comprised 11.0% of the total Fund's assets.

The private equity market, as measured by the Thomson Financial/Venture Economics All-Private Equity Index, returned 15.8% during the fiscal year. The Fund's private equity portfolio returned 14.4%, net of fees, over that time period. At the end of the fiscal year, the Fund's private equity assets comprised 10.6% of the total Fund's assets.

The fixed income market, as measured by the Barclays Capital Aggregate Index, returned 9.5% during the fiscal year. The Fund's fixed income portfolio returned 11.4%, net of fees, over that time period, outperforming the benchmark by 1.9%. At the end of the fiscal year, the Fund's fixed income assets comprised 24.2% of the total Fund's assets.

Summary of Investments

Periods Ended June 30, 2010 and June 30, 2009

	06/30/10				06/30/09			
CATEGORY	FAIR VALUE	%	BOOK VALUE	%	FAIR VALUE	%	BOOK VALUE	%
BONDS	$ 90,635,450	22	$ 87,866,901	20	$ 92,895,993	23	$ 92,817,694	20
Domestic Equities	103,884,129	25	98,089,566	22	102,226,020	25	109,888,658	24
International Equities	66,867,657	16	80,277,109	18	61,577,532	15	81,072,505	17
EQUITIES	170,751,786	41	178,366,675	40	163,803,552	40	190,961,163	41
REAL ESTATE	45,558,615	11	61,359,385	14	57,603,620	14	68,600,632	15
SHORT TERM	15,669,242	4	15,669,242	4	15,864,575	4	15,864,575	4
PRIVATE EQUITY	88,919,106	22	96,300,245	22	78,414,045	19	90,005,467	20
INVESTMENT ASSETS*	$411,534,199	100	$439,562,448	100	$408,581,785	100	$458,249,531	100

*Investment assets do not reflect the amounts due to or from brokers at year end. Net due from brokers is $0.00 for F/Y/E 2010 and net due to brokers is $333,408 for F/Y/E 2009.

Statement of Investment Policy for the Park Employees' Annuity and Benefit Fund

ADOPTED 10/94

REVISED 8/1/98; 5/19/99; 2/16/00; 5/7/00; 5/20/03; 2/29/08

The purpose of this statement is to establish the investment policy for the management of the assets of the Park Employees' Annuity and Benefit Fund.

Distinction of Responsibilities

The Trustees are responsible for establishing the investment policy that is to guide the investment of Fund assets. The target allocation that the Trustees deem appropriate for the Fund is displayed below. The Fund's investments are distributed to a number of asset classes to minimize investment risk through diversification and simultaneously provide enhanced investment performance. The Trustees are to review the investment policy every three to five years.

Investment managers appointed by the Trustees to execute the policy will invest the Fund assets in accordance with established guidelines, but will apply their own judgements concerning relative investment values. In particular, the investment managers are accorded full discretion, within established guidelines and policy limits, to select individual investments and diversify their portfolios.

Allocation of Assets

It is the Trustees' policy to invest the Fund's assets in the following proportions:

	Board Approved Policy		
Asset Category	**Target (%)**	**Range (%)**	
U.S. Equity	27.0	22.0	32.0
Non U.S. Equity	19.0	14.0	24.0
Private Equity	5.0	0.0	8.0
Long-Short Equity	10.0	0.0	15.0
Real Estate	12.0	8.0	16.0
U.S. Bonds	27.0	22.0	32.0
	100.0		

Normal cash flows (contributions and benefit payments) will be used to maintain the allocation as close as practical to the target allocation. If normal cash flows are insufficient to maintain the allocation within the permissible range as of any calendar quarter-end, the Trustees shall transfer balances as necessary between the asset types to bring the allocation back within the permissible ranges.

Active and Passive Investments

The Board of Trustees has directed that a prescribed percentage of specific asset classes be invested passively through the use of index funds. The Board of Trustees has approved the following passive investment percentages:

Asset Category	% Indexed
U.S. Equity	43.7
Non-U.S. Equity	55.8
U.S. Bonds	0.0

Diversification

The portfolio is to be diversified within each asset class to reduce the impact of large losses in individual investments in a manner that is consistent with Retirement Board policy, and otherwise at the discretion of each investment manager.

Liquidity

The cash flow needs of the Plan are approximately 15% of the total Plan assets annually.

Individual Investment Management Performance Benchmark

Individual performance benchmarks will be established by the Board of Trustees and used to evaluate individual manager's performance.

Investment Objective

The investment objective of the Fund is to equal or exceed the rate of return of a benchmark comprised 38.0% of the Willshire 5000 Stock Index, 12.0% of the MSCI All Country World Ex-US Free Index, 35.0% of the BarCap Aggregate Index, 5% of the Venture Economics All Private Equity Index, and 10.0% of the NCREIF Property Index on a net-of-fee basis. As a secondary benchmark, the Fund is to achieve an above-median ranking in a universe of other public funds over a reasonable measurement period.

Schedule of Investment Performance

For the Year Ended June 30, 2006 – 2010
and Three, Five and Ten-Year Periods
Ending June 30, 2010

	One Year Ending 06/30, 2006-2010					Ending 06/30/10		
	2010	2009	2008	2007	2006	3 Years	5 Years	10 Years
Total Fund	11.3%	-18.6%	-3.0%	16.2%	7.4%	-4.1%	1.9%	3.2%
Benchmark Portfolio*	11.7	-13.9	-2.7	15.0	8.3	-2.1	3.5	3.4
Public Funds Median Return	12.0	-15.1	-4.6	15.1	8.3	-3.0	2.8	3.1
Actuarial Assumed Rate of Return	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Consumer Price Index	1.1	-1.4	5.0	2.7	4.3	1.5	2.3	2.4
Fixed Income	11.4	7.9	7.4	6.5	-0.4	9.0	6.7	7.2
LB Aggregate	9.5	6.1	6.1	6.1	-0.8	7.6	5.5	6.5
Universe Median	11.4	5.6	6.8	6.1	0.1	7.7	6.0	6.8
Domestic Equities	21.8	-26.5	-14.8	21.2	6.9	-8.5	1.1	1.2
Willshire 5000	15.7	-26.4	-12.5	20.5	9.9	-9.4	-0.3	-0.8
Universe Median	16.1	-26.2	-12.5	19.3	10.5	-8.8	0.4	0.5
International Equities	11.1	-32.5	-9.6	27.4	26.2	-12.0	2.0	1.6
MSCI EAFE	6.4	-31.0	-10.2	27.5	27.1	-12.9	1.4	0.6
Universe Median	10.2	-30.5	-8.3	28.2	27.3	-10.8	3.3	2.7
Long-Short Equities	3.6	-10.1	n/a	n/a	n/a	n/a	n/a	n/a
HFRX Hedged Equity	3.1	-20.0	-4.9	14.7	7.7	-7.8	-0.6	2.8
Universe Median	9.8	-15.7	n/a	n/a	n/a	-1.9	4.7	8.9
Real Estate	-5.2	-27.8	6.0	15.7	15.6	-10.1	-0.6	3.8
NCREIF	-1.5	-19.6	9.2	17.2	18.7	-4.7	3.8	7.2
Universe Median	-6.9	-30.3	7.2	15.0	18.1	-11.0	-0.1	6.4
Private Equity	14.4	-20.5	2.7	21.3	17.4	-2.3	5.9	n/a
VE All Private Equity **	15.8	-18.5	3.0	28.2	21.1	-1.0	8.6	4.1

NOTE: The basis for the calculations is a time-weighted rate of return based on the market rate of return.

* As of 2/29/2008, the Policy Benchmark consists of 35% LB Aggregate, 38% Wilshire 5000, 12% MSCI ACWI ex US, 10% NCREIF Property Index, and 5% VE all Private Equity Index. Prior to 2/29/08, the Policy Benchmark consisted of 35% LB Aggregate, 38% Wilshire 5000, 12% MSCI EAFE, 10% NCREIF Property Index, and 5% VE all Private Equity Index.

** Yearly historical returns of the benchmark are subject to adjustment at anytime.

Schedule of Ten Largest Stock and Bond Holdings

For Fiscal Year Ended

June 30, 2010

STOCKS*

Shares	Holdings	Fair Value
4,974	Apple Computer Inc	$1,251,110
120,000	Berkshire Hathaway Inc	1,080,000
16,900	Hospira Inc	970,905
14,300	Chevron Corp	970,398
41,805	Microsoft Corp	961,933
19,300	Target Corp	948,981
12,000	3M Co	947,880
27,300	Hewitt Assocs Inc	940,758
14,300	Jones Lang Lasalle Inc	938,652
123,600	Interpublic Group Co	881,268

BONDS*

Holdings	Fair Value
US FNMA Pool 888129 5.5% Due 2/25/2037	$1,942,810
US Federal Home Loan Bank 4.0% Due 9/6/2013	1,352,525
US Federal Home Ln Mtg 4.75% Due 11/17/2015	1,323,179
US Federal Home Loan Bank 1.625% Due 9/26/2012	1,272,400
US FNMA Pool #745275 5.0% Due 2/25/2036	1,032,420
US FNMA Pool #745885 6.0% Due 10/25/2036	934,952
US FNMA Pool #257233 4.5% Due 6/25/2023	916,572
US United States Treasury 4.25% Due 5/15/2039	893,630
US Federal Natl Mtg Assn. 2.875% Due 10/12/2010	806,000
US Federal Home Ln Mtg 1.125% Due 12/15/2011	629,938

* A complete listing of all individual securities held is available for review upon request.

Schedule of Investment Brokerage Commissions

Broker Name	Shares*	Commissions
M Ramsey King Securities	339,600	$15,141
Magna Securities Corporation	297,500	12,413
Gardner Rich & Company	134,750	6,496
Cheevers and Company Inc.	126,016	5,909
Loop Capital Markets/Broadcort Capital	143,700	5,637
Cantor Fitzgerald & Company	79,600	3,221
Melvin Securities	83,500	3,109
Weeden & Company	75,200	2,835
Williams Capital Group LP	63,600	2,470
Mr. Beal & Company	62,700	2,370
Gordon Haskett & Company	33,700	2,022
Jefferies & Company	44,700	1,868
Instinet	60,900	1,775
Deutche Bank Securities Inc.	50,500	1,357
Baypoint Trading LLC	88,400	1,278
Merrill Lynch Pierce Fenner & Smith	34,500	1,059
Blaylock & Company Inc.	32,100	1,044
Scott & Stringfellow Investment	21,200	954
Barclays Capital LE	17,100	670
Avondale Partners	14,300	644
Credit Suisse First Boston Corporation	12,900	581
Goldman Sachs & Company	14,100	579
Donaldson Lufkin & Jenrette	9,500	570
Broker Commissions Under $500	208,700	5,854
Total Broker Commissions	2,048,766	$ 79,856

Total shares traded 2,048,766 at an average cost of $0.03898 per share.

Conservatory - Lincoln Park

Actuarial Section

Actuarial Certification

GOLDSTEIN & ASSOCIATES
29 South LaSalle Street, Suite 735
Chicago, Illinois 60603
Tel. # (312) 726-5877 * Fax # (312) 726-4323

December 21, 2010

The Trustees of the Retirement Board of the
Park Employees' Annuity and Benefit Fund of Chicago
55 East Monroe Street, Suite 2720
Chicago, Illinois 60603

We have completed the annual actuarial valuation of the Park Employees' Annuity and Benefit Fund of Chicago as of June 30, 2010. The purpose of the valuation was to determine the financial condition and funding requirements of the Fund.

Since the effective date of the last actuarial valuation, Senate Bill 1946, which was signed into law on April 14, 2010 as Public Act 96-0889, created a "second tier" of benefits for employees who first become participants under the Fund on or after January 1, 2011. As Public Act 96-0889 does not affect the benefits of the participants of the Fund as of June 30, 2010, it did not affect the results of the June 30, 2010 actuarial valuation.

The same actuarial assumptions were used for the June 30, 2010 actuarial valuation as had been used for the June 30, 2009 valuation. These actuarial assumptions were based on an experience analysis over the five-year period 2003-2007 and were adopted by the Board as of June 30, 2008.

The projected unit credit actuarial cost method was used for the June 30, 2010 actuarial valuation. This is the same actuarial cost method that was used for the June 30, 2009 valuation.

The funding policy of the Fund is to have contributions sufficient to amortize the unfunded liability over a 30-year period. Employer contributions come from a property tax levied by the District equal to the total amount of contributions made by employees in the calendar year 2 years prior to the year of the levy, multiplied by 1.10. The 1.10 is known as the tax multiple. In years prior to Fiscal Year 2005, employer contributions to the Fund had been sufficient to meet the actuarially determined contribution requirement. In recent years, the employer contribution has not been sufficient to meet the actuarially determined contribution requirement.

The asset values used for the valuation were based on the asset information contained in the audited financial statements for the Fund for the year ending June 30, 2010. For purposes of the actuarial valuation, a 5-year smoothed market value of assets was used to determine the actuarial value of assets.

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

Actuarial Certification (continued)

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

The assumptions and methods used for funding purposes meet the parameters set for the disclosures presented in the financial section by Governmental Accounting Standards Board (GASB) Statement No. 25.

In our opinion, the following valuation results fairly represent the financial condition of the Park Employees' Annuity and Benefit Fund of Chicago.

Respectfully submitted,

Sandor Goldstein
Sandor Goldstein, F.S.A.
Consulting Actuary

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

Actuary's Report

A. Purpose and Summary

We have carried out an actuarial valuation of the Park Employees' Annuity and Benefit Fund as of June 30, 2010. The purpose of the valuation was to determine the financial position and funding requirements of the Pension Fund. This report is intended to present the results of the valuation.

The results of the valuation are summarized below:

1. Total actuarial liability	$833,025,948
2. Actuarial value of assets	518,582,601
3. Unfunded actuarial liability	314,443,347
4. Funded Ratio	62.3%
5. Actuarially determined contribution requirement for fiscal year beginning July 1, 2010	25,319,145
6. Estimated employer contributions for fiscal year beginning July 1, 2010	10,323,562
7. Annual required contribution for fiscal year beginning July 1, 2010 under GASB Statement No. 25	25,319,145

B. Data Used for the Valuation

Participant Data. The participant data required to carry out the valuation was supplied by the Fund. The membership of the Fund as of June 30, 2010, on which the valuation was based, is summarized in Exhibit 1. It can be seen that there were 2,816 active members, 2,125 pensioners, 817 surviving spouses, and 14 children receiving benefits included in the valuation. The total active payroll as of June 30, 2010 was $107,361,021.

Exhibit 1

Summary of Membership Data

1. Number of Members	
(a) Active Members	
(i) Vested	1,295
(ii) Non-vested	1,521
(b) Members Receiving	
(i) Retirement Pensions	2,125
(ii) Surviving Spouse's Pensions	817
(iii) Children's Annuities	14
(c) Vested Terminated Members Entitled to Benefits	160
2. Annual Salaries	
(a) Total Salary	$107,361,021
(b) Average Salary	38,125
3. Annual Pension Payments	
(a) Retirement Pensions	$ 50,992,746
(b) Surviving Spouse's Pensions	10,196,844
(c) Children's Annuities	16,800

Assets. In November of 1994, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 25 which establishes standards of financial reporting for governmental pension plans. The statement is effective for periods beginning after June 15, 1996.

Under GASB Statement No. 25, the actuarial value of assets to be used for determining a plan's funded status and annual required contributions needs to be **market related**. However, GASB has indicated that current market values should not be used if those values would result in unnecessary fluctuation in the funded status and the annual required contribution. Thus, in determining the actuarial value of assets, smoothing changes in the market value of assets over a period of three to five years is considered appropriate.

The asset values used for the valuation were based on the asset information contained in the statement of assets as of June 30, 2010 prepared by the Fund. The actuarial value of assets was determined by smoothing unexpected gains or losses over a period of 5 years. The resulting actuarial value of assets is $518,582,601. The development of this value is outlined in Exhibit 2. In comparison, the market value of assets as of June 30, 2010 was $412,373,355.

Exhibit 2

Actuarial Value of Assets

A. Development of Investment Gain

1. Actuarial Value of Assets as of June 30, 2009	$ 553,754,517
2. Employer and Employee Contributions	20,659,337
3. Benefits and Expenses	64,025,804
4. Expected Investment Income	42,599,074
5. Total Investment Income, Including Income from Securities Lending	41,419,975
6. Investment Gain/(Loss) for the Year Ended June 30, 2010 (5 - 4)	(1,179,099)

B. Development of Actuarial Value of Assets as of June 30, 2010

7. Expected Actuarial Value of Assets (1 + 2 - 3 + 4)	552,987,124
8. Investment Gain/(Loss) as of June 30, 2010 Recognized Current Year (20% of 6)	(235,820)
9. Investment Gain/(Loss) as of June 30, 2009 Recognized in Current Year	(29,735,644)
10. Investment Gain/(Loss) as of June 30, 2008 Recognized in Current Year	(12,481,796)
11. Investment Gain (Loss) as of June 30, 2007 Recognized in Current Year	8,903,463
12. Investment Gain (Loss) as of June 30, 2006 Recognized in Current Year	(854,726)
13. Actuarial Value of Assets as of June 30, 2010 (7 + 8 + 9 + 10 + 11 + 12)	$518,582,601

C. Fund Provisions

Our valuation was based on the provisions of the Fund in effect as of June 30, 2010 as provided in Article 12 of the Illinois Pension Code. A summary of the principal provisions of the Fund is provided in Appendix 2.

D. Actuarial Assumptions and Cost Method

The actuarial assumptions used for the June 30, 2010 valuation are the same as the assumptions used for the June 30, 2009 valuation. The actuarial assumptions used for the June 30, 2010 actuarial valuation are outlined in Appendix 1.

In our opinion, the actuarial assumptions used for the valuation are reasonable in the aggregate, taking into account fund experience and future expectations, and represent our best estimate of anticipated experience.

The projected unit credit actuarial cost method was used for the valuation. This is the same actuarial cost method that was used for the June 30, 2009 actuarial valuation.

E. Actuarial Liability and Funded Status

The actuarial liability as determined under the valuation for the various classes of members is summarized in Exhibit 3. The total actuarial liability is then compared with the actuarial value of assets in order to arrive at the unfunded actuarial liability. (The actuarial terms used in this report are defined in Appendix 3.)

As of June 30, 2010, the total actuarial liability is $833,025,948, the actuarial value of assets is $518,582,601, and the unfunded actuarial liability is $314,443,347. The ratio of the actuarial value of assets to the actuarial liability, or funded ratio, is 62.3%.

Exhibit 3

Actuarial Liability and Funded Status

	Year Ending June 30	
	2010	2009
1. Actuarial Liability For Members in Receipt of Benefits		
(a) Money purchase component of annuities to retirees	$257,088,340	$260,099,736
(b) Fixed benefit component of annuities to retirees	52,924,588	53,815,169
(c) Annual increases in retirement annuity	125,176,771	122,850,267
(d) Annual increases to employee annuitants	1,032,256	1,075,793
(e) Survivor annuities to survivors of current retirees	54,563,510	55,180,051
(f) Lump sum death benefits	2,801,686	2,856,811
(g) Survivor annuities to current survivors	84,962,307	82,896,348
(h) Total	578,549,458	578,774,175
2. Actuarial Liability For Active Members		
(a) Basic retirement annuity	158,724,839	151,900,268
(b) Annual increase in retirement annuity	32,184,004	30,743,739
(c) Pre-retirement survivor's annuity	7,804,236	7,523,462
(d) Post-retirement survivor's annuity	16,491,055	15,759,279
(e) Withdrawal benefits	14,106,018	14,309,375
(f) Pre-retirement death benefit	1,307,272	1,217,994
(g) Post-retirement death benefit	395,843	367,278
(h) Total	231,013,267	221,821,395
3. Actuarial Liability For Inactive Members	23,463,223	23,301,366
4. Total Actuarial Liability	833,025,948	823,896,936
5. Actuarial Value of Assets	518,582,601	553,754,517
6. Unfunded Actuarial Liability	$314,443,347	$270,142,419
7. Funded Ratio	62.3%	67.2%

F. Employer's Normal Cost

The employer's share of the normal cost for the year beginning July 1, 2010 is developed in Exhibit 4. For the year beginning July 1, 2010, the total normal cost is determined to be $16,163,894, employee contributions are estimated to be $9,662,492 resulting in the employer's share of the normal cost of $6,501,402.

Based on a payroll of $107,361,021, the employer's share of the normal cost can be expressed as 6.06% of payroll.

Exhibit 4

Employer's Normal Cost for Year Beginning July 1, 2010

	Dollar Amount	Percent of Payroll
1. Basic retirement annuity	$ 8,978,171	8.36%
2. Annual increase in retirement annuity	1,760,023	1.64
3. Pre-retirement survivor's annuity	503,842	.47
4. Post-retirement survivor's annuity	931,613	.87
5. Withdrawal benefits, including refunds	2,008,924	1.87
6. Pre-retirement death benefit	118,101	.11
7. Post-retirement death benefit	27,426	.03
8. Children's annuity	16,800	.02
9. Ordinary disability benefit	244,357	.23
10. Duty disability benefit	35,797	.03
11. Administrative expenses	1,538,840	1.43
12. Total normal cost	16,163,894	15.06
13. Employee contributions	9,662,492	9.00
14. Employer's share of normal cost	$ 6,501,402	6.06%

Note: The above figures are based on a total active payroll of $107,361,021 as of June 30, 2010.

G. Actuarially Determined Contribution Requirement

GASB Statements No. 25 and 27 provide for annual employer contribution requirements determined on an actuarial basis. According to the GASB statements, the actuarially determined contribution requirement is equal to the employer's normal cost plus an amortization of the unfunded actuarial liability. The maximum acceptable amortization period is 30 years. We have therefore calculated the actuarially determined employer contribution requirement for the fiscal year beginning July 1, 2010 as the employer's normal cost plus a 30-year percent-of-payroll amortization of the unfunded actuarial liability. The results of our calculation are shown in Exhibit 5.

Employer contributions to the Fund come from a tax levied upon all taxable property in the City of Chicago. The amount of tax that is levied is 1.10 times the amount of employee contributions made 2 years previously. The 1.10 is known as the tax multiple.

As can be seen from Exhibit 5, for the fiscal year beginning July 1, 2010 the actuarially determined contribution requirement amounts to $25,319,145. Based on the 1.10 tax multiple, and assuming a 5% loss in collections, we have estimated the employer contribution for the year beginning July 1, 2010 to be $10,323,562. Thus, the employer contribution is expected to fall short of the actuarially determined contribution requirement by $14,995,583.

Exhibit 5

Actuarially Determined Contribution Requirement For Year Beginning July 1, 2010

1. Employer's normal cost	$ 6,501,402
2. Annual amount to amortize the unfunded liability over 30 years as a level percent-of-payroll	18,817,743
3. Actuarially determined contribution requirement for year beginning July 1, 2010	25,319,145
4. Estimated employer contribution for the year	10,323,562
5. Amount by which employer contribution is expected to be less than actuarially determined contribution requirement	$14,995,583

H. Annual Required Contribution for GASB Statement No. 25

GASB Statement No. 25 requires the disclosure of the annual required employer contribution (ARC), calculated in accordance with certain parameters. Based on the results of the June 30, 2010 actuarial valuation, we have therefore calculated the annual required contribution for the fiscal year beginning July 1, 2010. In accordance with the parameters prescribed in GASB Statement No. 25, in calculating the annual required contribution, we have used adjusted market value for the actuarial value of assets and have used a 30-year level percent-of-payroll amortization of the unfunded liability. On this basis, the annual required contribution for Fiscal Year 2011 has been determined to be as follows:

1. Employer's normal cost	$ 6,501,402
2. Annual amount to amortize the unfunded liability over 30 years as a level percent-of-payroll	18,817,743
3. Annual required contribution	$25,319,145

I. Analysis of Financial Experience

The net actuarial experience during the period July 1, 2009 to June 30, 2010 resulted in an increase in the Fund's unfunded actuarial liability of $44,300,928. This increase in unfunded actuarial liability is a result of several kinds of gains and losses. The financial effect of the most significant gains and losses is illustrated in Exhibit 6.

The employer funding requirement for the year of normal cost plus interest on the unfunded actuarial liability amounted to $27,028,742, whereas the actual employer contribution for the year is estimated to be $10,829,339, resulting in an increase in the unfunded liability of $16,199,403.

The net rate of investment return earned by the assets of the Fund, based on the actuarial value of assets, was 1.5% in comparison with the assumed rate of investment return of 8.0%. This resulted in an increase in the unfunded liability of $34,405,000. Salaries increases lower than assumed resulted in a decrease in the unfunded liability of $8,928,000.

The various other aspects of the Fund's experience resulted in a net increase in the unfunded actuarial liability of $2,624,525. The aggregate financial experience of the Fund resulted in a net increase in the unfunded actuarial liability of $44,300,928.

Exhibit 6

Analysis of Financial Experience Over the Period July 1, 2009 to June 30, 2010

1. Unfunded actuarial liability as of July 1, 2009	$270,142,419
2. Employer contributions requirement of normal cost plus interest on unfunded liability for period 7/1/09 to 6/30/10	27,028,742
3. Actual employer contribution for the year	10,829,339
4. Increase in unfunded liability due to employer contribution less than normal cost plus interest on unfunded liability (2 - 3)	16,199,403
5. Increase in unfunded liability due to investment return lower than assumed	34,405,000
6. Decrease in unfunded liability due to salary increases lower than assumed	8,928,000
7. Increase in unfunded liability due to other sources	2,624,525
8. Net increase in unfunded liability for the year (4 + 5 - 6 + 7)	44,300,928
9. Unfunded actuarial liability as of June 30, 2010 (1 + 8)	$314,443,347

J. Certification

This actuarial report has been prepared in accordance with generally accepted actuarial principles and practices and to the best of our knowledge, fairly represents the financial condition of the Park Employees' Annuity and Benefit Fund as of June 30, 2010.

Respectfully submitted,

Sandor Goldstein, F.S.A.
Consulting Actuary

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

Appendix 1

Summary of Actuarial Assumptions and Actuarial Cost Method

Actuarial Assumptions. The actuarial assumptions used for the June 30, 2010 valuation are summarized below.

Mortality Rates. The UP-1994 Mortality Table For Males, rated 1 year, for male participants, and the UP-1994 Mortality Table For Female employees, rated up 1 year, for female participants, was used for the valuation.

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

	Rates of Termination Per 1000 Members		
Age	0-4 Years Service	4-10 Years Service	10 or More Years Service
20	281	-	-
25	260	162	-
30	179	92	66
35	167	90	57
40	156	68	49
45	113	65	40
50	110	63	-
55	107	60	-

Retirement Rates. Rates of retirement for each age from 50 to 75 based on the recent experience of the Fund were used. The following are samples of the rates of retirement that were used.

	Rates of Retirement Per 1000 Members	
Age	Less Than 30 Years Service	30 Or More Years of Service
50	50	400
55	55	200
60	80	80
65	120	120
70	140	140
75	1,000	1,000

Salary Progression. 4.5% per year, compounded annually.

Interest Rate. 8.0% per year, compounded annually.

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

Spouse's Age. Male spouses are assumed to be 2 years older than female spouses.

Actuarial Value of Assets. The actuarial value of assets was determined by smoothing unexpected gains or losses over a period of 5 years.

Actuarial Cost Method. The projected unit credit actuarial cost method was used. Actuarial gains and losses are reflected in the unfunded actuarial liability. This actuarial cost method was adopted as of June 30, 2005.

Appendix 2

Summary of Principal Provisions

1. Membership. Any person employed by the Chicago Park District in a position requiring service for 6 months or more in a calendar year is required to become a member of the Fund as a condition of employment.

2. Employee Contributions. All members of the Fund are required to contribute 9% of salary to the Fund as follows:

7% for the retirement pension
1% for the spouse's pension
1% for the automatic increases in the retirement pension

In addition, employees are required to contribute $3.60 per month toward the cost of the single sum death benefit.

3. Retirement Pension-Eligibility. An employee may retire at age 50 with at least 10 years of service or at age 60 with 4 years of service.

If retirement occurs before age 60, the retirement pension is reduced 1/4 of 1% for each month that the age of the member is below 60. However, there is no reduction if the employee has at least 30 years of service.

4. Retirement Pension-Amount. The retirement pension is based on the average of the 4 highest consecutive years of salary within the last 10 years. For an employee who withdraws from service on or after December 31, 2003, the amount of the retirement pension is 2.4% of highest average salary for each year of service.

The maximum pension payable is 80% of the highest average annual salary.

An employee who was a participant before July 1, 1971 is entitled to the pension provided under the money purchase formula if it provides a greater pension than that provided under the above fixed benefit formula.

5. Post-Retirement Increase In Retirement Pension. An employee retiring at age 60 or over, or an employee with 30 or more years of service, is entitled to automatic annual increases of 3% of the originally granted pension following 1 year's receipt of pension payments. In the case of an employee with less than 30 years service who retires before age 60, the increases begin following the later of attainment of age 60 and receipt of 1 year's pension payments.

6. Surviving Spouse's Pension. A surviving spouse is entitled to a pension upon the death of an employee while in service or on retirement. If the surviving spouse is age 60 or over and the employee or pensioner had at least 20 years of service, the minimum surviving spouse's pension is 50% of the deceased employee's or retired employee's pension at the date of death. If the age of the surviving spouse is less than 60, the pension is reduced 1/2 of 1% for each month the surviving spouse is under age 60. If the employee had less than 20 years of service, the surviving spouse is entitled to a pension under the money purchase formula, taking into account employee and employer contributions toward the surviving spouse's pension.

Surviving spouse's pensions are subject to annual automatic increases of 3% per year based on the current amount of pension.

Appendix 2 (continued)

Summary of Principal Provisions

7. Children's Pension. Unmarried children of a deceased employee under the age of 18 are entitled to a children's pension. If either parent is living, the pension is $100.00 per month. If no parent survives, the pension for each child is $150.00 per month. The total amount payable to a spouse or children may not exceed 60% of the employee's final salary.

8. Single Sum Death Benefit. A death benefit is payable upon the death of an employee in service in addition to any other benefits payable to the surviving spouse or minor children. The death benefit payable is as follows:

$3,000 benefit during the 1st year of service,
$4,000 benefit during the 2nd year of service,
$5,000 benefit during the 3rd year of service,
$6,000 benefit during the 4th through 10th year of service,
$10,000 benefit if death occurs after 10 or more years of service.

Upon the death of a retired member with 10 or more years of service, the $10,000 maximum benefit is reduced to $6,000 if death occurs during the first year of retirement. Thereafter, it is reduced by $1,500 for each year or fraction of a year while on retirement, but shall not be less than $3,000.

9. Ordinary Disability Benefit. An ordinary disability benefit is payable after 8 consecutive days of absence for illness without pay. The amount of the benefit is 45% of salary. The benefit is payable for a period not to exceed 1/4 of the length of service or 5 years, whichever is less.

10. Occupational Disability Benefit. Upon disability resulting from an injury incurred while on duty, an employee is entitled to a disability benefit of 75% of salary from the first day of absence without pay. The benefit is payable during the period of disability until the employee attains age 65, if disability is incurred before age 60, or for a period of 5 years if disability is incurred after age 60.

11. Occupational Death Benefit. Upon the death of an employee resulting from an accident incurred in the performance of duty, the surviving spouse is entitled to an occupational death benefit of 50% of salary. Each unmarried child under the age of 18 is entitled to a benefit of $100 per month. The combined payments to a family may not exceed 75% of the employee's final salary. The total payments are reduced by Workmen's Compensation benefits.

12. Refunds. An employee who terminates employment before qualifying for a pension is entitled to a refund of employee contributions. The refund is payable to any employee who withdraws before age 55, regardless of the length of service. It is also payable to an employee who withdraws between age 55 and 60 with less than 10 years of service, and to an employee who withdraws after age 60 with less than 5 years of service.

An employee who is unmarried at date of retirement is entitled to a refund of the full amount contributed for the spouse's pension, without interest.

Appendix 3

Glossary of Terms Used in Report

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

2. Actuarial Cost Method or Funding Method. A procedure for determining the actuarial present value of pension plan benefits and for determining an actuarially equivalent allocation of such value to time periods, usually in the form of a normal cost and an actuarial accrued liability.

3. Normal Cost. That portion of the present value of pension plan benefits which is allocated to a valuation year by the actuarial costs method.

4. Actuarial Accrued Liability or Accrued Liability. That portion, as determined by a particular actuarial cost method, of the actuarial present value of pension benefits which is not provided for by future normal costs.

5. Actuarial Value of Assets. The value assigned by the actuary to the assets of the pension plan for purposes of an actuarial valuation.

6. Unfunded Actuarial Liability. The excess of the actuarial liability over the actuarial value of assets.

7. Projected Unit Credit Actuarial Cost Method. A cost method under which the projected benefits of each individual included in an actuarial valuation are allocated by a consistent formula to valuation years. The actuarial present value of benefit allocated to a valuation year is called the normal cost. The actuarial present value of benefits allocated to all periods prior to a valuation year is called the actuarial liability.

8. Actuarial Assumptions. Assumptions as to future events affecting pension costs.

9. Actuarial Valuation. The determination, as of the valuation date, of the normal cost, actuarial liability, actuarial value of assets, and related actuarial present values for a pension plan.

10. Accrued Benefit or Accumulated Plan Benefits. The amount of an individual's benefit as of a specific date determined in accordance with the terms of a pension plan and based on compensation and service to that date.

11. Vested Benefits. Benefits that are not contingent on an employee's future service.

Tables

TABLE I
Schedule of Active Member Valuation Data

Valuation Date	Active Members: Number	Annual Payroll	Annual Average Pay	% Increase In Average Pay
06/30/01	3,395	$105,739,601	$31,146	11.0
06/30/02	3,422	103,786,911	30,329	(2.6)
06/30/03	3,179	102,329,721	32,189	6.1
06/30/04	2,820	87,840,802	31,149	(3.2)
06/30/05	2,881	95,707,132	33,220	6.6
06/30/06	3,035	101,058,024	33,298	0.2
06/30/07	3,040	106,601,982	35,066	5.3
06/30/08	3,031	111,698,366	36,852	5.1
06/30/09	2,865	108,882,742	38,004	3.1
06/30/10	2,816	107,361,021	38,125	0.3

TABLE II
Schedule of Retirees and Beneficiaries Added to and Removed from Rolls

Year Ended	Added to Rolls: Number	Added to Rolls: Annual Benefits	Removed from Rolls: Number	Removed from Rolls: Annual Benefits	Rolls-End-of Year: Number	Rolls-End-of Year: Annual Benefits	Average Annual Benefit	% Increase in Average Annual Benefit
2001	140	$1,638,676	191	$1,527,484	3,156	$45,413,680	$14,390	1.9
2002	132	2,907,468	193	1,771,252	3,095	46,549,896	15,040	4.5
2003	131	2,946,242	186	2,418,091	3,040	47,078,047	15,486	3.0
2004	351	9,796,355	176	2,020,035	3,215	54,854,367	17,063	10.2
2005	118	2,771,265	174	2,211,151	3,184	55,414,481	17,542	2.8
2006	117	3,304,140	184	2,631,780	3,092	56,086,841	18,139	3.4
2007	112	3,487,985	159	1,927,814	3,045	56,974,652	18,711	3.2
2008	127	3,714,283	177	2,321,096	2,995	58,367,839	19,488	4.2
2009	137	4,920,931	136	2,637,590	2,996	60,604,711	20,155	3.4
2010	113	3,442,389	167	2,903,979	2,942	61,189,600	20,799	2.7

TABLE III
Solvency Test

Fiscal Year Ended	ACCRUED LIABILITIES FOR (1) Active Members Accumulated Contributions	(2) Members Currently Receiving Benefits	(3) Active and Inactive Member Employer Portion	Actuarial Value of Assets	Percent of Accrued Liabilities Covered by Assets (1)	(2)	(3)
2001	$119,126,713	$433,551,115	$120,751,775	$651,343,906	100	100	82
2002	127,265,151	436,688,459	114,254,363	637,749,858	100	100	65
2003	119,192,515	448,993,236	133,023,176	624,209,658	100	100	42
2004	99,281,919	546,041,364	93,255,547	610,293,849	100	94	0
2005	107,874,190	543,101,627	83,384,888	587,774,143	100	88	0
2006	115,585,189	544,567,070	85,091,980	572,659,129	100	84	0
2007	123,379,336	548,468,651	96,082,645	583,295,949	100	84	0
2008	129,784,402	558,131,102	107,463,625	586,676,032	100	82	0
2009	130,427,875	578,774,175	114,694,886	553,754,517	100	73	0
2010	143,117,073	578,549,458	111,359,417	518,582,601	100	65	0

Statistical Section

Promontory Park- Burnham Park

Statistical Section Overview

The information in this section is not covered by the Independent Auditors' Report, but is presented as supplemental data for the benefit of the readers of the comprehensive annual financial report. The objectives of the statistical section information are to provide financial statement users with additional historical perspective, context, and detail to assist in using the financial statements, notes to financial statements, and required supplementary information to better understand and assess the Fund's overall financial health.

Contents

MEMBERSHIP STATISTICS

	FY 2010	FY 2009
Active participants	2,816	2,865
Retired employees - annuities	2,125	2,167
Surviving spouses - annuities	817	829
Children - annuities	14	17
Retirement granted during the year	61	102
Retirement reductions due to deaths and pension terminations	104	137
New Members	174	172
Withdrawals with refund	133	181

The above schedule provides details about the changes in the number of active participants, as well as the changes in the number and type of annuitants for the year.

Active Members and Total Annual Salaries by Age at June 30, 2010

Table I

	Male		Female		Total	
Age at 06/30/10	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
17	-	$ -	1	$ 3,171	1	$ 3,171
18	4	21,399	3	12,876	7	34,275
19	17	243,724	9	75,085	26	318,809
20	18	195,067	23	299,058	41	494,125
21	35	534,703	29	425,558	64	960,261
22	44	770,210	43	635,514	87	1,405,724
23	40	652,669	24	415,132	64	1,067,801
24	40	759,142	33	505,373	73	1,264,515
25	34	665,086	27	392,900	61	1,057,986
26	37	837,932	40	942,390	77	1,780,322
27	47	1,203,328	27	598,706	74	1,802,034
28	33	892,820	28	694,066	61	1,586,886
29	26	781,377	21	686,322	47	1,467,699
30	31	806,516	20	546,336	51	1,352,852
31	32	1,053,480	22	696,020	54	1,749,500
32	15	660,807	23	860,785	38	1,521,592
33	24	887,570	24	754,616	48	1,642,186
34	26	895,311	21	780,521	47	1,675,832
35	23	749,853	26	1,010,559	49	1,760,412
36	27	1,038,741	21	846,769	48	1,885,510
37	35	1,385,202	17	491,536	52	1,876,738
38	26	979,201	25	948,036	51	1,927,237
39	37	1,447,753	36	1,325,303	73	2,773,056
40	54	1,890,632	24	1,047,981	78	2,938,613
41	42	1,613,442	28	1,142,467	70	2,755,909
42	45	1,873,845	33	1,194,322	78	3,068,167
43	38	1,560,441	31	1,104,502	69	2,664,943
44	34	1,481,965	28	1,022,208	62	2,504,173
45	50	2,223,813	44	1,742,245	94	3,966,058
46	38	1,748,794	22	886,836	60	2,635,630
47	43	1,690,553	25	1,037,404	68	2,727,957
48	61	3,074,544	33	1,099,086	94	4,173,630
49	42	2,001,493	36	1,547,214	78	3,548,707
50	48	2,351,026	25	1,038,976	73	3,390,002
51	50	2,389,492	22	1,030,594	72	3,420,086
52	46	2,027,491	23	906,283	69	2,933,774
53	43	2,077,322	26	795,553	69	2,872,875
54	38	1,917,080	20	831,516	58	2,748,596

Active Members and Total Annual Salaries by Age at June 30, 2010

Table I
(continued)

Age at 06/30/10	Male Number	Male Annual Salaries	Female Number	Female Annual Salaries	Total Number	Total Annual Salaries
55	45	$ 2,200,345	20	$ 904,798	65	$ 3,105,143
56	38	1,906,461	19	694,515	57	2,600,976
57	29	1,452,938	20	695,784	49	2,148,722
58	36	1,571,433	15	537,796	51	2,109,229
59	45	2,474,554	15	632,433	60	3,106,987
60	38	1,617,095	10	414,741	48	2,031,836
61	20	984,964	5	215,650	25	1,200,614
62	20	616,444	6	187,070	26	803,514
63	22	998,269	3	124,322	25	1,122,591
64	14	564,575	2	51,352	16	615,927
65	17	719,493	6	185,335	23	904,828
66	15	547,864	3	166,322	18	714,186
67	12	582,079	5	252,520	17	834,599
68	6	317,853	1	35,421	7	353,274
69	3	120,828	2	54,649	5	175,477
70	4	233,853	-	-	4	233,853
71	7	317,466	3	87,603	10	405,069
72	6	259,911	-	-	6	259,911
73	5	206,399	-	-	5	206,399
74	3	42,799	-	-	3	42,799
75	1	19,834	1	35,477	2	55,311
76	-	-	1	7,898	1	7,898
77	1	80,444	1	20,595	2	101,039
78	3	103,801	-	-	3	103,801
80	1	33,162	-	-	1	33,162
81	-	-	1	19,515	1	19,515
	1,714	$65,356,688	1,102	$35,697,615	2,816	$101,054,303

	Male	Female	Both
Average Age:	43.2	39.5	41.8
Average Salary:	$38,131	$32,393	$35,886

Active Members and Total Annual Salaries by Length of Service at June 30, 2010

Table II

	Male		Female		Total	
Years of Service	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
< 1	104	$ 710,564	93	$ 713,894	197	$ 1,424,458
1	58	1,184,617	38	660,947	96	1,845,564
2	129	3,366,242	93	1,901,902	222	5,268,144
3	164	4,012,852	128	3,205,982	292	7,218,834
4	131	3,777,887	84	2,017,872	215	5,795,759
5	116	4,417,587	75	1,903,465	191	6,321,052
6	78	3,261,573	38	1,435,572	116	4,697,145
7	43	1,320,982	23	781,575	66	2,102,557
8	52	1,815,157	25	720,000	77	2,535,157
9	52	1,822,306	46	1,540,170	98	3,362,476
10	78	3,598,797	54	2,407,268	132	6,006,065
11	88	3,764,040	58	2,363,563	146	6,127,603
12	56	2,324,418	47	1,822,918	103	4,147,336
13	57	2,132,745	39	1,488,984	96	3,621,729
14	58	2,579,250	46	1,971,278	104	4,550,528
15	25	906,759	23	1,110,092	48	2,016,851
16	15	650,595	13	768,022	28	1,418,617
17	19	1,079,737	11	570,137	30	1,649,874
18	54	2,433,270	27	1,257,871	81	3,691,141
19	29	1,688,945	11	450,103	40	2,139,048
20	32	2,114,923	17	850,850	49	2,965,773
21	21	1,401,637	25	1,271,245	46	2,672,882
22	16	946,677	5	228,314	21	1,174,991
23	26	1,480,182	9	483,924	35	1,964,106
24	35	1,956,719	15	748,067	50	2,704,786
25	28	1,696,018	12	557,500	40	2,253,518
26	17	876,588	7	396,196	24	1,272,784
27	17	857,037	10	549,939	27	1,406,976
28	14	932,456	3	139,687	17	1,072,143
29	37	2,556,526	7	376,291	44	2,932,817
30	25	1,398,067	4	206,511	29	1,604,578
31	8	462,345	10	549,009	18	1,011,354
32	8	502,123	-	-	8	502,123
33	5	346,068	1	45,485	6	391,553
34	3	200,630	-	-	3	200,630
35	4	208,469	-	-	4	208,469

Active Members and Total Annual Salaries by Length of Service at June 30, 2010

Table II
(continued)

	Male		Female		Total	
Years of Service	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
36	3	$ 183,948	-	$ -	3	$ 183,948
37	2	72,875	1	60,824	3	133,699
38	1	67,113	1	7,450	2	74,563
39	1	44,575	-	-	1	44,575
41	1	36,231	3	134,708	4	170,939
42	1	35,502	-	-	1	35,502
43	1	47,548	-	-	1	47,548
45	1	47,959	-	-	1	47,959
50	1	36,149	-	-	1	36,149
	1,714	$65,356,688	1,102	$35,697,615	2,816	$101,054,303

	Male	Female	Both
Average Service:	10.5 yrs.	9.0 yrs.	9.9 yrs.
Average Salary:	$38,131	$32,393	$35,886

Retirement Pensions by Age and Annual Payments at June 30, 2010

Table III

Age at 06/30/10	Male Number	Male Annual Payments	Female Number	Female Annual Payments	Total Number	Total Annual Payments
50	5	$ 99,998	-	$ -	5	$ 99,998
51	8	278,631	3	48,410	11	327,041
52	14	435,342	1	11,584	15	446,926
53	12	262,180	2	48,570	14	310,750
54	28	1,017,162	10	309,588	38	1,326,750
55	38	1,086,073	9	227,837	47	1,313,910
56	36	1,139,079	7	137,797	43	1,276,876
57	36	933,547	18	519,417	54	1,452,964
58	35	1,070,711	11	218,587	46	1,289,298
59	53	1,348,562	19	522,452	72	1,871,014
60	48	1,430,356	8	262,174	56	1,692,530
61	47	1,320,827	10	274,046	57	1,594,873
62	55	1,493,419	20	483,995	75	1,977,414
63	53	1,418,781	10	156,334	63	1,575,115
64	52	1,081,833	19	398,281	71	1,480,114
65	36	959,060	13	233,679	49	1,192,739
66	48	1,452,289	18	321,563	66	1,773,852
67	69	1,737,658	22	424,351	91	2,162,009
68	44	1,103,978	22	349,852	66	1,453,830
69	51	1,452,775	18	267,650	69	1,720,425
70	40	988,049	15	105,709	55	1,093,758
71	53	1,427,061	16	281,688	69	1,708,749
72	47	1,227,169	11	127,326	58	1,354,495
73	59	1,384,816	16	293,514	75	1,678,330
74	43	1,098,781	17	308,076	60	1,406,857
75	56	1,434,358	12	151,215	68	1,585,573
76	59	1,541,145	14	143,518	73	1,684,663
77	45	964,896	16	270,058	61	1,234,954
78	41	850,101	11	168,824	52	1,018,925
79	55	1,296,073	12	166,414	67	1,462,487
80	41	1,172,060	11	238,934	52	1,410,994
81	47	1,216,091	12	158,827	59	1,374,918
82	49	1,067,874	10	112,134	59	1,180,008
83	36	925,886	9	148,012	45	1,073,898
84	20	526,384	9	133,272	29	659,656
85	37	1,012,828	10	173,375	47	1,186,203
86	15	308,390	9	141,717	24	450,107
87	26	594,505	7	83,644	33	678,149

Retirement Pensions by Age and Annual Payments at June 30, 2010

Table III
(continued)

	Male		Female		Total	
Age at 06/30/10	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
88	18	$ 341,662	5	$ 42,742	23	$ 384,404
89	16	395,307	10	227,650	26	622,957
90	12	224,427	5	93,722	17	318,149
91	9	245,658	6	100,126	15	345,784
92	5	180,937	2	44,180	7	225,117
93	8	127,337	4	20,366	12	147,703
94	3	56,609	3	22,161	6	78,770
95	5	60,877	6	44,382	11	105,259
96	5	128,692	2	17,601	7	146,293
97	1	10,542	1	4,909	2	15,451
98	2	5,771	-	-	2	5,771
99	1	7,094	1	5,832	2	12,926
100	-	-	1	3,012	1	3,012
	1,622	$41,943,641	503	$9,049,107	2,125	$50,992,748

	Male	Female	Both
Average Age:	70.7	71.5	70.9
Average Annual Payments:	$25,859	$17,990	$23,997

Retirement Pensions by Age at Time of Retirement at June 30, 2010

Table IV

	Male		Female		Total	
Age at Retirement	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
50	136	$ 3,517,333	32	$ 764,777	168	$ 4,282,110
51	100	3,347,495	21	686,046	121	4,033,541
52	87	2,805,232	24	616,894	111	3,422,126
53	76	2,323,301	19	513,658	95	2,836,959
54	69	2,231,346	26	731,729	95	2,963,075
55	104	2,482,651	46	641,484	150	3,124,135
56	101	2,450,637	25	363,136	126	2,813,773
57	71	1,954,104	14	206,948	85	2,161,052
58	80	1,822,567	23	362,283	103	2,184,850
59	64	1,787,258	26	460,679	90	2,247,937
60	98	2,443,215	38	543,439	136	2,986,654
61	77	1,911,753	17	285,220	94	2,196,973
62	106	2,464,281	29	439,527	135	2,903,808
63	68	1,491,151	23	382,762	91	1,873,913
64	50	1,314,430	21	249,488	71	1,563,918
65	93	1,906,482	29	337,012	122	2,243,494
66	64	1,333,838	16	261,308	80	1,595,146
67	54	1,357,758	19	292,324	73	1,650,082
68	29	793,811	14	222,161	43	1,015,972
69	26	561,517	7	126,278	33	687,795
70	22	412,131	14	235,823	36	647,954
71	16	550,658	4	38,726	20	589,384
72	8	215,811	3	74,063	11	289,874
73	4	69,978	2	69,244	6	139,222
74	3	83,010	1	3,012	4	86,022
75	6	176,135	1	19,585	7	195,720
76	3	26,803	2	7,218	5	34,021
77	1	25,839	5	96,106	6	121,945
78	3	36,107	-	-	3	36,107
79	-	-	1	1,276	1	1,276
80	1	21,236	1	16,901	2	38,137
81	2	25,773	-	-	2	25,773
	1,622	$41,943,641	503	$9,049,107	2,125	$50,992,748

	Male	Female	Both
Average Age:	58.8	59.6	58.9
Average Annual Payments:	$25,859	$17,990	$23,997

Surviving Spouse's Pension by Age and Annual Payments at June 30, 2010

Table V

Age at 06/30/10	Number	Annual Payments	Age at 06/30/10	Number	Annual Payments
31	1	$ 2,859	73	25	$ 379,563
38	1	1,200	74	25	298,086
44	1	24,942	75	19	348,886
46	3	32,255	76	28	362,426
47	2	9,767	77	23	337,819
49	3	37,967	78	37	480,368
50	3	48,714	79	29	441,624
51	4	61,307	80	25	319,752
52	5	88,751	81	42	543,366
53	1	16,826	82	35	395,867
54	6	120,519	83	34	356,031
55	7	135,779	84	32	374,370
56	9	136,480	85	31	324,557
57	7	133,354	86	32	324,541
58	7	122,475	87	27	309,162
59	10	122,763	88	20	198,242
60	11	135,874	89	27	293,992
61	5	83,249	90	23	260,126
62	10	131,973	91	10	76,360
63	16	187,860	92	12	86,143
64	8	90,961	93	13	97,394
65	9	164,694	94	6	35,086
66	14	183,846	95	7	53,401
67	11	157,034	96	2	16,343
68	13	198,597	97	7	31,058
69	17	287,532	98	1	9,053
70	20	219,671	99	1	1,900
71	22	279,501	100	1	12,617
72	16	207,243	101	1	4,726
				817	$10,196,852

Average Age:	77.0
Average Annual Payments:	$12,481

Surviving Spouse's Pension by Age at Commencement at June 30, 2010

Table VI

Age at Commencement	Number	Annual Payments	Age at Commencement	Number	Annual Payments
21	1	$ 926	59	19	$ 322,993
27	1	3,214	60	20	263,333
28	2	9,490	61	26	332,984
29	2	4,465	62	24	318,763
30	1	11,986	63	15	247,532
31	2	9,261	64	20	252,695
32	1	792	65	25	334,568
33	3	23,862	66	28	392,094
34	1	6,180	67	32	377,354
35	2	3,849	68	26	340,595
36	7	36,415	69	30	352,146
37	3	20,430	70	29	342,973
38	3	13,071	71	23	296,827
39	5	63,214	72	23	299,740
40	2	34,390	73	19	189,557
41	6	65,725	74	25	290,071
42	9	111,866	75	18	226,821
43	6	76,138	76	21	256,799
44	9	58,920	77	15	191,566
45	8	96,110	78	20	233,970
46	7	80,551	79	14	137,289
47	3	45,965	80	19	226,841
48	13	177,234	81	13	106,629
49	13	217,353	82	13	110,870
50	17	204,677	83	10	120,790
51	13	179,043	84	6	60,573
52	9	107,574	85	2	25,382
53	20	290,764	87	5	49,273
54	13	221,956	88	6	41,006
55	22	336,228	89	2	27,205
56	18	224,345	90	2	29,434
57	19	314,757	91	3	15,868
58	21	324,653	92	2	6,907
				817	$10,196,852

Average Age:	63.9
Average Annual Payments:	$12,481

Retiree's Automatic Increases by Age and Annual Payments at June 30, 2010

Table VII

	Male		Female		Total	
Age at 06/30/10	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
51	8	$ 2,829	3	$ 998	11	$ 3,827
52	14	11,089	1	-	15	11,089
53	12	10,974	2	3,408	14	14,382
54	28	62,253	10	21,182	38	83,435
55	38	51,396	9	11,338	47	62,734
56	36	109,013	7	3,618	43	112,631
57	36	123,354	18	62,963	54	186,317
58	35	126,497	11	22,896	46	149,393
59	53	142,342	19	56,331	72	198,673
60	48	149,741	8	29,664	56	179,405
61	47	181,978	10	35,678	57	217,656
62	55	221,361	20	78,431	75	299,792
63	53	240,551	10	28,035	63	268,586
64	52	187,823	19	69,432	71	257,255
65	36	189,460	13	31,034	49	220,494
66	48	303,107	18	70,504	66	373,611
67	69	359,842	22	85,780	91	445,622
68	44	251,996	22	73,058	66	325,054
69	51	297,742	18	43,395	69	341,137
70	40	223,531	15	17,671	55	241,202
71	53	357,743	16	69,342	69	427,085
72	47	299,553	11	31,573	58	331,126
73	59	349,030	16	68,980	75	418,010
74	43	272,688	17	71,691	60	344,379
75	56	395,398	12	41,790	68	437,188
76	59	446,225	14	37,571	73	483,796
77	45	283,223	16	72,394	61	355,617
78	41	251,727	11	52,405	52	304,132
79	55	388,272	12	47,287	67	435,559
80	41	382,365	11	79,824	52	462,189
81	47	392,189	12	47,489	59	439,678
82	49	336,460	10	37,021	59	373,481
83	36	334,717	9	46,968	45	381,685
84	20	193,743	9	45,214	29	238,957
85	37	379,986	10	60,034	47	440,020
86	15	111,932	9	50,560	24	162,492
87	26	217,848	7	28,564	33	246,412
88	18	132,603	5	19,269	23	151,872

Retiree's Automatic Increases by Age and Annual Payments at June 30, 2010

Table VII
(continued)

	Male		Female		Total	
Age at 06/30/10	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
89	16	$ 156,501	10	$ 79,372	26	$ 235,873
90	12	86,606	5	38,758	17	125,364
91	9	98,568	6	36,528	15	135,096
92	5	72,266	2	18,396	7	90,662
93	8	51,941	4	8,801	12	60,742
94	3	25,921	3	9,615	6	35,536
95	5	25,573	6	19,769	11	45,342
96	5	57,344	2	7,928	7	65,272
97	1	4,717	1	2,443	2	7,160
98	2	672	-	-	2	672
99	1	3,475	1	2,857	2	6,332
100	-	-	1	508	1	508
	1,617	$9,356,165	503	$1,878,367	2,120	$11,234,532

	Male	Female	Both
Average Age:	70.8	71.5	70.9
Average Monthly Increases:	$ 482	$ 311	$ 442
Average Annual Increases:	$5,786	$3,734	$5,299

Annuities and Refunds by Type

Table VIII

Last Ten Years

Fiscal Year Ended June 30	Retirement	Surviving Spouse	Children	Refunds Employees	Refunds Pensioners
2001	$38,066,945	$7,425,246	$56,950	$2,983,459	$ 66,709
2002	38,473,834	7,670,908	41,950	2,325,631	151,446
2003	38,708,659	7,971,585	42,050	2,570,017	204,820
2004	42,831,611	8,196,180	38,600	2,785,487	138,126
2005	46,472,103	8,614,689	32,400	1,792,192	168,297
2006	46,668,385	9,073,756	31,100	1,827,216	240,731
2007	47,002,222	9,265,244	24,900	1,619,162	149,752
2008	47,935,949	9,440,330	22,299	1,743,368	221,470
2009	49,910,083	9,819,764	24,250	2,200,749	479,610
2010	50,528,497	10,083,124	17,400	1,368,903	-

Death and Disability Benefits

Table IX

Last Ten Years

Fiscal Year Ended June 30	Death Benefit	Ordinary Disability	Duty Disability	Total
2001	$356,050	$597,481	$(41,649) (a)	$911,882
2002	343,500	382,660	36,629	762,789
2003	325,500	346,634	65,921	738,055
2004	292,539	314,265	67,998	674,802
2005	392,200	357,986	31,629	781,815
2006	308,000	203,233	18,992	530,225
2007	271,000	227,448	19,243	517,691
2008	295,900	286,764	(7,626) (a)	575,038
2009	252,500	245,383	12,733	510,616
2010	249,500	290,747	22,071	562,318

(a) reflects net of recoveries of prior duty disability payments in accordance with state statute.

Number of Active Participants
Last Ten Years

Table X

Fiscal Year Ended June 30	Male Participants	Female Participants	Total
2001	2,100	1,295	3,395
2002	2,131	1,291	3,422
2003	1,991	1,188	3,179
2004	1,740	1,080	2,820
2005	1,771	1,110	2,881
2006	1,868	1,167	3,035
2007	1,855	1,185	3,040
2008	1,846	1,185	3,031
2009	1,750	1,115	2,865
2010	1,714	1,102	2,816

Active Participants Statistical Averages
Last Ten Years

Table XI

Fiscal Year	Male			Female			Combined		
Ended June 30	Annual Salary	Age	Service	Annual Salary	Age	Service	Annual Salary	Age	Service
2001	$30,490	41.1	9.5	$24,579	36.5	6.3	$28,235	39.4	8.3
2002	29,986	41.2	9.5	24,285	36.3	6.4	27,835	39.3	8.3
2003	32,040	42.0	10.2	26,289	37.2	7.2	29,891	40.2	9.1
2004	31,553	41.2	9.4	26,964	37.5	7.4	29,795	39.8	8.6
2005	32,702	41.4	9.6	27,034	37.6	7.5	30,519	40.0	8.8
2006	33,216	41.3	9.2	27,430	37.8	7.5	30,991	40.0	8.5
2007	33,054	41.6	9.4	29,108	37.9	7.6	32,736	40.2	8.7
2008	36,721	41.9	9.5	31,108	38.4	7.9	34,526	40.5	8.9
2009	38,208	42.5	10.0	32,598	38.9	8.4	36,024	41.1	9.4
2010	38,131	43.2	10.5	32,393	39.5	9.0	35,886	41.8	9.9

Retirees and Beneficiaries Receiving Benefits

Table XII

Last Ten Years

Fiscal Year Ended June 30	Retirees	Surviving Spouses	Children	Total
2001	2,188	968	32	3,188
2002	2,148	945	34	3,127
2003	2,104	936	34	3,074
2004	2,294	921	25	3,240
2005	2,231	928	25	3,184
2006	2,199	893	23	3,115
2007	2,169	869	18	3,056
2008	2,152	843	18	3,013
2009	2,167	829	17	3,013
2010	2,125	817	14	2,956

Retirees Receiving Annual 3% Increases

Table XIII

Last Ten Years

Fiscal Year Ended	Number		Annual Increase			Total Annual
June 30	Male	Female	Male	Female	Number	Increase
2001	1,475	426	$5,152,004	$ 933,478	1,901	$ 6,085,428
2002	1,487	425	6,006,202	1,075,589	1,912	7,081,791
2003	1,456	424	6,397,934	1,132,989	1,880	7,530,923
2004	1,419	422	6,799,604	1,191,265	1,841	7,990,869
2005	1,545	456	7,198,720	1,312,555	2,001	8,511,275
2006	1,520	449	7,634,454	1,404,744	1,969	9,039,198
2007	1,508	440	8,060,817	1,521,955	1,948	9,582,772
2008	1,481	446	8,507,698	1,639,525	1,927	10,147,223
2009	1,654	506	9,062,514	1,751,555	2,160	10,814,069
2010	1,617	503	9,356,165	1,878,367	2,120	11,234,532

Average Annual Retirees/Surviving Spouse's Benefit Payments

Table XIV

Last Ten Years

Fiscal Year Ended June 30	Average Annual Payments	
	Retiree	Spouse
2001	$17,275	$ 7,867
2002	18,018	8,270
2003	18,560	8,576
2004	20,289	9,023
2005	20,843	9,605
2006	21,394	10,126
2007	21,999	10,654
2008	22,688	11,321
2009	23,440	11,835
2010	23,997	12,481

Funded Ratio
Last Ten Years

Table I

Fiscal Year Ended June 30	(1) Actuarial Value of Assets	(2) Unfunded Accrued Liabilities	(3) Statutory Reserve Requirements (1) + (2)	(4) % Percent Funded (1) ÷ (3)
2001	$651,343,906	$ 22,085,697	$673,429,603	96.7
2002	637,749,858	40,458,115	678,207,973	94.0
2003	624,209,658	76,999,269	701,208,927	89.0
2004	610,293,849	128,284,981	738,578,830	82.6
2005	587,774,143	146,586,562	734,360,705	80.0
2006	572,659,129	172,585,110	745,244,239	76.8
2007	583,295,949	184,634,683	767,930,632	76.0
2008	586,676,032	208,703,097	795,379,129	73.8
2009	553,754,517	270,142,419	823,896,936	67.2
2010	518,582,601	314,443,347	833,025,948	62.3

Ratio of Unfunded Liability to Payroll
Last Ten Years

Table II

Fiscal Year Ended June 30	Member Payroll	Unfunded Liability (a)	Liability % of Payroll
2001	$105,739,601	$ 22,085,697	20.9
2002	103,786,911	40,458,115	38.9
2003	102,329,721	76,999,269	75.2
2004	87,840,802	128,284,981	146.0
2005	95,707,132	146,586,562	153.2
2006	101,058,024	172,585,110	170.8
2007	106,601,982	184,634,683	173.2
2008	111,698,366	208,703,097	186.8
2009	108,882,742	270,142,419	248.1
2010	107,361,021	314,443,347	292.9

(a) reflects application of GASB No. 25.

Revenue by Sources
Last Ten Years

Table III

Fiscal Year Ended June 30 (a)	Taxpayer Contributions	Per Cent %	Employee Contributions	Per Cent %	Investment Income (b)	Per Cent %	Total	Per Cent %
2001	$ 9,206,851	96	$ 8,977,309	94	$ (8,590,539)	(90)	$ 9,593,621	100
2002	9,977,765	2506	9,192,876	2348	(18,775,731)	(4754)	394,910	100
2003	9,842,559	25	9,533,018	24	20,297,955	51	39,673,532	100
2004	9,840,681	11	10,593,581	12	69,754,905	77	90,189,167	100
(c) 2005	4,768,605	8	8,515,799	14	49,621,638	78	62,906,042	100
(c) 2006	5,173,860	9	9,117,032	17	40,970,668	74	55,261,560	100
2007	9,594,593	9	9,719,082	9	88,741,395	82	108,055,070	100
2008	8,998,687	481	10,264,805	548	(17,391,594)	(929)	1,871,898	100
2009	9,667,765	n/a	10,141,146	n/a	(103,488,375)	n/a	(83,669,464)	100
2010	10,829,339	n/a	9,829,998	n/a	41,419,975	n/a	62,079,312	100

(a) reflects application of GASB No. 25
(b) includes income from securities lending
(c) taxpayer contributions includes statutory reduction of $5 million.

Average Benefit Payments

Table I

Last Ten Years

(Dollars in Thousands)

	Years Credited Service						
	0 - 5	5 - 10	10 - 15	15 - 20	20 - 25	25-30	30+
Period 7/1/09 to 6/30/10							
Average monthly benefit	$ 389	$ 970	$ 1,287	$ 1,046	$ 3,302	$ 3,552	$ 4,039
Average final average salary	$ 5,923	$ 6,512	$ 4,078	$ 2,892	$ 6,083	$ 5,668	$ 5,222
Number of retired members	13	6	8	12	5	9	8
Period 7/1/08 to 6/30/09							
Average monthly benefit	$ 440	$ 821	$ 1,374	$ 1,189	$ 1,939	$ 2,089	$ 3,785
Average final average salary	$ 5,734	$ 5,152	$ 4,714	$ 3,449	$ 3,882	$ 3,516	$ 4,858
Number of retired members	15	13	15	6	12	11	30
Period 7/1/07 to 6/30/08							
Average monthly benefit	$ 363	$ 678	$ 698	$ 1,535	$ 2,145	$ 2,428	$ 3,269
Average final average salary	$ 5,962	$ 4,837	$ 2,806	$ 4,166	$ 4,280	$ 3,763	$ 4,684
Number of retired members	15	4	11	6	8	9	27
Period 7/1/06 to 6/30/07							
Average monthly benefit	$ 408	$ 441	$ 864	$ 952	$ 1,713	$ 2,463	$ 3,461
Average final average salary	$ 6,201	$ 2,851	$ 3,115	$ 3,117	$ 3,725	$ 4,234	$ 4,472
Number of retired members	16	9	6	13	5	10	16
Period 7/1/05 to 6/30/06							
Average monthly benefit	$ 276	$ 550	$ 958	$ 685	$ 1,342	$ 1,895	$ 2,991
Average final average salary	$ 4,829	$ 3,160	$ 3,086	$ 2,702	$ 3,305	$ 3,213	$ 4,756
Number of retired members	5	5	8	8	12	7	25
Period 7/1/04 to 6/30/05							
Average monthly benefit	$ 274	$ 862	$ 982	$ 972	$ 1,379	$ 1,828	$ 2,933
Average final average salary	$ 4,780	$ 5,357	$ 3,146	$ 2,734	$ 3,035	$ 3,358	$ 4,128
Number of retired members	9	7	6	8	7	7	11
Period 7/1/03 to 6/30/04							
Average monthly benefit	$ 331	$ 1,246	$ 945	$ 1,632	$ 2,034	$ 2,897	$ 2,761
Average final average salary	$ 5,264	$ 5,393	$ 3,236	$ 3,791	$ 3,838	$ 3,902	$ 3,786
Number of retired members	33	13	13	23	36	127	62
Period 7/1/02 to 6/30/03							
Average monthly benefit	$ 248	$ 704	$ 690	$ 902	$ 1,471	$ 1,899	$ 2,761
Average final average salary	$ 5,371	$ 5,612	$ 3,004	$ 2,744	$ 3,004	$ 3,472	$ 3,698
Number of retired members	18	9	12	10	8	3	15
Period 7/1/01 to 6/30/02							
Average monthly benefit	$ 257	$ 733	$ 648	$ 946	$ 1,005	$ 1,750	$ 2,925
Average final average salary	$ 5,428	$ 4,867	$ 3,447	$ 2,862	$ 2,215	$ 3,126	$ 3,868
Number of retired members	17	9	8	11	8	10	11
Period 7/1/00 to 6/30/01							
Average monthly benefit	$ 276	$ 290	$ 717	$ 873	$ 928	$ 1,363	$ 1,411
Average final average salary	$ 3,146	$ 1,956	$ 2,962	$ 2,617	$ 3,492	$ 3,038	$ 3,719
Number of retired members	1	6	12	15	6	15	25

Principal Participating Employers

Table II

Current Year and Nine Years Ago

Participating Government	2010 Covered Employees	2010 Rank	2010 Percentage of Total System	2001 Covered Employees	2001 Rank	2001 Percentage of Total System
Chicago Park District	2,804	1	99.57	3,380	1	99.56
Retirement Board of the Park Employees' Annuity and Benefit Fund	12	2	0.43	13	2	0.38
City of Chicago	0	3	0.00	2	3	0.06
Total (3 Governments)	2,816		100.00%	3,395		100.00%

Changes In Net Assets

Table III

Last Ten Years

(Dollars in Thousands)

Fiscal Years

	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Additions										
Member Contributions	$ 9,830	$ 10,141	$10,265	$ 9,719	$ 9,117	$ 8,516	$10,593	$ 9,533	$ 9,193	$ 8,977
Employer Contribution	10,829	9,678	8,999	9,595	5,174	4,768	9,841	9,843	9,978	9,207
Investment Income	41,420	(103,488)	(17,392)	88,741	40,971	49,622	69,755	20,298	(18,776)	(8,591)
Total Additions	62,079	(83,669)	1,872	108,055	55,262	62,906	90,189	39,674	395	9,593
Deductions (see Table IV)										
Benefit Payments	61,191	60,265	57,974	56,810	56,303	55,901	51,741	47,460	46,949	46,461
Refunds	1,369	2,680	1,965	1,769	2,068	1,960	2,924	2,775	2,477	3,050
Administrative Expenses	1,466	1,335	1,289	1,238	1,232	1,186	1,199	1,170	1,123	1,083
Total Deductions	64,026	64,280	61,228	59,817	59,603	59,047	55,864	51,405	50,549	50,594
Change in Net Assets	$(1,947)	$(147,949)	$(59,356)	$ 48,238	$ (4,341)	$ 3,859	$34,325	$(11,731)	$(50,154)	$(41,001)

Benefit and Refund Deductions from Net Asset by Type

Table IV

Last Ten Years

(Dollars in Thousands)

	Fiscal Years									
	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001
Type of Benefit										
Age and Service Benefits										
Retirees	$50,528	$49,910	$47,936	$47,002	$46,668	$46,472	$42,832	$38,709	$38,474	$38,067
Surviving Spouses	10,083	9,820	9,440	9,265	9,074	8,615	8,196	7,971	7,671	7,425
Children	17	24	22	25	31	32	39	42	42	57
Death Benefit	250	253	296	271	308	392	292	325	343	356
Disability Benefits										
Members-Duty	22	13	(8)	19	19	32	68	66	37	(41)
Members-Non-Duty	291	245	288	228	203	358	314	347	382	597
Total Benefits	$61,191	$60,265	$57,974	$56,810	$56,303	$55,901	$51,741	$47,460	$46,949	$46,461
Type of Refund										
Separation	$ 1,369	$ 2,200	$ 1,743	$ 1,619	$ 1,827	$1,792	$2,786	$2,570	$2,326	$2,983
Death	-	480	222	150	241	168	138	205	151	67
Total Refunds	$ 1,369	$ 2,680	$ 1,965	$ 1,769	$ 2,068	$1,960	$2,924	$2,775	$2,477	$3,050

Retired Members by Type of Benefit

Table V

Amount of Monthly Benefit	Number of Retired Members	1	2	3
$ 1 - $ 250	268	156	78	34
251 - 500	348	228	85	35
501 - 750	267	157	83	27
751 - 1,000	264	168	72	24
1,001 - 1,250	208	119	69	20
1,251 - 1,500	200	108	66	26
1,501 - 1,750	178	104	53	21
1,751 - 2,000	164	124	35	5
Over 2,000	1,045	961	47	37
Total	2,942	2,125	588	229

Type of Retirement

1 Normal Retirement for age and service, Including incentive retirements

2 Beneficiary payment, normal surviving spouse

3 Beneficiary payments, death in service

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