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

COMPONENT UNIT OF CHICAGO PARK DISTRICT
Submitted December 31, 2011

Comprehensive Annual Financial Report

For Fiscal Year Ended June 30, 2011

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, 2011

Prepared by the Staff of the Retirement Board

Park Employees' Annuity and Benefit Fund
55 E. Monroe Street, Suite 2720
Chicago, Illinois 60603
(312) 553-9265
www.chicagoparkpension.org

Table Of Contents

Introductory Section

Financial Section

Investment Section

Actuarial Section

Table Of Contents (continued)

Actuarial Section (continued)

Statistical Section

Introductory Section

Buckingham Fountain - Grant Park

Certificate of Achievement for Excellence in Financial Reporting

Presented to

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

For its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2010

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

Linda C. Davison

President

Jeffrey R. Emer

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, 2011

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, 2011. 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	2011	2010	Increase (Decrease)	Percent Change
Employer Contribution	$ 10,981,419	$ 10,829,339	$ 152,080	1.4
Employee Contribution	9,791,650	9,829,998	(38,348)	(0.4)
Investment Income	84,867,859	41,419,975	43,447,884	104.9
Total	$105,640,928	$ 62,079,312	$43,561,616	70.2

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.

Investment income is comprised of actual earnings (i.e. dividends, interest, realized gains and losses) and unrealized gains and losses. During the fiscal year ended June 30, 2011, the investment market continued to show signs of improvement, resulting in an increase in investment income of $43,447,884 from prior year.

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

Category	2011	2010	Increase (Decrease)	Percent Change
Retirement Benefits	$ 50,950,848	$ 50,528,497	$ 422,351	0.8
Spouses Benefits	10,374,674	10,083,124	291,550	2.9
Children Benefits	18,519	17,400	1,119	6.4
Disability Benefits	391,491	312,818	78,673	25.1
Death Benefits	307,000	249,500	57,500	23.0
Refund Payments	1,662,358	1,368,903	293,455	21.4
Administrative Expenses	1,498,905	1,465,562	33,343	2.3
Total	$ 65,203,795	$ 64,025,804	$ 1,177,991	1.8

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.

Based upon the above, the unfunded liability as of June 30, 2011 was $354,572,735 which compares to $314,443,347 for the previous year. The funding ratio as of June 30, 2011 is 58.0% compared to 62.3% for the previous year. For 2011, the funding ratio declined because of continual recognition of deferred unrealized losses for 2008 and 2009 due to the five-year smoothing of market values used to determine the actuarial value of assets.

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, 2011, the fair value of investments was $452,617,364 which compares to $411,534,199 as of June 30, 2010. As of June 30, 2011, the Fund's annual investment rate of return was 21.0% compared to 11.3% for the previous year. The Fund's 21.0% rate of return outperformed the custom benchmark by 170 basis points and outperformed the more equity-oriented median peer fund by 10 basis points. Over the trailing three-year and five-year periods the Plan underperformed the custom performance benchmark by roughly 160 and 90 basis points respectively.

Technology

The Fund continues to review and upgrade its information systems. In 2008, the Fund implemented a document imaging system, and is progressing towards 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 periodically updates its website and now allows visitors to access Board Meeting minutes, Comprehensive Annual Financial Reports, Investment Information, benefit forms as well as keeping visitors apprised of the latest Pension Fund news.

Legislative Program

During the fiscal year ended June 30, 2011, major pension reform legislation was presented to the Illinois Generaly Assembly that would have had an impact on most of the retirement systems covered by Chapter 40 of the Illinois Compiled Statutes. Although this legislation did not pass, it may be reintroduced in some form in 2012.

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, 2010. 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 24, 2011. Frank Hodorowicz was re-elected for a four-year term beginning July 1, 2011.

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, the Deputy Executive Director, John D. Lord and newly hired Comptroller, Jaime L. McCabe. 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, 2011

Elected by the Employees

John J. Shostack
Term expires June 30, 2012

Edward L. Affolter
Term expires June 30, 2013

Robert Geraghty
Term expires June 30, 2014

Frank C. Hodorowicz
Term expires June 30, 2015

Appointed by the Commissioners of the Chicago Park District

Joseph M. Fratto

Melinda M. Gildart

Pamela A. Munizzi

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

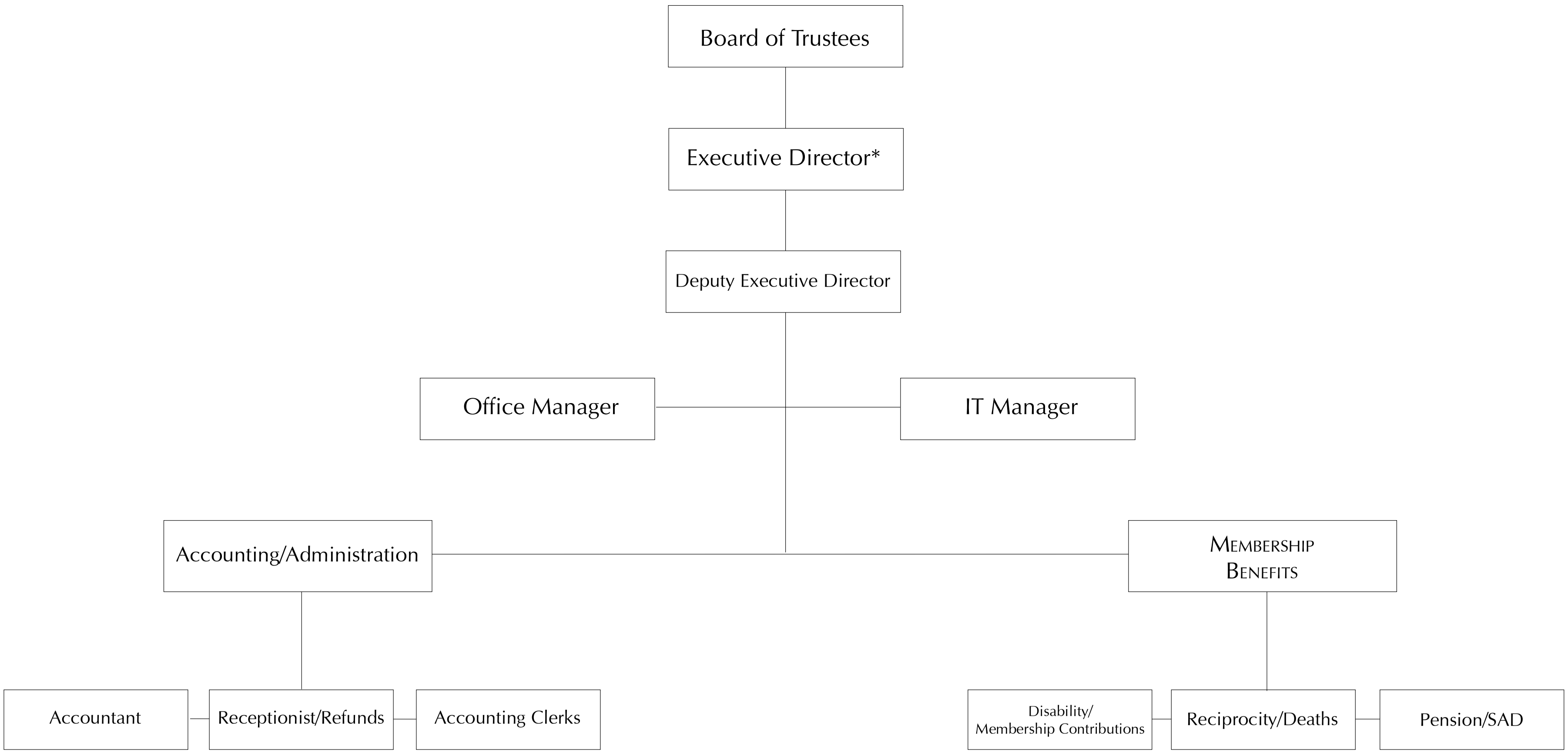
The Northern Trust Company of Chicago

INVESTMENT ADVISORS

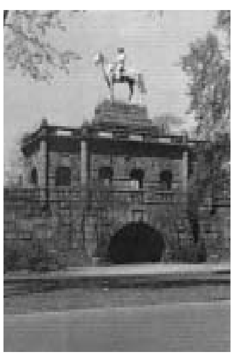
Ariel Capital Management, LLC — Chicago
Chicago Equity Partners, LLC — Chicago
Entrust Capital, Inc. — New York
Great Lakes Advisors, Inc. — Chicago
HarbourVest Partners, LLC — Boston
K2 Advisors, LLC — Connecticut
LM Capital Group, LLC — San Diego
MacKay Shields, LLC — New York
Mesirow Financial Capital Partners — Chicago
New York Life Capital Partners, LLC — New York
Northern Trust Quantitative Advisors — Chicago
PineBridge Investments — New York
Principal Global Investors, LLC — Chicago
RBC Global Asset Management, Inc. — Minnesota
UBS Realty Investors, LLC — 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.)



Financial Section

Grant Monument - Lincoln Park

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, 2011 and 2010, 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, 2011 and 2010, 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 22, 2011

Management's Discussion and Analysis Year Ended June 30, 2011

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, 2011. 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 increased during the year by $40.4 million or 9.8% compared to a decrease of $1.9 million or 0.5% for 2010.

b) The Plan's annual investment return of 21.0% outperformed the portfolio benchmark return of 19.3%.

c) The Plan's three-year rate of return of 3.1% lagged the portfolio benchmark return of 4.7%.

d) The Plan's five-year rate of return of 4.3% lagged the portfolio benchmark return of 5.2%.

e) The Plan's ten-year rate of return of 5.1% lagged the portfolio benchmark return of 5.8%.

f) The 2011 additions to the Plan's net assets of $105.6 million is $43.6 million higher than the 2010 additions.

g) Total 2011 deductions of $65.2 million is 1.8% higher than the 2010 deductions.

h) The Plan's actuarially computed funding ratio is 58.0%, which is 4.3% less than 2010.

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 $452,810,488. This is $40,437,133 higher than 2010 year-end net assets of $412,373,355. This compares to a reduction of $1,946,492 for the prior fiscal year. The following tables are comparative summaries of net assets:

Statement of Plan Net Assets - Current Year

	2011	2010	Increase (Decrease)
Total Assets	$ 495,682,062	$451,657,596	$44,024,466
Total Liabilities	42,871,574	39,284,241	3,587,333
Net Assets	$ 452,810,488	$412,373,355	$40,437,133

Statement of Plan Net Assets - Prior 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)

Changes in Plan Net Assets

The 2011 investment income was $84,867,859 as compared to the investment income of $41,419,975 in 2010. The increase in 2011 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 $65,203,795 which is $1,177,991 higher than 2010. The slight increase in retirement and spouse's benefit expenditures is primarily the result of the 3% annual increase. The increase in refunds is due to a 21% raise in withdrawals. All other benefit increases and decreases were minor in nature.

Statement of Changes in Plan Net Assets - Current Year

	2011	2010	Increase (Decrease)
ADDITIONS			
Employer Contributions	$ 10,981,419	$ 10,829,339	$ 152,080
Employee Contributions	9,791,650	9,829,998	(38,348)
Investment Income (includes security lending activities)	84,867,859	41,419,975	43,447,884
Total Additions	$105,640,928	$ 62,079,312	$43,561,616
DEDUCTIONS			
Retirement Benefits	$ 50,950,848	$ 50,528,497	$ 422,351
Spouse Benefits	10,374,674	10,083,124	291,550
Childrens Benefits	18,519	17,400	1,119
Disability Benefits	391,491	312,818	78,673
Death Benefits	307,000	249,500	57,500
Total Benefits	62,042,532	61,191,339	851,193
Refund of Contributions	1,662,358	1,368,903	293,455
Administrative & General Expenses	1,498,905	1,465,562	33,343
Total Deductions	$ 65,203,795	$ 64,025,804	$ 1,177,991
Increase (Decrease) in Plan Net Assets	40,437,133	(1,946,492)	42,383,625
Beginning of Year	412,373,355	414,319,847	(1,946,492)
End of Year	$452,810,488	$ 412,373,355	$40,437,133

The Plan as a Whole (continued)

Statement of Changes in Plan Net Assets - Prior 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 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 58.0%, which is 4.3% less than 2010. This drop is the direct result of the continual recognition of deferred unrealized losses for 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 21.0%, which is higher than the 11.3% for 2010 and the -18.6% for 2009.

The Plan's 21.0% return outperformed its performance benchmark by roughly 170 basis points and outperformed the peer median by roughly 10 basis points. The Plan over the trailing three-year and five-year periods lagged the performance benchmark by roughly 160 and 90 basis points respectively. Over the trailing ten-year period the Plan returned 5.1%, underperforming the 8% 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, 2011 and 2010

	2011	2010
ASSETS		
Cash	$ 64,527	$ 64,527
Receivables		
Contributions from employer, net of allowance for loss of $140,355 in 2011 and $208,667 in 2010	15,484	16,299
Employee contributions	573,234	535,297
Due from broker for securities sold	176,760	-
Accrued investment income	885,225	849,835
Miscellaneous receivables	2,269	1,105
	1,652,972	1,402,536
Investments, at fair value		
Short-term investments	12,474,656	15,669,242
Bonds	81,736,788	80,464,068
Common and preferred stocks	64,193,591	57,832,724
Collective investment funds	133,104,264	112,919,062
Pooled separate real estate accounts	10,485,505	15,663,010
Private equity partnerships	150,622,560	128,986,093
	452,617,364	411,534,199
Invested securities lending collateral	41,247,636	38,527,702
Furniture and fixtures - net	62,949	85,632
Prepaid expenses	36,614	43,000
Total assets	495,682,062	451,657,596
LIABILITIES		
Accounts payable	436,983	475,968
Accrued benefits payable	201,750	280,571
Securities lending collateral	41,247,636	38,527,702
Due to broker for securities purchased	985,205	-
	42,871,574	39,284,241
Net assets held in trust for pension benefits	$452,810,488	$412,373,355

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

Statements of Changes in Plan Net Assets

Years Ended June 30, 2011 and 2010

	2011	2010
Additions		
Contributions		
Employer contributions	$ 10,981,419	$ 10,829,339
Employee contributions	9,791,650	9,829,998
Total contributions	20,773,069	20,659,337
Investment income		
Net appreciation in fair value of investments	79,741,346	36,262,140
Interest	4,015,261	4,050,974
Dividends	2,103,662	1,938,396
Investment return on pooled separate real estate accounts	-	83,734
Partnership income	1,736,119	1,862,214
	87,596,388	44,197,458
Less investment expenses	2,790,550	2,947,487
	84,805,838	41,249,971
Security lending activities		
Securities lending income	149,358	81,823
Securities lending gain (loss)	-	118,100
Borrower rebates	(37,111)	15,555
Bank fees	(50,226)	(45,474)
	62,021	170,004
Total additions	105,640,928	62,079,312
Deductions		
Benefits		
Annuity payments	61,344,041	60,629,021
Disability and death benefits	698,491	562,318
Total benefits	62,042,532	61,191,339
Refund of contributions	1,662,358	1,368,903
Administrative and general expenses	1,498,905	1,465,562
Total deductions	65,203,795	64,025,804
Net increase (decrease)	40,437,133	(1,946,492)
Net assets held in trust for pension benefits		
Beginning of year	412,373,355	414,319,847
End of year	$ 452,810,488	$412,373,355

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, 2011 and 2010, Plan membership consists of:

	2011	2010
Retirees and beneficiaries currently receiving benefits	2,913	2,956
Current employees	2,795	2,816
Vested terminated members entitled to benefits	141	160

Pension legislation (Public Act 96-0889) was approved during 2010 and establishes two distinct classes of membership with different retirement eligibility conditions and benefit provisions. For convenience, the Plan uses a tier concept to distinguish these groups, generally:

Tier 1 - Participants that became members before January 1, 2011.

Tier 2 - Participants that first became members on or after January 1, 2011.

Tier 1 employees attaining the age of 50 with at least ten years of creditable service are entitled to receive a service retirement pension. The retirement pension is based upon the average of the four highest consecutive years of salary within the last ten years of service. If the employee retires prior to the attainment of age 60, the rate associated with the service 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.

Tier 2 employees attaining the age 62 with at least ten years or more of creditable service are entitled to receive a discounted service retirement pension. Employees attaining the age 67 or more, with at least 10 years of service are entitled to receive a non-discounted annuity benefit. The annuity is discounted one-half percent for each full month the employee is under age 67. The retirement pension is based upon the average of the eight highest consecutive years of salary within the last 10 years of service prior to retirement. Pensionable salary is limted to $106,800 in 2011.

Post- Retirement Increase

Tier 1: An employee annuitant under Tier 1 who retires at age 60 or older with at least 30 years of service is eligible to receive an increase of three percent, based on the annuity granted at retirement, payable following the first 12 months of benefits on either the next January or July. If the employee annuitant retires before age 60 with less than 30 years of service, then the increases begin on the January or July following the later of the attainment of age 60 after 12 months of benefits received.

Tier 2: An employee annuitant under Tier 2 that is eligible to receive an increase in the annuity benefit, shall receive an annual increase equal to the lesser of three percent or one-half of the annual unadjusted percentage increase in the Consumer Price Index-U (but not less than zero) as measured in the preceding 12 month period ending with the September preceding the increase. The increase is based on the amount of the originally granted benefit (simple). This increase begins after age 67 on the first January following one full year of benefits received.

Note 1: Plan Description and Contribution Information (continued)

Surviving Spouse Pension

Tier 1: Upon the death of an employee annuitant under Tier 1, the surviving spouse, meeting certain eligibility requirements, is entitled to a spousal annuity. The surviving spouse is entitled to the lesser of a money purchase calculation, 50% of the highest salary or 75% of the granted annuity. With 20 years of service the entitlement becomes the higher of the eligible money purchase calculation or 50% of retiree's annuity at time of death. The surviving spouse is also eligible to receive an increase of three percent compounded, on the January following one full year after the date of death of the employee or annuitant.

Tier 2: The annuity payable to the surviving spouse of an employee annuitant under Tier 2 is equal to 66 2/3% of the participant's earned retirement annuity at the date of death without reduction due to age. The surviving spouse is also eligible to receive an increase of the lesser of three percent or one-half of the annual unadjusted percentage increase in the Consumer Price Index-U (but not less than zero).

Child Annuity

Under Tier 1 and Tier 2, unmarried children under the age of 18 of a deceased employee or annuitant having at least two years of service are entitled to a benefit. The child's annuity is an amount equal to $100 a month when there is a surviving spouse or $150 when there is no surviving spouse, subject to maximum limitations.

Ordinary Disability Benefit

Under Tier 1 and Tier 2, an employee who becomes disabled as the result of any cause other than an accidental injury incurred while in the performance of an act of duty is entitled to an ordinary disability benefit at the amount equal to 45% of the employee's annual salary at the time of disablement. An employee can receive ordinary disability for a period equal to one fourth of his/her service credits up to a maximum of five years, exclusive of the disability period. Tier 2 participants have salary limitations similar to employee contributions.

Duty Disability Benefit

Under Tier 1 and Tier 2, an employee who becomes disabled as the result of a work related injury incurred while in the performance of an act of duty is entitled to a duty disability benefit in the amount equal to 75% of the employee's annual salary at the time of injury, reduced by any benefits received by the employee under the provisions of the Workers' Compensation Act. Tier 2 participants have salary limitations similar to employee contributions.

Contributions

Covered employees are required by state statues 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 statue to contribute the remaining amount 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 statue.

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 the 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.

Date of Management's Review

Management has evaluated subsequent events through December 22, 2011, the date the financial statements were available to be issued.

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.

	2011	2010
Investments At Fair Value As		
Determined by Quoted Price		
Short-term investments	$ 12,474,656	$ 15,669,242
Bonds	81,736,788	80,464,068
Common and preferred stock	64,193,591	57,832,724
	158,405,035	153,966,034
Investments At Fair Value As		
Determined by Bank Administrator		
Collective investment funds		
International Research Equity	40,037,922	29,550,403
NTGI QM Collective Daily S&P 500	25,995,995	25,283,983
NTGI QM Collective Daily US Marketcap Equity	25,501,633	20,767,422
NTGI QM Collective Daily All Country World Index	41,568,714	37,317,254
Pooled separate real estate accounts	10,485,505	15,663,010
Private equity partnerships		
Entrust Diversified Select Equity Fund	24,781,532	23,564,427
K2 Long Short Fund	23,037,930	21,108,614
Other	102,803,098	84,313,052
	$452,617,364	$411,534,199

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, 2011 the following table shows the investments in debt securities by investment type and maturity (expressed in thousands):

2011

Security Type	Total Market Value	Less Than 1 Year	1-6 Years	6-10 Years	10+ Years	Maturity N/D*
Asset backed	$ 789	$ -	$ 345	$ -	$ 444	$ -
Commercial mortgage backed	4,420	-	-	-	4,420	-
Corporate bonds	23,344	117	9,655	9,194	4,376	2
Government agencies	7,480	-	2,639	4,757	84	-
Government bonds	15,051	-	2,022	7,417	5,612	-
Government mortgage backed	30,214	-	319	4,603	25,292	-
Municipal/provincial bonds	125	-	-	-	125	-
Index linked government backed CMO's	109	-	-	109	-	-
Non-government backed CMOs	205	-	-	-	205	-
Short term investment funds	12,475	12,475	-	-	-	-
Total	$ 94,212	$ 12,592	$14,980	$ 26,080	$ 40,558	$ 2

* 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 counterparty to an investment will not fulfill its obligations. The Park 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 table presents the Plan's ratings as of June 30, 2011 (expressed in thousands).

2011

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	$ 10,190	$ 201	$2,389	$ -	$7,396	$ -	$ -	$ -	$ 204	$ -
AA	2,872	-	98	2,774	-	-	-	-	-	-
A	7,786	-	960	6,826	-	-	-	-	-	-
BBB	10,488	588	682	9,134	84	-	-	-	-	-
BB	3,585	-	-	3,416	-	44	-	-	-	125
B	659	-	-	659	-	-	-	-	-	-
CCC	10	-	-	10	-	-	-	-	-	-
NR	15,064	-	291	525	-	14,138	-	-	1	-
US Gov't Agency	31,083	-	-	-	-	869	30,214	-	-	-
Total	$ 81,737	$ 789	$4,420	$23,344	$7,480	$15,051	$30,214	$ -	$ 205	$ 125

Note 3: Investments (continued)

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, 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, 2011 and 2010, the Plan's book balances of cash were $64,527 and $64,527, respectively, at the Northern Trust Company Bank. The actual bank balances were $70,028 and $64,496, respectively, at June 30, 2011 and 2010. The Plan maintains cash balances at the Northern Trust Company Bank. 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 Co., 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 102 days. As of June 30, 2011 and 2010, the Plan had loaned to borrowers securities with a market value of $40,440,675 and $37,461,938, respectively. As of June 30, 2011, the fair value of the collateral received by the Plan was $41,247,636, and the collateral invested by the Plan was $41,247,636. 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.

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 has entered into an operating lease for office space through April 30, 2013, which was extended through April 30, 2026. 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 each of the next five years in the aggregate under the noncancelable operating lease at June 30, 2011:

Year Ending June 30	Amount
2012	$ 61,891
2013	67,276
2014	84,214
2015	86,543
2016	88,871
2017-2021	479,283
2022-2026	518,480
	$1,386,558

The total rental expense for the years ended June 30, 2011 and 2010 was $131,275 and $133,365, respectively.

During the years ended June 30, 2011 and 2010, 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, 2011 and 2010, 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, 2011, under these operating lease agreements, are as follows:

Year Ending June 30	Amount
2012	$11,748
2013	5,964
2014	4,473
	$22,185

Equipment rent expense was $18,058 and $11,053 for the years ended June 30, 2011 ad 2010, respectively.

Note 7: Commitments

During the years ended June 30, 2011 and 2010, the Plan committed to purchase an $75,000,000 interest in private equity partnerships. At June 30, 2011 and 2010, the Plan had a remaining contractual obligation of $21,701,340 and $27,089,866, 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, 2011, 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)
$489,371	$843,944	$354,573	58.0%	$107,687	329.3%

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	06/30/11
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	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)
06/30/11	$489,371	$843,944	$354,573	58.0%	$107,687	329.3%
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

Schedule of Employer Contributions

(Dollar amounts in thousands)

Year Beginning July 1,	Annual Required Contribution	Percentage Contributed
2010	$25,319	43%
2009	22,400	48
2008	18,285	53
2007	16,073	56
2006	14,572	66
2005	16,437	62

Note to Schedules of Funding Progress and Employer Contributions

Valuation date	06/30/11
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, 2011:						
2007	$ 9,149,814	$ 9,149,191	$ 623	$ 623	0.01%	$ –
2008	9,857,126	9,737,546	119,580	119,580	1.21	–
2009	10,331,182	10,311,030	20,152	20,152	0.20	–
2010	10,868,619	10,853,135	15,484	-	0.00	15,484
			$ 155,839	$ 140,355		$ 15,484
At June 30, 2010:						
2006	$ 9,715,923	$ 9,647,611	$ 68,312	$ 68,312	0.70%	$ –
2007	9,149,814	9,149,191	623	623	0.01	–
2008	9,857,126	9,737,546	119,580	119,580	1.21	–
2009	10,331,182	10,294,731	36,451	20,152	0.20	16,299
			$ 224,966	$ 208,667		$ 16,299

Administrative and General Expenses

	Year Ended June 30, 2011	Year Ended June 30, 2010
Actuary expense	$ 42,000	$ 48,000
Auditing	25,000	25,000
Conference and convention expense	21,321	21,924
Contributions for annuities of Retirement Board employees	112,800	91,025
Depreciation	22,682	18,958
Equipment rental	18,058	11,053
Equipment maintenance	1,668	1,156
Filing fee - State of Illinois	8,000	8,000
File storage expense	3,959	4,130
Hospitalization	161,512	141,980
Legal	41,883	18,146
Legislative consultant	9,000	35,250
Medical fees	1,080	866
Office supplies and expenses	17,205	32,974
Postage	6,389	20,792
Insurance - surety bond and other	1,764	2,352
Printing	-	1,904
Rent expense	131,275	133,365
Salaries	847,533	822,409
Social security - Medicare	8,568	8,262
Telephone	8,471	8,329
Transportation	1,386	714
Trustees' election expense	7,351	8,973
Total administrative and general expenses	$1,498,905	$1,465,562

Annual Professional Expenses

	Year Ended June 30,	
	2011	2010
Actuary	$ 42,000	$ 48,000
Auditing	25,000	25,000
Legal	41,883	18,146
Legislative Consultant	9,000	35,250
Medical	1,080	866
Total	$118,963	$127,262

Annual Investment Expenses

	Year Ended June 30, 2011	2010
U.S. EQUITY		
Ariel Capital Management	$ 140,966	$ 135,616
Great Lakes Advisors	89,194	97,014
Northern Trust Quantitative Advisors	20,071	20,890
RBC Global Asset Management, Inc.	136,979	144,977
	387,210	398,497
NON - U.S. EQUITY		
Wellington Trust Company	279,868	243,480
Northern Trust Quantitative Advisors	24,775	23,762
	304,643	267,242
U.S. BONDS		
Chicago Equity Partners	72,266	67,168
LM Capital Group	25,039	9,666
MacKay Shields	147,887	159,901
Reams Asset Management	-	42,768
	245,192	279,503
REAL ESTATE		
Principal Financial Group	163,351	95,972
ULLICO	-	221,552
	163,351	317,524
PARTNERSHIPS		
HarbourVest Partners	350,000	350,000
PineBridge Investments	-	49,752
Entrust Capital	277,331	277,339
UBS Realty Investors	270,934	259,640
Mesirow Financial	228,000	226,790
K2 Advisors	278,960	298,456
New York Life Capital Partners	119,033	59,766
	1,524,258	1,521,743
BANKING		
Custody	50,000	50,000
Other	22,979	22,978
	72,979	72,978
CONSULTING		
Marquette Associates	92,917	90,000
TOTAL	$ 2,790,550	$ 2,947,487

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 32.0% during the year ended June 30, 2011 (fiscal year), as measured by the Dow Jones Wilshire 5000 Index. Within the U.S. stock market, there was some differentiation in returns between large-cap, mid-cap, and small-cap stocks over the year, with returns of 31.9%, 38.5%, and 37.4% for the Russell 1000, Russell Mid-Cap and Russell 2000 respectively. In addition, growth stocks outperformed value stocks, with returns of 35.7% and 21.9% for the Russell 3000 Growth and Russell 3000 Value respectively.

The non-U.S. developed equity markets (as measured by the MSCI EAFE Index) underperformed their U.S. counterparts, posting a return of 30.9% during the fiscal year. Emerging markets (as measured by the MSCI Emerging Markets Index) underperformed non-U.S. developed markets as well as U.S. equity markets, posting a return of 28.2%. Most major currencies (including the Pound and Euro) strengthened relative to the U.S. Dollar.

The broad bond market, as measured by the Barclays Aggregate Index, advanced 3.9% 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 fiscal year with returns of 6.2% and 2.3% 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 18.9% 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 1.3% annualized rate in the second quarter of 2011. This was a slight deterioration of the 1.7% annualized rate in the second quarter of 2010 and well below growth rates typical of this stage of an economic recovery. Inflation, as measured by the Consumer Price Index, posted an increase of 3.6% for the year ending June 30, 2011. The unemployment rate was 9.2% on June 30, 2011, a slight improvement from the 9.5% rate on June 30, 2010.

Performance Commentary

The Pension Fund posted a one-year return of 21.0%, net of fees, outperforming the custom benchmark by 1.7%. The best performing asset class for the one-year period was U.S. Equities, which returned 36.4%, net of fees. The worst performing asset class for the fiscal year was Fixed Income, which returned 4.7%, net of fees.

The Fund posted a three-year annualized return of 3.1%, net of fees, underperforming the custom benchmark by 1.6%. On a five-year basis, the Fund returned 4.3%, net of fees, underperforming the custom benchmark by 0.9%.

The fixed income market, as measured by the Barclays Capital Aggregate Index, returned 3.9% during the fiscal year. The Fund's fixed income portfolio returned 4.7%, net of fees, over that time period, outperforming the benchmark by 0.8%. At the end of the fiscal year, the Fund's fixed income assets comprised 21.6% of the total Fund's assets.

The broad U.S. stock market, as measured by the Dow Jones Wilshire 5000 Index, returned 32.0% during the fiscal year. As mentioned, the Fund's U.S. Equity portfolio returned 36.4%, net of fees, over that time period, outperforming the benchmark by 4.4%. The U.S. Equity portfolio was led by the RBC Small-Cap Core portfolio, which returned 44.1%, net of fees, for the fiscal year, outperforming the benchmark, the Russell 2000 Index by 6.7%. At the end of the fiscal year, the Fund's U.S. stock market assets comprised 26.0% of the total Fund's assets.

The international stock market, as measured by the MSCI EAFE Index, returned 30.9% during the fiscal year. The Fund's International Equity portfolio returned 32.1%, net of fees, over that time period, outperforming the benchmark by 1.2%. The International portfolio is comprised of an index manager, Northern Trust, and an active manager, Wellington Management. In addition, the Trustees approved an allocation to Small-Cap international equity and initiated a search for an investment manager during the fiscal year. Wellington outperformed the benchmark by 3.8%, net of fees, for the fiscal year. At the end of the fiscal year, the Fund's international stock market assets comprised 18.0% of the total Fund's assets.

The real estate market, as measured by the NCREIF - ODCE Index, returned 20.5% during the fiscal year. The Fund's real estate portfolio returned 18.5%, net of fees, over that time period, underperforming the benchmark by 2.0%. At the end of the fiscal year, the Fund's real estate assets comprised 10.8% of the total Fund's assets.

The private equity market, as measured by the Thomson Financial/Venture Economics All-Private Equity Index, returned 18.9% during the fiscal year. The Fund's private equity portfolio returned 23.0%, net of fees, over that time period. At the end of the fiscal year, the Fund's private equity assets comprised 11.9% of the total Fund's assets.

Summary of Investments

Periods Ended June 30, 2011 and June 30, 2010

	06/30/11				06/30/10			
CATEGORY	FAIR VALUE	%	BOOK VALUE	%	FAIR VALUE	%	BOOK VALUE	%
BONDS	$ 92,222,292	20	$ 89,710,708	22	$ 90,635,450	22	$ 87,866,901	20
Domestic Equities	115,691,219	26	84,748,268	21	103,884,129	25	98,089,566	22
International Equities	81,606,636	18	74,334,670	18	66,867,657	16	80,277,109	18
EQUITIES	197,297,855	44	159,082,938	39	170,751,786	41	178,366,675	40
REAL ESTATE	48,617,738	11	58,505,434	14	45,558,615	11	61,359,385	14
SHORT TERM	12,474,656	3	12,474,656	3	15,669,242	4	15,669,242	4
PRIVATE EQUITY	102,004,823	22	92,035,187	22	88,919,106	22	96,300,245	22
INVESTMENT ASSETS*	$452,617,364	100	$411,808,923	100	$411,534,199	100	$439,562,448	100

*Investment assets do not reflect the amounts due to or from brokers at year end. Net due to brokers is $808,445 for F/Y/E 2011 and net due from brokers is $0.00 for F/Y/E 2010.

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; 5/20/03; 2/29/08; 4/21/11

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 judgments 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	17.0	12.0	22.0
Private Equity	7.0	0.0	14.0
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	43.5
Non-U.S. Equity	51.5
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 of 37.0% Willshire 5000 Stock Index, 17.0% MSCI All Country World Ex-US Free Index, 27.0% BarCap Aggregate Index, 7% Venture Economics All Private Equity Index, and 12.0% 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, 2007 – 2011
and Three, Five and Ten-Year Periods
Ending June 30, 2011

	One Year Ending 06/30, 2007-2011					Ending 06/30/11		
	2011	2010	2009	2008	2007	3 Years	5 Years	10 Years
Total Fund	21.0%	11.3%	-18.6%	-3.0%	16.2%	3.1%	4.3%	5.1%
Benchmark Portfolio*	19.3	11.7	-13.9	-2.7	15.0	4.7	5.2	5.8
Public Funds Median Return	20.9	12.0	-15.1	-4.6	15.1	4.8	5.0	5.4
Actuarial Assumed Rate of Return	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Consumer Price Index	3.6	1.1	-1.4	5.0	2.7	1.3	2.3	2.5
Fixed Income	4.7	11.4	7.9	7.4	6.5	7.8	7.4	6.3
BarCap Aggregate	3.9	9.5	6.1	6.1	6.1	6.5	6.5	5.7
Universe Median	4.9	11.4	5.6	6.8	6.1	7.3	7.0	6.1
U.S. Equities	36.4	21.8	-26.5	-14.8	21.2	6.7	4.9	5.3
Willshire 5000	32.0	15.7	-26.4	-12.5	20.5	4.0	3.4	3.7
Universe Median	32.9	16.1	-26.2	-12.5	19.3	4.9	4.0	4.9
Non U.S. Equities	32.1	11.1	-32.5	-9.6	27.4	-0.4	2.6	6.3
MSCI EAFE	30.9	6.4	-31.0	-10.2	27.5	-1.3	2.0	6.1
Universe Median	30.7	10.2	-30.5	-8.3	28.2	1.1	4.1	7.8
Long-Short Equities	12.1	3.6	-10.1	n/a	n/a	1.4	n/a	n/a
HFRX Hedged Equity	3.4	3.1	-20.0	-4.9	14.7	-5.2	-1.4	2.0
Universe Median	10.7	9.8	-15.7	n/a	n/a	2.3	n/a	n/a
Real Estate	18.5	-5.2	-27.8	6.0	15.7	-6.7	-0.1	4.8
NCREIF - ODCE	20.5	-1.5	-19.6	9.2	17.2	-7.7	0.0	5.6
Universe Median	19.3	-6.9	-30.3	7.2	15.0	-7.3	-0.5	5.6
Private Equity	23.0	14.4	-20.5	2.7	21.3	3.8	6.9	n/a
VE All Private Equity **	18.9	15.8	-18.5	3.0	28.2	4.3	8.6	7.8

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, 2011

U.S. Stocks*

Shares	Holdings	Fair Value
3,863	Apple Computer Inc	$1,296,693
12,100	Chevron Corp	1,244,364
15,700	Conocophillips	1,180,483
9,800	Caterpillar Inc	1,043,308
10,300	3M Co	976,955
16,300	Honeywell Intl Inc	971,317
18,400	American Express Co	951,280
8	Berkshire Hathaway Inc	928,840
17,000	Eaton Corp	874,650
5,064	IBM	868,729

International Stocks*

Shares	Holdings	Fair Value
103,541	HSBC Holdings	$1,027,966
12,849	Dannone	958,468
124,723	BP	918,385
190,053	Mitsubishi Financial	917,789
53,840	Telenor	886,555
9,620	BNP Paribas	742,428
27,661	Standard Chartered	727,409
255,562	Vodafone Group	678,213
27,034	BG Group	613,701
4,450	Siemens	610,988

Bonds*

Holdings	Fair Value
United States Treasury 2.625% Due 8/15/2020	$2,743,130
United States Treasury 2.75% Due 2/28/2018	2,283,475
Federal Natl Mtg Assoc 5.0% Due 5/11/2017	2,270,562
United States Treasury 3.625% Due 2/15/2021	1,684,009
Federal Home Ln Mtg 3.75% Due 3/27/2019	1,488,789
United States Treasury 3.5% Due 2/15/2039	1,206,544
Federal Home Loan Bank 1.625% Due 9/26/2012	1,045,944
FNMA Pool #AE5463 4.0% Due 10/25/2040	968,563
FNMA Pool #AB1387 4.5% Due 8/25/2040	922,242
FNMA Pool #AE6061 4.5% Due 10/25/2040	912,826

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

Schedule of Investment Brokerage Commissions

Broker Name	Shares*	Commissions
Loop Capital Markets	783,082	$ 23,080
Melvin Securities	641,375	16,586
Mr Beal and Company	352,400	9,811
Williams Capital Group LP	355,900	9,799
Blaylock and Company Inc	183,200	7,098
Cantor Fitzgerald & Co	204,000	6,632
Cabrera Capital Markets, Inc	255,000	5,388
Instinet	153,001	5,178
Weeden & Co	128,325	4,655
Lynch Jones & Ryan	118,900	4,606
Cheevers and Company Inc	118,200	4,397
Gardner Rich & Co.	185,177	4,204
Investment Technology Group Inc	132,400	3,972
Blair, William & Co	98,150	3,844
M Ramsey King Securities	53,620	2,004
Robert W. Baird & Company Inc Milwaukee USA	48,295	1,951
Jefferies & Company	46,375	1,904
Baypoint Trading LLC	77,900	1,577
Goldman Sachs & Company	37,900	1,516
Barclays Capital Le	33,600	1,380
Credit Suisse First Boston Corporation	26,883	1,210
Bear Stearns 57079	28,600	1,202
Citigroup Global Markets Inc/Smith Barney	24,700	1,014
Barrington Research	28,800	977
UBS Warburg LLC	22,345	905
Pershing LLC Formerly DLJ	18,380	827
Deutsche Bank Securities Inc	26,900	735
CJS Securities Inc	16,200	729
Merrill Lynch Pierce Fenner & Smith	14,800	624
Frank Russell Sec/Broadcort	14,100	564
Sandler O'Neill & Partner	13,500	540
Abel Noser Corporation	11,900	536
Broker Commissions Under $500	176,897	6,041
Total Broker Commissions	4,430,805	$135,486

Total shares traded 4,430,805 at an average cost of $0.03058 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 15, 2011

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, 2011. 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, there have not been any changes in benefit provisions that have had an impact on the actuarial liabilities and costs of the Fund.

The same actuarial assumptions were used for the June 30, 2011 actuarial valuation as had been used for the June 30, 2010 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, 2011 actuarial valuation. This is the same actuarial cost method that was used for the June 30, 2010 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, 2011. 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.

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, 2011. 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	$843,943,240
2. Actuarial value of assets	489,370,505
3. Unfunded actuarial liability	354,572,735
4. Funded ratio	58.0%
5. Actuarially determined contribution requirement for fiscal year beginning July 1, 2011	28,051,528
6. Estimated employer contributions for fiscal year beginning July 1, 2011	10,307,983
7. Annual required contribution for fiscal year beginning July 1, 2011 under GASB Statement No. 25	28,051,528

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, 2011, on which the valuation was based, is summarized in Exhibit 1. It can be seen that there were 2,795 active members, 2,096 pensioners, 803 surviving spouses, and 14 children receiving benefits included in the valuation. The total active payroll as of June 30, 2011 was $107,686,693.

Summary of Membership Data

Exhibit 1

1. Number of Members	
(a) Active Members	
(i) Vested	1,323
(ii) Non-vested	1,472
(b) Members Receiving	
(i) Retirement Pensions	2,096
(ii) Surviving Spouse's Pensions	803
(iii) Children's Annuities	14
(c) Vested Terminated Members Entitled to Benefits	141
2. Annual Salaries	
(a) Total Salary	$107,686,693
(b) Average Salary	38,528
3. Annual Pension Payments	
(a) Retirement Pensions	$ 51,704,982
(b) Surviving Spouse's Pensions	10,391,490
(c) Children's Annuities	15,319

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, 2011 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 $489,370,505. The development of this value is outlined in Exhibit 2. In comparison, the market value of assets as of June 30, 2011 was $452,810,488.

Actuarial Value of Assets

Exhibit 2

A. Development of Investment Gain

1. Actuarial Value of Assets as of June 30, 2010	$ 518,582,601
2. Employer and Employee Contributions	20,773,069
3. Benefits and Expenses	65,203,795
4. Expected Investment Income	39,743,569
5. Total Investment Income, Including Income from Securities Lending	84,867,859
6. Investment Gain/(Loss) for the Year Ended June 30, 2011 (5 - 4)	45,124,290

B. Development of Actuarial Value of Assets as of June 30, 2011

7. Expected Actuarial Value of Assets (1 + 2 - 3 + 4)	513,895,444
8. Investment Gain/(Loss) as of June 30, 2011 Recognized in Current Year (20% of 6)	9,024,858
9. Investment Gain/(Loss) as of June 30, 2010 Recognized in Current Year	(235,820)
10. Investment Gain/(Loss) as of June 30, 2009 Recognized in Current Year	(29,735,644)
11. Investment Gain (Loss) as of June 30, 2008 Recognized in Current Year	(12,481,796)
12. Investment Gain (Loss) as of June 30, 2007 Recognized in Current Year	8,903,463
13. Actuarial Value of Assets as of June 30, 2011 (7 + 8 + 9 + 10 + 11 + 12)	$489,370,505

C. Fund Provisions

Our valuation was based on the provisions of the Fund in effect as of June 30, 2011 as provided in Article 12 of the Illinois Pension Code. Senate Bill 1946, which was signed into law on April 14, 2010 as Public Act 96-0889, created a "second tier" of benefits for teachers who first become participants under the fund on or after January 1, 2011. The benefit changes for new participants are as follows:

1. Defines the highest salary for annuity purposes as being the average monthly salary obtained by dividing the participant's total salary during the 96 consecutive months of service within the last 120 months of service in which the total compensation was the highest by the number of months in that period.

2. For 2010, limits the final average salary to the Social Security wage base of $106,800. Limitations for future years shall automatically be increased by the lesser of 3% or one-half of percentage change in the Consumer Price Index-U during the preceding 12-month calendar year.

3. Allows a participant to retire with unreduced benefits after attainment of age 67 with at least 10 years of service credit. However, a participant may elect to retire at age 62 with at least 10 years of service credit and receive a retirement annuity reduced by one-half of 1% for each month that his or her age is under 67.

4. Provides an initial survivor's annuity equal to 66 2/3% of the participant's earned retirement annuity at the date of death, subject to automatic annual increases of the lesser of 3% or one-half of the increase in the Consumer Price Index-U during the preceding calendar year, based on the originally granted survivor's annuity.

5. Provides for automatic annual increases in the retirement annuity then being paid equal to the lesser of 3% or one-half the annual change in the Consumer Price Index for all Urban Consumers, whichever is less, based on the originally granted retirement annuity.

A summary of the principal provisions of the system in effect as of June 30, 2011 is provided in Appendix 2.

D. Actuarial Assumptions and Cost Method

The actuarial assumptions used for the June 30, 2011 valuation are the same as the assumptions used for the June 30, 2010 valuation. The actuarial assumptions used for the June 30, 2011 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, 2010 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, 2011, the total actuarial liability is $843,943,240, the actuarial value of assets is $489,370,505, and the unfunded actuarial liability is $354,572,735. The ratio of the actuarial value of assets to the actuarial liability, or funded ratio, is 58.0%.

Exhibit 3

Actuarial Liability and Funded Status

	Year Ending June 30	
	2011	2010
1. Actuarial Liability For Members in Receipt of Benefits		
(a) Money purchase component of annuities to retirees	$257,760,955	$257,088,340
(b) Fixed benefit component of annuities to retirees	53,016,879	52,924,588
(c) Annual increases in retirement annuity	129,022,656	125,176,771
(d) Annual increases to employee annuitants	993,773	1,032,256
(e) Survivor annuities to survivors of current retirees	54,299,911	54,563,510
(f) Lump sum death benefits	2,768,589	2,801,686
(g) Survivor annuities to current survivors	86,137,022	84,962,307
(h) Total	583,999,785	578,549,458
2. Actuarial Liability For Active Members		
(a) Basic retirement annuity	162,769,352	158,724,839
(b) Annual increase in retirement annuity	32,911,133	32,184,004
(c) Pre-retirement survivor's annuity	8,057,291	7,804,236
(d) Post-retirement survivor's annuity	16,964,417	16,491,055
(e) Withdrawal benefits	14,113,782	14,106,018
(f) Pre-retirement death benefit	1,386,071	1,307,272
(g) Post-retirement death benefit	412,730	395,843
(h) Total	236,614,776	231,013,267
3. Actuarial Liability For Inactive Members	23,328,679	23,463,223
4. Total Actuarial Liability	843,943,240	833,025,948
5. Actuarial Value of Assets	489,370,505	518,582,601
6. Unfunded Actuarial Liability	$354,572,735	$314,443,347
7. Funded Ratio	58.0%	62.3%

F. Employer's Normal Cost

The employer's share of the normal cost for the year beginning July 1, 2011 is developed in Exhibit 4. For the year beginning July 1, 2011, the total normal cost is determined to be $16,524,059, employee contributions are estimated to be $9,691,802 resulting in the employer's share of the normal cost of $6,832,257.

Based on a payroll of $107,686,693, the employer's share of the normal cost can be expressed as 6.34% of payroll.

Exhibit 4

Employer's Normal Cost for Year Beginning July 1, 2011

	Dollar Amount	Percent of Payroll
1. Basic retirement annuity	$ 8,988,270	8.35%
2. Annual increase in retirement annuity	1,757,921	1.63
3. Pre-retirement survivor's annuity	503,387	.47
4. Post-retirement survivor's annuity	929,266	.86
5. Withdrawal benefits, including refunds	1,971,272	1.83
6. Pre-retirement death benefit	119,630	.11
7. Post-retirement death benefit	27,403	.03
8. Children's annuity	15,319	.01
9. Ordinary disability benefit	484,132	.45
10. Duty disability benefit	153,609	.14
11. Administrative expenses	1,573,850	1.46
12. Total normal cost	16,524,059	15.34
13. Employee contributions	9,691,802	9.00
14. Employer's share of normal cost	$ 6,832,257	6.34%

Note: The above figures are based on a total active payroll of $107,686,693 as of June 30, 2011.

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, 2011 as the employer's normal cost plus a 30-year level-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, 2011 the actuarially determined contribution requirement amounts to $28,051,528. 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, 2011 to be $10,307,983. Thus, the employer contribution is expected to fall short of the actuarially determined contribution requirement by $17,743,545.

Exhibit 5

Actuarially Determined Contribution Requirement For Year Beginning July 1, 2011

1. Employer's normal cost	$ 6,832,257
2. Annual amount to amortize the unfunded liability over 30 years as a level percent-of-payroll	21,219,271
3. Actuarially determined contribution requirement for year beginning July 1, 2011	28,051,528
4. Estimated employer contribution for the year	10,307,983
5. Amount by which employer contribution is expected to be less than actuarially determined contribution requirement	$17,743,545

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, 2011 actuarial valuation, we have therefore calculated the annual required contribution for the fiscal year beginning July 1, 2011. 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	$ 6,832,257
2. Annual amount to amortize the unfunded liability over 30 years as a level percent-of-payroll	21,219,271
3. Annual required contribution	$28,051,528

I. Analysis of Financial Experience

The net actuarial experience during the period July 1, 2010 to June 30, 2011 resulted in an increase in the Fund's unfunded actuarial liability of $40,129,388. 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 $30,707,262, whereas the actual employer contribution for the year is estimated to be $10,981,419, resulting in an increase in the unfunded liability of $19,725,843.

The net rate of investment return earned by the assets of the Fund, based on the actuarial value of assets, was 3.1% in comparison with the assumed rate of investment return of 8.0%. This resulted in an increase in the unfunded liability of $24,525,000. Salaries increases lower than assumed resulted in a decrease in the unfunded liability of $6,320,000.

The various other aspects of the Fund's experience resulted in a net increase in the unfunded actuarial liability of $2,198,545. The aggregate financial experience of the Fund resulted in a net increase in the unfunded actuarial liability of $40,129,388.

Exhibit 6

Analysis of Financial Experience Over the Period July 1, 2010 to June 30, 2011

1. Unfunded actuarial liability as of July 1, 2010	$314,443,347
2. Employer contributions requirement of normal cost plus interest on unfunded liability for period 7/1/10 to 6/30/11	30,707,262
3. Actual employer contribution for the year	10,981,419
4. Increase in unfunded liability due to employer contribution less than normal cost plus interest on unfunded liability (2 - 3)	19,725,843
5. Increase in unfunded liability due to investment return lower than assumed	24,525,000
6. Decrease in unfunded liability due to salary increases lower than assumed	6,320,000
7. Increase in unfunded liability due to other sources	2,198,545
8. Net increase in unfunded liability for the year (4 + 5 - 6 + 7)	40,129,388
9. Unfunded actuarial liability as of June 30, 2011 (1 + 8)	$354,572,735

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, 2011.

Respectfully submitted,

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

Carl J. Smedinghoff
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, 2011 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.

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. For employees first hired prior to January 1, 2011, 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

For employees first hired on or after January 1, 2011 rates of retirement for each age from 62 to 75 were used. The following are samples of the rates of retirement that were used.

Age	Rate of Retirement Per 1000 Members
62	50
65	20
67	50
70	20
75	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 2 (continued)

Summary of Principal Provisions

Persons Who First Become Participants On or After January 1, 2011

The following changes to the aforementioned provisions apply to persons who first become participants on or after January 1, 2011:

1. The highest salary for annuity purposes is equal to the average monthly salary obtained by dividing the participant's total salary during the 96 consecutive months of service within the last 120 months of service in which the total compensation was the highest by the number of months in that period.

2. For 2011, the final average salary is limited to the Social Security wage base of $106,800. Limitations for future years shall automatically be increased by the lesser of 3% or one-half of percentage change in the Consumer Price Index-U during the preceding month calendar year.

3. A participant is eligible to retire with unreduced benefits after attainment of age 67 with at least 10 years of service credit. However, a participant may elect to retire at age 62 with at least 10 years of service credit and receive a retirement annuity reduced by one-half of 1% for each month that his or her age is under 67.

4. The initial survivor's annuity is equal to 66 2/3% of the participant's earned retirement annuity at the date of death, subject to automatic annual increases of the lesser of 3% or one-half of the increase in the Consumer Price Index-U during the preceding calendar year, based on the originally granted survivor's annuity.

5. Automatic annual increases in the retirement annuity then being paid are equal to the lesser of 3% or one-half the annual change in the Consumer Price Index for all Urban Consumers, whichever is less, based on the originally granted retirement annuity.

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
06/30/02	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	101,058,084	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
06/30/11	2,795	107,686,693	38,528	1.1

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
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	17,062	10.2
2005	118	2,771,265	174	2,211,151	3,159	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	60,651,180	20,244	3.9
2010	113	3,442,389	167	2,903,979	2,942	61,189,590	20,799	2.7
2011	124	3,735,377	167	2,828,495	2,899	62,096,472	21,420	3.0

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)
2002	$127,265,151	$435,688,459	$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
2011	151,828,106	583,999,785	108,115,349	489,370,505	100	58	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 2011	FY 2010
Active participants	2,795	2,816
Retired employees - annuities	2,096	2,125
Surviving spouses - annuities	803	817
Children - annuities	14	14
Retirement granted during the year	78	61
Retirement reductions due to deaths and pension terminations	109	104
New Members	188	174
Withdrawals with refund	115	133

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, 2011

Table I

	Male		Female		Total	
Age at 06/30/11	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
18	-	$ -	4	$ 53,738	4	$ 53,738
19	10	130,653	6	68,310	16	198,963
20	22	376,960	16	156,904	38	533,864
21	24	356,258	29	488,614	53	844,872
22	38	675,060	31	502,644	69	1,177,704
23	45	806,377	50	774,449	95	1,580,826
24	45	798,559	27	434,826	72	1,233,385
25	44	823,107	33	601,868	77	1,424,975
26	33	768,306	22	438,884	55	1,207,190
27	35	823,383	38	1,004,117	73	1,827,500
28	44	1,248,697	27	644,629	71	1,893,326
29	30	982,816	30	752,482	60	1,735,298
30	26	894,951	19	581,521	45	1,476,472
31	31	914,938	20	473,131	51	1,388,069
32	29	1,068,462	20	626,527	49	1,694,989
33	18	703,659	25	988,336	43	1,691,995
34	23	932,805	25	838,264	48	1,771,069
35	24	881,278	22	783,554	46	1,664,832
36	22	745,802	24	1,056,345	46	1,802,147
37	26	1,044,889	21	861,291	47	1,906,180
38	34	1,458,687	18	527,585	52	1,986,272
39	25	982,264	26	1,030,755	51	2,013,019
40	36	1,402,520	35	1,324,832	71	2,727,352
41	53	2,008,218	23	1,032,603	76	3,040,821
42	43	1,642,781	29	1,186,957	72	2,829,738
43	46	1,901,566	29	1,117,946	75	3,019,512
44	37	1,539,867	34	1,159,593	71	2,699,460
45	30	1,377,370	27	1,048,244	57	2,425,614
46	46	2,099,746	45	1,731,755	91	3,831,501
47	37	1,712,336	22	940,758	59	2,653,094
48	43	1,736,355	25	1,059,952	68	2,796,307
49	58	3,011,784	33	1,171,600	91	4,183,384
50	38	1,772,760	35	1,562,156	73	3,334,916
51	44	2,185,456	26	1,105,779	70	3,291,235
52	50	2,301,227	23	1,066,148	73	3,367,375
53	45	1,897,626	23	951,923	68	2,849,549
54	42	2,115,400	24	741,018	66	2,856,418
55	36	1,877,963	21	851,166	57	2,729,129

Active Members and Total Annual Salaries by Age at June 30, 2011

Table I
(continued)

	Male		Female		Total	
Age at 06/30/11	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
56	40	$ 1,887,041	19	$ 885,066	59	$ 2,772,107
57	36	1,955,212	19	661,689	55	2,616,901
58	28	1,513,110	20	670,470	48	2,183,580
59	33	1,530,296	16	592,026	49	2,122,322
60	42	2,241,280	15	641,856	57	2,883,136
61	36	1,542,987	10	396,551	46	1,939,538
62	19	858,801	4	137,647	23	996,448
63	19	609,887	6	192,401	25	802,288
64	20	871,224	3	128,435	23	999,659
65	13	536,415	1	35,895	14	572,310
66	16	609,429	6	191,701	22	801,130
67	14	551,265	2	104,478	16	655,743
68	11	545,156	4	233,077	15	778,233
69	4	188,649	1	36,343	5	224,992
70	4	123,913	2	56,626	6	180,539
71	4	239,226	-	-	4	239,226
72	6	286,549	3	97,051	9	383,600
73	6	265,722	-	-	6	265,722
74	4	173,141	-	-	4	173,141
75	2	11,967	-	-	2	11,967
76	1	20,206	-	-	1	20,206
77	-	-	1	8,150	1	8,150
78	1	81,745	1	20,849	2	102,594
79	3	106,386	-	-	3	106,386
82	-	-	1	19,668	1	19,668
	1,674	**$64,750,493**	**1,121**	**$36,851,183**	**2,795**	**$101,601,676**

	Male	Female	Both
Average Age:	**43.5**	**39.9**	**42.1**
Average Salary:	**$38,680**	**$32,873**	**$36,351**

Active Members and Total Annual Salaries by Length of Service at June 30, 2011

Table II

	Male		Female		Total	
Years of Service	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
< 1	83	$ 660,343	82	$ 498,757	165	$ 1,159,100
1	103	2,188,435	107	2,169,884	210	4,358,319
2	46	1,121,522	26	679,990	72	1,801,512
3	121	3,346,341	82	1,842,592	203	5,188,933
4	148	3,675,753	116	3,037,660	264	6,713,413
5	114	3,430,987	74	1,896,202	188	5,327,189
6	113	4,425,475	67	1,774,207	180	6,199,682
7	68	2,965,904	38	1,376,108	106	4,342,012
8	43	1,363,533	22	745,214	65	2,108,747
9	48	1,902,062	22	679,493	70	2,581,555
10	51	1,790,508	44	1,575,105	95	3,365,613
11	75	3,537,721	52	2,405,010	127	5,942,731
12	87	3,866,547	54	2,309,842	141	6,176,389
13	52	2,320,030	44	1,775,920	96	4,095,950
14	52	2,025,931	39	1,518,886	91	3,544,817
15	57	2,584,655	46	2,030,231	103	4,614,886
16	24	895,150	22	1,086,167	46	1,981,317
17	14	616,112	12	721,429	26	1,337,541
18	17	1,038,411	11	579,155	28	1,617,566
19	49	2,304,339	26	1,234,553	75	3,538,892
20	26	1,518,718	11	460,588	37	1,979,306
21	32	2,191,314	15	776,673	47	2,967,987
22	20	1,364,907	26	1,335,634	46	2,700,541
23	15	785,736	5	230,036	20	1,015,772
24	23	1,341,107	9	493,780	32	1,834,887
25	35	1,988,721	14	746,631	49	2,735,352
26	26	1,616,197	11	529,158	37	2,145,355
27	15	753,611	7	404,553	22	1,158,164
28	14	822,846	9	527,660	23	1,350,506
29	12	777,039	4	203,431	16	980,470
30	35	2,385,376	7	380,856	42	2,766,232
31	23	1,314,637	3	153,033	26	1,467,670
32	8	443,834	9	483,879	17	927,713
33	6	379,248	-	-	6	379,248
34	3	185,724	1	46,478	4	232,202
35	1	64,909	-	-	1	64,909

Active Members and Total Annual Salaries by Length of Service at June 30, 2011

Table II
(continued)

	Male		Female		Total	
Years of Service	Number	Annual Salaries	Number	Annual Salaries	Number	Annual Salaries
36	4	213,670	-	-	4	213,670
37	3	192,091	-	-	3	192,091
38	2	72,842	1	61,634	3	134,476
39	1	69,006	1	8,158	2	77,164
40	1	45,048	-	-	1	45,048
42	1	36,758	2	72,596	3	109,354
44	1	49,537	-	-	1	49,537
46	1	41,775	-	-	1	41,775
51	1	36,083	-	-	1	36,083
	1,674	**$64,750,493**	**1,121**	**$36,851,183**	**2,795**	**$101,601,676**

	Male	Female	Both
Average Service:	**10.9 yrs.**	**9.3 yrs.**	**10.3 yrs.**
Average Salary:	**$38,680**	**$32,873**	**$36,351**

Retirement Pensions by Age and Annual Payments at June 30, 2011

Table III

	Male		Female		Total	
Age at 06/30/11	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
50	3	$ 138,577	1	$ 9,655	4	$ 148,232
51	7	150,474	-	-	7	150,474
52	12	384,262	3	49,409	15	433,671
53	15	509,391	1	11,584	16	520,975
54	13	274,820	3	91,655	16	366,475
55	32	1,113,104	11	330,957	43	1,444,061
56	44	1,280,533	10	266,354	54	1,546,887
57	41	1,238,826	9	228,668	50	1,467,494
58	40	1,029,869	20	572,472	60	1,602,341
59	36	1,155,139	13	231,370	49	1,386,509
60	55	1,401,604	20	544,535	75	1,946,139
61	49	1,490,965	10	289,917	59	1,780,882
62	51	1,382,130	12	300,238	63	1,682,368
63	55	1,530,088	20	496,162	75	2,026,250
64	55	1,454,664	10	160,183	65	1,614,847
65	53	1,133,036	19	397,994	72	1,531,030
66	39	1,050,533	13	239,759	52	1,290,292
67	47	1,452,336	20	387,864	67	1,840,200
68	69	1,810,506	23	438,247	92	2,248,753
69	45	1,200,319	22	358,081	67	1,558,400
70	50	1,445,009	17	270,521	67	1,715,530
71	35	871,362	15	108,306	50	979,668
72	50	1,396,807	16	287,925	66	1,684,732
73	46	1,221,727	9	119,898	55	1,341,625
74	58	1,374,230	16	300,251	74	1,674,481
75	43	1,106,542	17	315,164	60	1,421,706
76	51	1,391,920	11	170,278	62	1,562,198
77	54	1,492,180	14	146,654	68	1,638,834
78	45	985,251	16	275,457	61	1,260,708
79	38	797,383	11	172,310	49	969,693
80	50	1,161,372	11	168,751	61	1,330,123
81	39	1,107,554	11	243,709	50	1,351,263
82	40	1,099,981	10	140,889	50	1,240,870
83	44	1,018,745	10	114,328	54	1,133,073
84	35	880,079	9	151,022	44	1,031,101
85	17	452,172	9	135,863	26	588,035
86	31	913,714	9	132,112	40	1,045,826
87	13	274,528	7	119,089	20	393,617

Retirement Pensions by Age and Annual Payments at June 30, 2011

Table III *(continued)*

Age at 06/30/11	Male Number	Male Annual Payments	Female Number	Female Annual Payments	Total Number	Total Annual Payments
88	24	542,039	7	85,240	31	627,279
89	14	308,779	5	43,434	19	352,213
90	13	326,820	10	232,098	23	558,918
91	10	194,903	3	52,904	13	247,807
92	9	250,070	6	102,017	15	352,087
93	5	184,198	2	44,954	7	229,152
94	7	121,270	4	20,713	11	141,983
95	2	52,364	2	19,090	4	71,454
96	1	1,883	4	32,443	5	34,326
97	3	101,030	1	6,037	4	107,067
98	1	10,717	1	4,983	2	15,700
99	1	1,448	-	-	1	1,448
100	1	7,202	1	5,921	2	13,123
101	-	-	1	3,062	1	3,062
	1,591	**$42,274,455**	**505**	**$9,430,527**	**2,096**	**$51,704,982**

	Male	Female	Both
Average Age:	**70.8**	**71.7**	**71.0**
Average Annual Payments:	**$26,571**	**$18,674**	**$24,668**

Retirement Pensions by Age at Time of Retirement at June 30, 2011

Table IV

	Male		Female		Total	
Age at Retirement	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
50	137	$ 3,654,169	32	$ 781,941	169	$ 4,436,110
51	102	3,476,153	21	703,258	123	4,179,411
52	90	2,928,374	24	631,553	114	3,559,927
53	75	2,364,733	19	526,488	94	2,891,221
54	71	2,345,165	27	789,562	98	3,134,727
55	103	2,563,336	45	664,840	148	3,228,176
56	101	2,519,342	26	403,665	127	2,923,007
57	75	2,031,481	18	340,212	93	2,371,693
58	81	1,949,125	23	370,735	104	2,319,860
59	62	1,769,826	27	477,676	89	2,247,502
60	95	2,415,541	39	564,457	134	2,979,998
61	77	2,002,400	20	327,323	97	2,329,723
62	102	2,346,436	27	438,820	129	2,785,256
63	61	1,276,431	20	367,754	81	1,644,185
64	47	1,238,864	19	235,427	66	1,474,291
65	87	1,875,037	29	330,399	116	2,205,436
66	57	1,247,574	17	313,488	74	1,561,062
67	51	1,328,017	20	301,558	71	1,629,575
68	27	787,524	12	170,812	39	958,336
69	24	563,209	6	106,095	30	669,304
70	19	331,557	14	240,894	33	572,451
71	15	553,612	3	28,023	18	581,635
72	6	172,464	3	75,577	9	248,041
73	4	71,447	2	70,704	6	142,151
74	4	104,997	1	3,062	5	108,059
75	7	199,382	2	41,835	9	241,217
76	3	27,455	2	7,398	5	34,853
77	1	26,551	5	98,349	6	124,900
78	3	36,875	-	-	3	36,875
79	-	-	1	1,312	1	1,312
80	1	21,726	1	17,310	2	39,036
81	3	45,652	-	-	3	45,652
	1,591	**$42,274,455**	**505**	**$9,430,527**	**2,096**	**$51,704,982**

	Male	Female	Both
Average Age:	**58.6**	**59.5**	**58.8**
Average Annual Payments:	**$26,571**	**$18,674**	**$24,668**

Surviving Spouse's Pension by Age and Annual Payments at June 30, 2011

Table V

Age at 06/30/11	Number	Annual Payments	Age at 06/30/11	Number	Annual Payments
32	1	$ 2,945	73	16	$ 213,010
39	1	1,200	74	27	408,309
40	1	4,040	75	25	307,028
45	1	25,690	76	19	358,091
47	3	33,222	77	28	344,351
48	2	10,060	78	25	380,684
50	3	39,106	79	37	489,892
51	3	50,175	80	30	446,057
52	4	63,148	81	25	344,526
53	5	91,413	82	40	560,030
54	2	62,339	83	33	378,056
55	6	124,135	84	32	320,728
56	9	169,858	85	27	337,216
57	9	140,574	86	30	336,122
58	6	132,018	87	27	270,335
59	7	126,149	88	23	264,090
60	12	139,655	89	19	204,610
61	10	126,393	90	23	244,422
62	6	101,699	91	19	192,086
63	11	138,119	92	8	59,400
64	18	214,899	93	11	86,584
65	8	93,687	94	13	97,530
66	9	169,635	95	7	39,451
67	16	224,780	96	6	41,299
68	15	251,239	97	2	16,833
69	13	204,554	98	5	25,664
70	18	314,135	99	1	9,324
71	21	238,385	101	1	12,995
72	24	309,515			
				803	**$10,391,490**

Average Age:	**77.2**
Average Annual Payments:	**$12,941**

Surviving Spouse's Pension by Age at Commencement at June 30, 2011

Table VI

Age at Commencement	Number	Annual Payments	Age at Commencement	Number	Annual Payments
21	1	$ 954	60	20	$ 271,235
27	1	3,311	61	22	295,790
28	2	9,775	62	24	328,325
29	2	4,599	63	15	245,808
30	1	12,346	64	17	198,913
31	2	9,539	65	20	274,798
32	1	792	66	25	348,890
33	2	19,623	67	31	383,769
34	1	6,366	68	30	440,269
35	2	3,965	69	27	321,882
36	7	37,506	70	30	357,696
37	3	21,007	71	23	304,989
38	4	17,503	72	24	317,888
39	5	65,110	73	18	201,385
40	2	35,422	74	23	282,322
41	6	67,697	75	16	217,637
42	9	115,221	76	20	271,368
43	6	78,422	77	15	217,984
44	9	60,687	78	21	249,568
45	8	98,995	79	15	162,466
46	7	82,968	80	19	222,592
47	3	47,344	81	12	117,068
48	12	177,528	82	13	140,389
49	13	223,875	83	10	118,711
50	17	210,818	84	7	47,297
51	13	184,413	85	3	29,782
52	9	110,803	86	1	17,142
53	19	285,969	87	4	36,069
54	14	272,272	88	7	66,666
55	23	354,536	89	3	29,122
56	18	243,505	90	1	3,189
57	19	324,196	91	3	16,344
58	19	309,317	92	2	7,114
59	20	336,056	93	1	11,272
			95	1	3,311
				803	$10,391,490

Average Age:	64.0
Average Annual Payments:	$12,941

Retiree's Automatic Increases by Age and Annual Payments at June 30, 2011

Table VII

Age at 06/30/11	Male Number	Male Annual Payments	Female Number	Female Annual Payments	Total Number	Total Annual Payments
51	7	$ 2,763	-	$ -	7	$ 2,763
52	12	10,863	3	1,996	15	12,859
53	15	21,777	1	0	16	21,777
54	13	16,000	3	4,544	16	20,544
55	32	88,593	11	28,746	43	117,339
56	44	77,660	10	16,479	54	94,139
57	41	135,877	9	7,155	50	143,032
58	40	144,876	20	75,075	60	219,951
59	36	151,226	13	27,313	49	178,539
60	55	169,693	20	70,315	75	240,008
61	49	186,394	10	36,640	59	223,034
62	51	206,926	12	42,829	63	249,755
63	55	259,082	20	90,595	75	349,677
64	55	272,691	10	31,884	65	304,575
65	53	214,649	19	78,834	72	293,483
66	39	212,550	13	37,116	52	249,666
67	47	329,036	20	76,190	67	405,226
68	69	412,449	23	95,938	92	508,387
69	45	269,644	22	81,291	67	350,935
70	50	319,818	17	49,812	67	369,630
71	35	218,713	15	20,268	50	238,981
72	50	375,970	16	75,582	66	451,552
73	46	317,372	9	32,143	55	349,515
74	58	361,541	16	75,719	74	437,260
75	43	287,259	17	78,785	60	366,044
76	51	403,193	11	43,268	62	446,461
77	54	461,346	14	40,708	68	502,054
78	45	303,578	16	77,790	61	381,368
79	38	250,191	11	55,891	49	306,082
80	50	357,093	11	50,823	61	407,916
81	39	368,193	11	84,598	50	452,791
82	40	369,449	10	44,462	50	413,911
83	44	331,451	10	39,215	54	370,666
84	35	327,737	9	49,978	44	377,715
85	17	173,956	9	47,809	26	221,765
86	31	354,087	9	47,775	40	401,862
87	13	103,676	7	43,896	20	147,572
88	24	206,648	7	30,159	31	236,807

Retiree's Automatic Increases by Age and Annual Payments at June 30, 2011

Table VII *(continued)*

	Male		Female		Total	
Age at 06/30/11	Number	Annual Payments	Number	Annual Payments	Number	Annual Payments
89	14	121,319	5	19,961	19	141,280
90	13	133,937	10	83,818	23	217,755
91	10	78,076	3	22,721	13	100,797
92	9	102,980	6	38,420	15	141,400
93	5	75,525	2	19,169	7	94,694
94	7	49,993	4	9,149	11	59,142
95	2	24,354	2	8,276	4	32,630
96	1	0	4	14,184	5	14,184
97	3	44,536	1	2,702	4	47,238
98	1	4,892	1	2,517	2	7,409
100	1	3,584	1	2,946	2	6,530
101	-	-	1	558	1	558
	1,587	$9,713,216	504	$2,016,042	2,091	$11,729,258

	Male	Female	Both
Average Age:	70.8	71.7	71.0
Average Monthly Increases:	$ 510	$ 333	$ 467
Average Annual Increases:	$6,120	$4,000	$5,609

Annunities and Refunds by Type

Table VIII

Last Ten Years

Fiscal Year Ended June 30	Retirement	Surviving Spouse	Children	Refunds	
				Employees	Pensioners
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	-
2011	50,950,848	10,374,674	18,519	1,524,460	137,898

Death and Disability Benefits

Table IX

Last Ten Years

Fiscal Year Ended June 30	Death Benefit	Ordinary Disability	Duty Disability	Total
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
2011	307,000	339,197	52,294	698,491

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

Number of Active Participants

Table X

Last Ten Years

Fiscal Year Ended June 30	Male Participants	Female Participants	Total
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
2011	1,674	1,121	2,795

Active Participants Statistical Averages

Table XI

Last Ten Years

Fiscal Year	Male			Female			Combined		
Ended June 30	Annual Salary	Age	Service	Annual Salary	Age	Service	Annual Salary	Age	Service
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
2011	38,680	43.5	10.9	32,873	39.9	9.3	36,351	42.1	10.3

Retirees and Beneficiaries Receiving Benefits

Table XII

Last Ten Years

Fiscal Year Ended June 30	Retirees	Surviving Spouses	Children	Total
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
2011	2,096	803	14	2,913

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
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
2011	1,587	504	9,713,216	2,016,042	2,091	11,729,258

Average Annual Retirees/Surviving Spouse's Benefit Payments

Table XIV

Last Ten Years

Fiscal Year Ended June 30	Average Annual Payments	
	Retiree	Spouse
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
2011	24,668	12,941

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)
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
2011	489,370,505	354,572,735	843,943,240	58.0

Ratio of Unfunded Liability to Payroll

Last Ten Years

Table II

Fiscal Year Ended June 30	Member Payroll	Unfunded Liability (a)	Liability % of Payroll
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
2011	107,686,693	354,572,735	329.3

(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 %
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
2011	10,981,419	n/a	9,791,650	n/a	84,867,859	n/a	105,640,928	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 7/1/10 to 6/30/11							
Average monthly benefit	$ 475	$ 1,001	$ 665	$ 1,244	$ 1,893	$ 2,800	$ 4,406
Average final average salary	$ 7,516	$ 5,633	$ 2,288	$ 3,216	$ 3,728	$ 4,484	$ 5,911
Number of retired members	19	7	12	5	11	8	16
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

Principal Participating Employers

Table II

Current Year and Nine Years Ago

Participating Government	2011 Covered Employees	2011 Rank	2011 Percentage of Total System	2002 Covered Employees	2002 Rank	2002 Percentage of Total System
Chicago Park District	2,782	1	99.53	3,407	1	99.56
Retirement Board of the Park Employees' Annuity and Benefit Fund	13	2	0.47	13	2	0.38
City of Chicago	0	3	0.00	2	3	0.06
Total (3 Governments)	2,795		100.00%	3,422		100.00%

Changes In Net Assets

Table III

Last Ten Years

(Dollars in Thousands)

	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Additions										
Member Contributions	$ 9,792	$ 9,830	$ 10,141	$10,265	$ 9,719	$ 9,117	$ 8,516	$10,593	$ 9,533	$ 9,193
Employer Contribution	10,981	10,829	9,678	8,999	9,595	5,174	4,768	9,841	9,843	9,978
Investment Income	84,868	41,420	(103,488)	(17,392)	88,741	40,971	49,622	69,755	20,298	(18,776)
Total Additions	105,641	62,079	(83,669)	1,872	108,055	55,262	62,906	90,189	39,674	395
Deductions (see Table IV)										
Benefit Payments	62,043	61,191	60,265	57,974	56,810	56,303	55,901	51,741	47,460	46,949
Refunds	1,662	1,369	2,680	1,965	1,769	2,068	1,960	2,924	2,775	2,477
Administrative Expenses	1,499	1,466	1,335	1,289	1,238	1,232	1,186	1,199	1,170	1,123
Total Deductions	65,204	64,026	64,280	61,228	59,817	59,603	59,047	55,864	51,405	50,549
Change in Net Assets	$ 40,437	$(1,947)	$(147,949)	$(59,356)	$ 48,238	$ (4,341)	$ 3,859	$34,325	$(11,731)	$(50,154)

Benefit and Refund Deductions from Net Asset by Type

Table IV

Last Ten Years

(Dollars in Thousands)

	Fiscal Years									
	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Type of Benefit										
Age and Service Benefits										
Retirees	$50,951	$50,528	$49,910	$47,936	$47,002	$46,668	$46,472	$42,832	$38,709	$38,474
Surviving Spouses	10,375	10,083	9,820	9,440	9,265	9,074	8,615	8,196	7,971	7,671
Children	19	17	24	22	25	31	32	39	42	42
Death Benefit	307	250	253	296	271	308	392	292	325	343
Disability Benefits										
Members-Duty	52	22	13	(8)	19	19	32	68	66	37
Members-Non-Duty	339	291	245	288	228	203	358	314	347	382
Total Benefits	$62,043	$61,191	$60,265	$57,974	$56,810	$56,303	$55,901	$51,741	$47,460	$46,949
Type of Refund										
Separation	$1,524	$ 1,369	$ 2,200	$ 1,743	$ 1,619	$ 1,827	$1,792	$2,786	$2,570	$2,326
Death	138	-	480	222	150	241	168	138	205	151
Total Refunds	$1,662	$ 1,369	$ 2,680	$ 1,965	$ 1,769	$ 2,068	$1,960	$2,924	$2,775	$2,477

Retired Members by Type of Benefit

Table V

Amount of Monthly Benefit	Number of Retired Members	1	2	3
$ 1 - $ 250	250	148	71	31
251 - 500	339	223	80	36
501 - 750	259	153	79	27
751 - 1,000	249	160	67	22
1,001 - 1,250	198	121	62	15
1,251 - 1,500	207	109	74	24
1,501 - 1,750	180	99	57	24
1,751 - 2,000	156	113	34	9
Over 2,000	1,061	970	56	35
Total	2,899	2,096	580	223

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

Park Employees' Annuity and Benefit Fund
55 E. Monroe Street, Suite 2720
Chicago, Illinois 60603
(312) 553-9265
www.chicagoparkpension.org