



City of Urbana  
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October 1, 1996

TO: Members, Urbana Policemen's Pension Fund  
FROM: Ronald Eldridge, Fund Treasurer

*Ron Eldridge*

Attached please find a draft of the annual audit and financial report of the Police Pension Fund for the fiscal year ended June 30, 1996. While this is in draft format, the numbers will not change. The final, bound report should be released in about 30 days. If interested, I would be happy to discuss the report and this letter at the next board meeting. Some important points of the audit are:

- a) The financial statements are prepared in accordance with generally accepted accounting principles ("clean opinion").
- b) In performing their work, the auditors did not discover any significant weaknesses in the Fund's internal accounting controls.
- c) Total net worth of the Fund is \$9,883,637, up \$364,583 (3.8%) as compared to growth of \$215,766 (2.3%) last year. This fund has averaged an annual increase in net worth of 6.5% since 1987 (10 years ago, net worth \$5,266,174) and 5.7% since 1991 (5 years ago, net worth \$7,501,382).
- d) The City's contribution was based upon the Department of Insurance actuarial letter. It is broken down as follows:

	<u>1996</u>		<u>1995</u>	
	<u>\$</u>	<u>% Salary</u>	<u>\$</u>	<u>% Salary</u>
Normal Cost	\$223,535	14.7	\$214,940	14.8
Catchup	<u>127,582</u>	8.5	<u>94,387</u>	6.5
Total	\$351,111	23.2	\$309,327	21.3

The City has for at least the past 16 years (since I have been Comptroller) contributed the amount suggested by the Illinois Department of Insurance. This amount as a % of covered salary was 32.6% in 1987 and 28.3% in 1993. The amount dropped to 20% in 1994 when the state law specifying the amortization period for catching up the unfunded liability was changed. The unfunded liability as a percent of covered payroll has remained fairly steady over the last 10 years (142% in 1987 and 153% in 1996).



e) The most significant asset and revenue for the fund remains it's investments and return earned on these investments. A breakdown of the investment portfolio follows:

	<u>% Portfolio</u>				
	<u>96</u>	<u>95</u>	<u>94</u>	<u>91</u>	<u>87</u>
U.S. Govt.	84	77	84	67	34
Cert. of Deposit	3	4	5	13	57
Shearson Mutual Fund	2	4	4	16	0
Ins. Contract	10	10	4	0	6
Savings	1	2	3	1	3

In U.S. Government securities, the Madison portfolio (100% Treasury) has an average weighted length of maturity of 5.1 yrs; McKee Treasury 10.9 yrs., and McKee G.N.M.A. 14.5 yrs.

The market value of the U.S. government portfolio is \$164,281 less than the carrying value (1.7% of portfolio).

f.) An examination of the investment return of the fund for last year follows:

	<u>Ave. O/S</u> <u>Balance</u>	<u>Return</u>
Checking	\$ 243	0%
Savings	\$ 114,653	4.7%
C.D.'s	\$ 381,707	4.9%
Madison M.M.	\$ 123,319	4.2%
Madison U.S.	\$3,881,071	5.4%
Subtotal Mad.	\$4,004,390	5.5%
McKee M.M.	\$ 173,018	4.9%
McKee U.S.	\$2,829,006	8.9%
McKee GNMA	\$ 950,806	5.9%
Subtotal McKee	\$3,952,830	8.0%
Total before Ins. Ann.	\$8,453,823	6.6%
Ins. Annuities	\$1,109,951	18.0%
Total	\$9,563,774	7.9%

g) An historical review of the investment return of the fund:

	<u>Last Year</u>	<u>Last 2 Yr</u>	<u>Last 5 Yr</u>	<u>Last 7 Yr</u>	<u>1997</u>
Return before Ins. Contracts	6.6%	5.6%	6.3%	7.1%	7.1%
Return includ. Ins. Contracts	7.9%	6.7%	7.2%	7.3%	7.1%

h) An examination of the number and makeup of the fund members provides insight into certain changes affecting pension costs. The following illustrates that the number of retirees has increased 52% (annual average 4.3%) over the last 10 years and the city has increased the number of officers it employes by 12% (annual average of 1.1%):

	<u>Retirees</u>	<u>Current Authorized</u>	<u>Total</u>
1996	35	46	81
1995	34	45	79
1994	32	42	74
1993	31	42	73
1992	28	42	70
1991	28	42	70
1987	23	41	64

Information concerning the number of makeup of the retirees illustrates the following:

- 1) the number of disabilities, which are very costly to the pension fund has increased 150% in the last 10 years.
- 2) the number of widow pensions have increased 43%.
- 3) the number of regular pensions have increased 25%. The average age of the regular pensioners has decreased from 63 to 61.
- 4) the average benefit paid out has increased 61% (annual average of 4.9%).

1996	<u>#</u>	<u>Ave. Age</u>	<u>Ave. Benefit</u>	<u>Age Ret.</u>
Duty Dis.	7	48.3	\$23,661	44.0
Non-Duty Dis.	3	46.7	\$15,259	41.0
Widows	10	70.4	\$13,631	n/a
Reg. Pension	15	60.9	\$21,829	52.5
1987	<u>#</u>	<u>Ave. Age</u>	<u>Ave. Benefit</u>	<u>Age Ret.</u>
Duty Dis.	4	45.5	\$13,558	45.3
Widows	7	75.6	\$ 6,950	n/a
Reg. Pension	12	63.3	\$14,389	53.0

i) Examination of the makeup of the current employees for 1996 and 10 years ago illustrates the following:

1) current force is much younger in years of service (14.5 to 8.3) but approximately the same average age.

2) salaries have increased 37.5% (annual average increase of 3.23%).

1996:	<u>#</u>	<u>Ave. Age</u>	<u>Years Serv.</u>	<u>Ave. Salary</u>
Females	6	28.3	3.3	\$34,483
Males	40	36.1	9.0	\$38,796
Total	46	35.1	8.3	\$38,233
1987:	<u>#</u>	<u>Ave. Age</u>	<u>Years Serv.</u>	<u>Ave. Salary</u>
Females	3	34.2	7.2	\$26,464
Males	38	34.4	15.0	\$27,921
Total	41	34.4	14.5	\$27,815

**CITY OF URBANA, ILLINOIS**

**POLICE PENSION FUND**

Audit Report

For the Years Ended June 30, 1996 and 1995



CITY OF URBANA, ILLINOIS

POLICE PENSION FUND

Audit Report

For the Years Ended June 30, 1996 and 1995

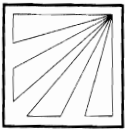
CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND

Audit Report

For the Years Ended June 30, 1996 and 1995

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Board of Trustees  
City of Urbana, Illinois  
Police Pension Fund  
Urbana, Illinois

### Independent Auditor's Report

We have audited the accompanying financial statements of City of Urbana, Illinois Police Pension Fund, a trust and agency fund of the City of Urbana, as of and for the years ended June 30, 1996 and 1995, as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. 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.

As described more fully in Note 1, the financial statements present only one trust and agency fund of the City of Urbana and are not intended to present fairly the financial position and results of operations of the City in conformity with generally accepted accounting principles.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of City of Urbana, Illinois Police Pension Fund, a trust and agency fund of the City of Urbana, as of June 30, 1996 and 1995, and the results of that fund's operations for the years then ended in conformity with generally accepted accounting principles.

Our audits were made for the purpose of forming an opinion on the financial statements referred to in the first paragraph taken as a whole. The required supplementary information and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements of the City of Urbana, Illinois Police Pension Fund. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is presented fairly, in all material respects, in relation to the financial statements taken as a whole.

*Clifton Gunderson L.L.C.*

Champaign, Illinois  
September 16, 1996

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OF CERTIFIED PUBLIC  
ACCOUNTANTS



## CITY OF URBANA, ILLINOIS

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## POLICE PENSION FUND

## Comparative Balance Sheet

As of June 30, 1996 and 1995

## ASSETS

	1996	1995
	-----	-----
Cash and Cash Equivalents:		
Checking Account	\$193	\$293
Money Market Account	161,832	588,231
Savings Account	120,661	213,150
	-----	-----
Subtotal, Cash and Cash Equivalents	282,686	801,674
Property and Replacement Tax Receivable (Net of Allowance for Uncollectibles)	163,309	137,788
Accrued Interest Receivable	150,625	124,945
Investments (Note 1 and 4):		
U.S. Government Securities	7,995,681	7,167,904
Certificates of Deposit	383,396	380,017
Insurance Company Accounts	910,224	910,225
	-----	-----
Total Assets	\$9,885,921	\$9,522,553
	=====	=====

## LIABILITIES AND MUNICIPAL EQUITY

Liabilities:		
Accounts Payable	\$2,284	\$3,498
Municipal Equity:		
Reserve for Employee's Retirement	9,883,637	9,519,055
	-----	-----
Total Liabilities and Municipal Equity	\$9,885,921	\$9,522,553
	=====	=====

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

## POLICE PENSION FUND

Comparative Statement of Revenues and Expenses  
and Changes in Municipal Equity

For the Years Ended June 30, 1996 and 1995

Revenues:	1996	1995
	-----	-----
Employer Contributions:		
Property Tax	\$321,966	\$280,160
Replacement Tax	28,000	28,000
Interest Income	516,175	532,785
Employee Contributions	156,914	143,115
Gain on Sale of Investments	90,705	--
	-----	-----
Total Revenues	1,113,760	984,060
	-----	-----
Expenses:		
Disability Pension	219,765	209,343
Widow Pension	126,412	109,219
Service Pension	327,909	282,593
Refunds to Resigning Members	8,907	11,208
Investment Management Fees	52,704	48,891
Clerk's Salary and Taxes	4,077	4,117
Medical Fees	5,203	6,310
Secretarial Fees	600	600
Miscellaneous	150	359
Dues and Memberships	600	600
Legal and Accounting	2,497	8,116
Training	354	541
Loss on Sale Investments	--	86,397
	-----	-----
Total Expenses	749,178	768,294
	-----	-----
Excess of Revenues Over Expenses	364,582	215,766
	-----	-----
Municipal Equity, Beginning of Year	9,519,055	9,303,289
	-----	-----
Municipal Equity, End of Year	\$9,883,637	\$9,519,055
	=====	=====

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

## POLICE PENSION FUND

## Comparative Statement of Cash Flows

For the Years Ended June 30, 1996 and 1995

	1996	1995
	-----	-----
Cash Flows From Operations:		
Net Income	\$364,582	\$215,766
Adjustments to Reconcile Net Income to Net Cash Provided by Operations:		
Loss (gain) on sales of investments	(90,705)	86,397
Amortization of bond premium/discount	13,766	5,345
Decrease (increase) in receivables	(51,201)	18,409
Increase (decrease) in payables	(1,214)	3,230
	-----	-----
Net Cash Provided by (used in) Operating Activities	235,228	329,147
	-----	-----
Cash Flows From Investing Activities:		
Purchase of Investments	(7,091,088)	(8,248,461)
Interest Income Added to Accounts	(10,787)	(5,921)
Proceeds from Maturities and Sales of Investments	6,347,659	8,147,094
	-----	-----
Net Cash Provided by (used in) Investing Activities	(754,216)	(107,288)
	-----	-----
Increase in Cash and Cash Equivalent	(518,988)	221,859
Beginning Cash and Cash Equivalents	801,674	579,815
	-----	-----
Ending Cash and Cash Equivalents	\$282,686	\$801,674
	=====	=====

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

CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND

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Notes to Financial Statements  
June 30, 1996 and 1995

Note 1 - Summary of Significant Accounting Policies:

The Pension fund was organized on April 4, 1927, and is exempt from federal income tax. The pension fund is only one trust and agency fund of the City of Urbana. Only the financial statements of this fund are presented in this report. The pension fund is created and operated under state laws that provide for a fund to be established to provide certain retirement benefits to police officers and their dependents (see Note 2). The fund is managed by a board of five trustees made up of two persons appointed by the mayor of the City of Urbana and three persons elected by the members of the fund. The Pension fund is also included in the annual report of the City of Urbana, as a trust and agency fund, according to the criteria specified in governmental accounting standards.

The Fund's books and records are maintained on the cash basis and converted to accrual basis for preparation of the statements in this report. The accrual basis means revenues are recognized when earned, and expenses when incurred.

Investments are reported at lower of cost or market. Market values for U.S. government securities and money funds are based upon latest quoted prices. Investment income is recognized as earned. Gain and losses on sales and exchanges of securities are recognized on the transaction date.

The fund considers all liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Property taxes are recognized for the year levied. The 1995 levy is reported in fiscal year 1996 and the 1994 levy in fiscal year 1995. The taxes are certified against appraised real property as of the beginning of the previous calendar year.

The preparation of financial statements requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses, gains/losses, and other changes in fund balances during the reporting period. Actual results could differ from those estimates.

CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND

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Notes to Financial Statements  
June 30, 1996 and 1995

Note 2 - Retirement Commitments:

a. Plan Description:

The Pension fund is a defined benefit single-employer pension plan that covers all sworn police personnel. Although this is a single-employer plan, the defined benefits and employee and employer contribution levels are governed by Illinois State Statutes. This fund is accounted for and reported as a pension trust fund. The City's payroll for employees covered by the pension plan for the year ended June 30, 1996, was \$1,861,020 out of a total payroll of \$8,592,309.

Retirees and beneficiaries currently receiving benefits (none entitled but not receiving benefits)	35
Current authorized employees (19 vested, 27 non-vested)	46
Total	<u>81</u>

Following is a summary of the police pension plan as provided for in the Illinois Statutes.

The police pension plan provides retirement benefits as well as death and disability benefits. Employees attaining the age of 50 or more with 20 or more years of creditable service are entitled to receive an annual retirement benefit of one-half of the salary attached to the rank held on the last day of service. The pension shall be increased by 2% of such salary for each additional year of service over 20 years up to 30 years, and 1% of such salary for each additional year of service over 30 years of service, to a maximum of 75% of such salary. Employees with at least 8 years, but less than 20 years of credited service, may retire at or after age 60 and receive a reduced benefit.

The monthly pension of a police officer who retired with 20 or more years of service after January 1, 1977, shall be increased annually, following the first anniversary date of retirement, and be paid upon

CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND

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Notes to Financial Statements  
June 30, 1996 and 1995

reaching the age of at least 55 years, by 3% of the original pension and 3% simple interest annually thereafter.

Covered employees are required to contribute 9% of their base salary to the Plan. If an employee leaves covered employment with less than 20 years of service, accumulated employee contributions may be refunded without accumulated interest. The City of Urbana is required to contribute the remaining amounts necessary to finance the plan as actuarially determined by an enrolled actuary. By the year 2034, the City's contributions must accumulate to the point where the past service cost for the Plan is fully funded.

b. Plan Asset Matters:

The Fund's investments are concentrated in U.S. government and U.S. guaranteed obligations (81% of net asset value). The only other investment in a single organization that is more than 5% of the fund's net assets is the investment in an annuity contract with the Lincoln National Life Insurance Company (9.2% of net asset value).

There are no investments that are securities or obligations of the City of Urbana.

c. Funding Status and Progress:

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and step-rate benefits, estimated to be payable in the future as a result of employee service to date. The measure is intended to help users assess the funding status of the system on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the system.

CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND

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Notes to Financial Statements  
June 30, 1996 and 1995

Latest Actuarial Valuation Date	June 30, 1996
Asset Valuation Method	Cost Value
Significant Actuarial Assumptions:	
Rate of return on investment of present and future assets	7.0% compounded annually
Projected salary increases	5.25% compounded annually
Mortality	1983 Group Annuity Mortality Table
Withdrawal	Graduated Rates
Disability	Graduated Rates
Retirement	Graduated Rates (100% by age 69)
Marital Status	85% married, spouse same age
Plan Expenses	None
Pension Benefit Obligation:	
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$10,133,699
Current employees	
Accumulated employee contri- butions including allocated investment earnings	\$ 1,028,426
Employer-financed vested	4,181,976
Employer-financed non-vested	<u>1,593,366</u>
Subtotal	<u>\$ 6,803,768</u>
Total Pension Benefit Obligation	\$16,937,467
Net Assets Available for Benefits, at cost (\$10,011,837 market)	<u>9,883,637</u>
Unfunded Pension Benefit Obligation	<u>\$ 7,053,830</u>

**CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND**

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**Notes to Financial Statements  
June 30, 1996 and 1995**

Effects on the Pension Benefit Obligation (P.B.O.) of Current-Year Changes:

A change in the future salary increase assumption from 5.5% to 5.25% decreased the P.B.O. \$128,571.

Changes in the non-economic assumptions (mortality, withdrawal, disability, and retirement rates) increased the P.B.O. \$2,028,503.

- d. Actuarially Determined Contribution Requirements and Contributions Made:

The funding policy provides for actuarially determined periodic contributions at rates that, for individual employees, accumulate assets gradually over time so that sufficient assets will be available to pay benefits when due. The contribution rate for normal cost is determined using the entry age normal actuarial funding method. The system used a level dollar amount method to amortize the unfunded liability over a 37 year period. The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation, as described "c" above.

Actuarial Valuation Date	July 1, 1994	
	<u>Dollar Amount</u>	<u>% Covered Payroll</u>
Actuarially Determined Contribution Requirement - Employer:		
Normal Cost	\$223,535	14.74%
Amortization of unfunded actuarially accrued liability	<u>127,582</u>	<u>8.42</u>
Total	<u>\$351,117</u>	<u>23.16%</u>
Contribution Made:		
Employer	\$349,966	23.07%
Employee	<u>156,915</u>	<u>10.35</u>
Total	<u>\$506,881</u>	<u>33.42%</u>



CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND

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Notes to Financial Statements  
June 30, 1996 and 1995

Actuarial required contributions are presented based on an actuarial date of July 1, 1994, since employer contributions for the year are based on this required amount.

Effects on the Contribution Requirements of Current-Year Changes:

The change in the future salary increase assumption decreased the contribution requirement \$11,479.

The change in the non-economic assumptions increased the contribution requirement \$157,814.

Ten year trend information, which is designed to provide information about progress made in accumulating sufficient assets to pay benefits when due, may be found in the Required Supplementary Information, in this report.

Note 3 - Deposits and Investments:

The pension fund is authorized by State Statutes to invest in obligations of the U.S. Treasury and its agencies, non-negotiable certificates of deposit and Illinois Public Treasurer's Investment Pool, savings accounts, general and separate accounts of approved life insurance companies (up to a maximum of 10% of the fund's aggregate investment book value), obligations of the State of Illinois or its political subdivisions, credit union shares (if insured by the National Credit Union Administration), money market mutual funds which are backed by U.S. government securities and agencies, and obligations of the State of Israel (up to a maximum of 5% of the fund's aggregate investment book value).

The fund's deposits and investments are categorized below to give an indication of the level of risk assumed at June 30, 1996.

Category 1 - includes amount that are insured and for which the securities are held by the fund or its agent in the fund's name. These are U.S. government and its agencies obligations, certificates of deposit, and checking and savings accounts. Certificates of deposit in federally insured banks and savings and loans are insured in an amount equal to \$100,000 per fund plus an amount equal to each

**CITY OF URBANA, ILLINOIS  
POLICE PENSION FUND**

**Notes to Financial Statements  
June 30, 1996 and 1995**

member's vested beneficial interest up to a maximum of \$100,000 per member.

	<u>Risk Category</u>	<u>Carrying Value</u>	<u>Market Value</u>
Checking and Savings Accounts	1	\$ 120,854	\$ 120,854
U.S. Government and Its Agencies	1	7,995,681	7,831,400
Certificates of Deposit	1	<u>383,396</u>	<u>383,396</u>
Subtotal, Category	1	8,499,931	8,335,650
Insurance Company Accounts		910,224	1,202,705
Money Market Accounts		<u>161,832</u>	<u>161,832</u>
Total		<u>\$9,571,987</u>	<u>\$9,700,187</u>

No credit risk is assigned to insurance company accounts since the Fund does not own any specific identifiable securities. These amounts are not incurred nor guaranteed by any federal agency.

No credit risk is assigned to the investment in Money Market Accounts since the Fund does not own any specific identifiable securities.

This information is an integral part of the accompanying financial statements.

CITY OF URBANA  
POLICE PENSION FUND

Required Supplementary Information  
Ten Year Trend Information on Pension Benefit Funding

June 30, 1996 and 1995

	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
Available for Benefits	\$9,883,637	\$9,303,287	\$8,951,083	\$8,189,747	\$7,501,381	\$6,948,926	\$6,352,811	\$5,783,897	\$5,266,174	\$4,709,596
Pension Benefit Obligation	\$16,937,467	\$13,144,645	\$11,877,621	\$10,947,771	\$9,994,892	\$9,437,152	\$8,600,334	\$8,281,963	\$7,584,116	\$7,168,934
Percentage Funded	58.35%	70.78%	75.36%	74.81%	75.05%	73.63%	73.87%	69.84%	69.44%	65.69%
Unfunded Pension Benefit Obligation	\$7,053,830	\$3,841,358	\$2,926,538	\$2,758,024	\$2,493,511	\$2,488,226	\$2,247,523	\$2,498,066	\$2,317,942	\$2,459,338
Annual Covered Payroll	\$1,861,020	\$1,516,197	\$1,454,754	\$1,402,357	\$1,354,602	\$1,256,213	\$1,228,672	\$1,230,986	\$1,101,066	\$1,014,311
Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll	379.03%	253.35%	201.17%	196.67%	184.08%	198.07%	182.92%	202.93%	210.52%	242.46%
City's Contribution to the Pension Plan	\$349,966	\$308,160	\$294,320	\$397,722	\$378,600	\$349,848	\$381,194	\$323,931	\$335,836	\$330,686
City's Contribution to the Pension Plan as a Percentage of Annual Covered Payroll	18.81%	20.32%	20.23%	28.36%	27.95%	27.85%	31.02%	26.31%	30.50%	32.60%

CITY OF URBANA  
POLICE PENSION FUND

Required Supplementary Information  
Ten Year Trend Information on Revenues by Source and Expenses by Type

June 30, 1996 and 1995

	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
<b>Revenues by Source:</b>										
Employee Contributions	\$156,915	\$143,115	\$141,978	\$135,155	\$127,054	\$117,789	\$112,456	\$110,299	\$102,935	\$96,181
Employer Contributions	\$349,966	\$308,160	\$294,320	\$397,722	\$378,600	\$349,848	\$381,194	\$323,931	\$335,836	\$330,686
Investment Income	\$606,880	\$446,388	\$532,383	\$741,117	\$696,055	\$563,358	\$514,561	\$474,134	\$418,185	\$409,194
Total	\$1,113,761	\$897,663	\$968,681	\$1,273,994	\$1,201,709	\$1,030,995	\$1,008,211	\$908,364	\$856,956	\$836,061

**Expenses by Type:**

Benefits	\$674,086	\$601,155	\$529,521	\$451,532	\$426,253	\$398,159	\$373,331	\$307,865	\$300,205	\$266,591
Administrative Expense	\$66,185	\$69,534	\$67,752	\$61,158	\$60,390	\$48,755	\$29,364	\$11,997	\$7,881	\$11,058
Refunds	\$8,907	\$11,208	\$19,171	\$ --	\$26,701	\$31,625	\$9,401	\$19,589	\$31,146	\$1,834
Total	\$749,178	\$681,897	\$616,444	\$512,690	\$513,344	\$478,539	\$412,096	\$339,451	\$339,232	\$279,483