

RE Copy

City of Urbana
400 South Vine Street
Urbana, IL 61801



August 26, 2002

TO: Members, Urbana Policemen's Pension Fund

Ran E.

FROM: Ronald Eldridge, Treasurer

Attached please find the annual financial report and audit for the Policemen's Pension Fund for the fiscal year ended June 30, 2002. Some important points of the audit are:

- 1) The financial statements have been prepared in accordance with generally accepted accounting principles ("clean opinion"). The auditor's opinion letter on this finding is on page 1.
- 2) In performing their work, the auditors did not discover any significant weaknesses in the fund's internal accounting controls. It is the policy of the auditor that no separate letter is issued in this circumstance.
- 3) Net assets of the fund decreased \$256,391 to \$14,098,906. The biggest reason for this reduction was the decline in the stock market, which significantly impacted the fund's investments (discussed further below).
- 4) The city's contribution was based upon an actuarial study performed by the actuarial firm of Tim Sharpe. The amount required to be contributed was \$1,012,133. The amount actually contributed was \$1,052,672 (44% of salary). Recall that the City has increased it's contribution from approximately \$350,000 in 1996. On page 10 is a detailed schedule of contributions made by the city. Note that over the last 4 years, the city is ahead in contributions made by \$85,328. The fund is at a 68% funding level. Five years ago, this funding level was 62%. Police officers contribute 9.91% of their salary. The City's contributions compared to employees was approximately 4.5 to 1.
- 5) A review of the makeup of the investment portfolio shows that since 1992, the fund has significantly shifted investments in certificates of deposit and savings to equities. The investment in common stocks was first authorized in January 1998:

| | Percent of Portfolio | | | | | |
|----------------------|----------------------|-----------|-----------|-----------|-----------|-----------|
| | <u>02</u> | <u>01</u> | <u>00</u> | <u>99</u> | <u>98</u> | <u>92</u> |
| U.S. Government | 56 | 54 | 52 | 49 | 66 | 74 |
| Cert. Of Deposit | 0 | 0 | 0 | 0 | 3 | 10 |
| Insurance Annuities | 0 | 0 | 7 | 4 | 10 | 0 |
| Common Stocks | 36 | 40 | 36 | 36 | 15 | 0 |
| Savings/Money Market | 8 | 6 | 5 | 11 | 6 | 16 |



6) The fund has instructed the fixed income managers to strive for average weighted length of maturity of approximately 5-7 years. Traditionally, the longer maturity period, the higher the return. However, for the last 3-4 years, this differential return has been significantly smaller and leveled out at approximately 7 years.

7) A breakdown of the investment return by investment type follows (net of all fees):

| | \$ | | % Return | |
|------------------------|-------------|-------------|---------------|---------------|
| | <u>2002</u> | <u>2001</u> | <u>2001/2</u> | <u>2000/1</u> |
| Savings/Money Markets | 18,569 | 37,899 | 2.5% | 4.3% |
| Cert. Of Deposit | 0 | 0 | n/a | n/a |
| U.S. Government: | | | | |
| Interest | 405,693 | 458,807 | | |
| Gains (Loss) Sales | 14,541 | 181,913 | | |
| Unrealized Gain (Loss) | 284,432 | 166,914 | | |
| Subtotal, U.S. Govt. | 704,666 | 845,533 | 9.9 | 10.5 |
| Market Gains (Loss): | | | | |
| Common Stocks | (1,233,316) | (1,352,927) | (20.8) | (21.7) |
| Total | (510,081) | (507,394) | (3.7) | (2.9) |

8) A historical review of investment return shows that the fund has historically averaged approximately an 6.5 to 8%% return before equities. Considering a 10 year history, prior to this year, the fund has been able to increase the total return by investing in equity securities (insurance annuities and common stocks beginning in 98). However, the depressed market in equities has actually decreased the overall return from 6.7% to 6.0%.

| | <u>2002</u> | <u>2001</u> | <u>2000</u> | <u>Last 3 Yrs</u> | <u>Last 5 Yrs</u> | <u>Last 10 Yrs</u> |
|------------------------|-------------|-------------|-------------|-----------------------|-----------------------|------------------------|
| Return Before Equities | 9.7% | 10.5% | 3.9% | 8.1% | 7.2% | 6.7% |
| Total Return | (3.7)% | (2.9)% | 9.8% | 1.1% | 5.2% | 6.0% |

9) Benefits: Listed below is a general description of the formulas used to calculate benefits. Because the actual formula's are more complex, the following is provided as a general picture and should not be used to actually calculate a person's benefits:

- Regular Retirement Pension. Officers 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 at the date of retirement. The pension shall be increased by 2½ % for each year over 20 years of service, to a maximum of 75% (reached at 30 years of service). 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 on a graduated scale (10 years service = 15%, 15 years service = 30%, 19 years service = 45.6%). Upon reaching the age of 55, the officer's pension is increased 3% for each year retired (up to a maximum of 15%), and 3% annually thereafter.
- Disability Pension. An officer that is unable to perform his or her duties due to a duty related injury is entitled to receive an annual payment of 65% of the salary at the date of disability. A

officer that is unable to perform his or her duties due to an injury not related to the job is entitled to an annual payment of 50%. Upon reaching the age of 60, a disability pension is increased 3% of the original pension annually.

- Survivor Pension. If an officer dies on duty, the surviving spouse receives pension equal to the salary of the officer. If an officer dies due to reasons not related to duty, the surviving spouse receives pension of 50% of the salary of the officer when the officer stopped working.

10) The cost of benefit increases are expected to increase over time. Most members drawing benefits by law receive a 3% annually compounded increase in addition to increases in the number of retirees and the increased salaries at retirement that these benefits are based on. Benefit costs increased 6.1% in 2002 over 2001 and have averaged an annual 4.5% increase over the last 4 years and 8% over the last 10 years. An examination of the total amount paid out for benefits shows the following increases over last 4 years and 10 years ago.

| | <u>2002</u> | <u>2001</u> | <u>1999</u> | <u>1992</u> |
|------------|-------------|-------------|-------------|-------------|
| Disability | \$261,359 | \$264,496 | \$271,269 | \$166,827 |
| Service | 518,481 | 465,671 | 372,930 | 208,023 |
| Dependent | 154,435 | 150,075 | 141,012 | 51,403 |
| Total | \$934,275 | \$880,242 | \$785,211 | \$426,253 |

11) An examination of the number and make up of members receiving benefits provides insight into certain trends and changes affecting previous and future pension costs:

| | <u>Disability</u> | | | | <u>Service</u> | | | | <u>Dependent</u> | | |
|------|-------------------|----------|-----------|-----------|----------------|----------|-----------|-----------|------------------|----------|-----------|
| | # | Ave. Age | Serv. Yrs | Ave. Ben. | # | Ave. Age | Serv. Yrs | Ave. Ben. | # | Ave. Age | Ave. Ben. |
| 2002 | 10 | 53 | 18 | \$2,187 | 19 | 64 | 24 | \$2,328 | 9 | 74 | \$1,430 |
| 2001 | 10 | 52 | 18 | \$2,169 | 18 | 64 | 24 | \$2,235 | 9 | 73 | \$1,430 |
| 2000 | 11 | 51 | 18 | \$2,055 | 16 | 64 | 25 | \$2,139 | 9 | 72 | \$1,349 |
| 1999 | 12 | 51 | 17 | \$1,875 | 16 | 63 | 25 | \$2,034 | 10 | 74 | \$1,214 |
| 1998 | 12 | 50 | 17 | \$1,884 | 15 | 63 | 23 | \$1,950 | 10 | 73 | \$1,136 |
| 1997 | 12 | 49 | 17 | | 15 | 62 | 23 | | 10 | 72 | |
| 1996 | 11 | 48 | 16 | \$1,749 | 15 | 61 | 23 | \$1,819 | 10 | 70 | \$1,136 |
| 1992 | 8 | 47 | 16 | | 13 | 64 | 24 | | 7 | 77 | |
| 1988 | 5 | 48 | 18 | | 12 | 64 | 24 | | 6 | 77 | |

- There were no changes in 2002 affecting disability pensions. The number of disability pensions has increased significantly since 1988. The make up of the disability pensioners doubled since 88 but changed little over the last 7 years. The average benefit increased 0.8% in 2002 over last year. Over the past 5 years, the average benefit has increased 3.8% each year.
- The only changes in 2002 affecting regular pensions was the retirement of Wuersch. The number of regular pensions has increased an average of 1/year since 1988. The makeup of average age and years of service has not changed since 1988. The average benefit increased 4.2% in 2002 over last year. Over the past 5 years, the average

benefit has increased 4.2% each year. One officer (DeJong) has retired but will not draw benefits until 12/29/02.

- There no changes in 2002 affecting dependent pensioners. The number of surviving dependents has increased somewhat since 1988. The average age of the dependents is slightly younger. The average benefit in 2002 was the same as last year. Over the past 5 years, the average benefit has increased 6% each year. This was due to change in minimum monthly amount of \$1,000. The law does not provide for any annual inflationary adjustments in benefits for dependents.

12) An examination of the number and make up of current officers provides insight into certain trends and changes affecting previous and future pension costs:

| | <u>#</u> | <u>Ave. Age</u> | <u>Ave. Yr. Service</u> | <u>Ave. Salary</u> |
|------|----------|-----------------|-------------------------|--------------------|
| 2002 | 49 | 35.6 | 8.2 | 49,531 |
| 2001 | 49 | 35.0 | 8.0 | 47,349 |
| 2000 | 45 | 35.5 | 8.5 | 43,593 |
| 1999 | 47 | 36.0 | 8.3 | 42,648 |
| 1998 | 46 | 35.7 | 8.3 | 40,639 |
| 1997 | 43 | 35.5 | 8.6 | 40,140 |
| 1996 | 46 | 35.1 | 8.3 | 38,233 |
| 1992 | 41 | 36.5 | 9.6 | 34,204 |
| 1988 | 42 | 34.7 | 9.5 | 29,309 |

- During 2002, five new officers were admitted into the fund, one retired (Wuersch) and 4 officers resigned and withdrew from the fund. Neither the age of the workforce or the average years of service has changed much since 1988.
- Salaries for pension fund purposes increased an average of 4.6% in 2002. Over the last 10 years, salaries have increased an annual average of 3.8% and 4.3% over the last 5 years.

R.E.

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

Audit Report

For the Years Ended June 30, 2002 and 2001



CITY OF URBANA, ILLINOIS

POLICE PENSION FUND

Audit Report

For the Years Ended June 30, 2002 and 2001

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

Audit Report

For the Years Ended June 30, 2002 and 2001

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August 22, 2002

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

Independent Auditor's Report

We have audited the accompanying financial statements of the City of Urbana, Illinois Police Pension Fund, a fiduciary fund of the City of Urbana, as of and for the years ended June 30, 2001 and 2002, 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 auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As described more fully in Note 1, the financial statements present only one fiduciary 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 plan net assets available for benefits of the City of Urbana, Illinois, Police Pension Fund, a fiduciary fund of the City of Urbana, Illinois, as of June 30, 2001 and 2002, and the changes in plan net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were made for the purpose of forming an opinion on the financial statements referred to in the first paragraph taken as a whole. The required supplementary information listed in the table of contents 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.

Bray, Drake, Liles & Richardson LLP
BRAY, DRAKE, LILES & RICHARDSON LLP

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

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**Comparative Statement of Plan Net Assets
As of June 30, 2002 and 2001**

| | <u>2002</u> | <u>2001</u> |
|--|-----------------------------|-----------------------------|
| ASSETS: | | |
| Cash and Cash Equivalents: | | |
| Checking Account | \$ 264 | \$ 289 |
| Shearson Money Market Account | 460,610 | 293,827 |
| Savings Account | <u>734,101</u> | <u>434,723</u> |
| Subtotal, Cash and Cash Equivalents | 1,194,975 | 728,839 |
| Receivables: | | |
| Employer Contributions (Property and Replacement Tax) | 516,227 | 483,512 |
| Accrued Interest Receivable | 112,425 | 116,835 |
| Investments (Note 1 and 3): | | |
| U.S. Government Securities | 7,348,488 | 7,451,310 |
| Stocks | <u>5,013,837</u> | <u>5,594,117</u> |
| Total Assets | <u><u>\$ 14,185,952</u></u> | <u><u>\$ 14,374,613</u></u> |
| LIABILITIES: | | |
| Accounts Payable | \$ 87,046 | \$ 19,316 |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS (A schedule of funding progress is presented on page 10.) | | |
| | <u>14,098,906</u> | <u>14,355,297</u> |
| Net Assets Held in Trust for Pension Benefits | <u><u>\$ 14,185,952</u></u> | <u><u>\$ 14,374,613</u></u> |

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

CITY OF URBANA
POLICE PENSION FUND

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Comparative Statement of Changes in Plan Net Assets
For the Years Ended June 30, 2002 and 2001

| ADDITIONS: | <u>2002</u> | <u>2001</u> |
|---|----------------------|----------------------|
| Contributions: | | |
| Employer: | | |
| Property Tax | \$ 1,011,672 | \$ 927,842 |
| Replacement Tax | 41,000 | 41,000 |
| Subtotal, Employer Contributions | <u>1,052,672</u> | <u>968,842</u> |
| Employees | <u>230,508</u> | <u>198,539</u> |
| Subtotal, Contributions | <u>1,283,180</u> | <u>1,167,381</u> |
| Investment Income: | | |
| Net Appreciation (Depreciation) in Fair Value of Investments | (979,971) | (984,471) |
| Dividends | 85,462 | 51,603 |
| Interest | <u>476,863</u> | <u>532,783</u> |
| Subtotal, Investment Income | (417,646) | (400,085) |
| Less Investment Expense | <u>(92,435)</u> | <u>(107,309)</u> |
| Net Investment Income | <u>(510,081)</u> | <u>(507,394)</u> |
| Total Additions | <u>773,099</u> | <u>659,987</u> |
| DEDUCTIONS: | | |
| Disability Benefits | 261,359 | 264,496 |
| Dependent Benefits | 154,435 | 150,075 |
| Service Retirement Benefits | 518,481 | 465,671 |
| Refunds to Resigning Members | 67,316 | 47,824 |
| Administrative Costs | <u>27,899</u> | <u>10,544</u> |
| Total Deductions | <u>1,029,490</u> | <u>938,610</u> |
| NET INCREASE | (256,391) | (278,623) |
| NET ASSETS HELD IN TRUST FOR PENSION BENEFITS: | | |
| Beginning of Year | <u>14,355,297</u> | <u>14,633,920</u> |
| End of Year | <u>\$ 14,098,906</u> | <u>\$ 14,355,297</u> |

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, 2002 and 2001**

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 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 fiduciary fund, according to the criteria specified in governmental accounting standards.

Investments are reported at fair value. Fair values for U.S. government securities, common stocks and money funds are based upon latest quoted prices. Investment transactions are reported as of the trade date. Interest income is recognized as earned. Realized gains and losses on sales and exchanges of securities and unrealized gains and losses are reported as net appreciation (depreciation) in the fair value of investments.

The fund considers all liquid investments with maturity of three months or less when purchased to be cash equivalents. At June 30, 2002 and 2001, there were no investments considered to be cash equivalents.

Property taxes are recognized for the year levied. The 2001 levy is reported in fiscal year 2002 and the 2000 levy in fiscal year 2001. 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 additions and deductions from plan net assets during the reporting period. Actual results could differ from those estimates.

Note 2 - Pension Disclosure Information:

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-

CITY OF URBANA, ILLINOIS
POLICE PENSION FUND

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Notes to Financial Statements
June 30, 2002 and 2001

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. At June 30, 2002 and 2001, the pension fund membership consisted of:

| | <u>2002</u> | <u>2001</u> |
|--|-------------|-------------|
| Retirees and beneficiaries currently receiving benefits | 37 | 37 |
| Terminated plan members entitled to but not yet receiving benefits | 1 | 1 |
| Active vested plan members | 18 | 20 |
| Active non vested plan members | <u>30</u> | <u>28</u> |
| Total | <u>87</u> | <u>86</u> |
| Number of participating employers | 1 | 1 |

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 2.5% of such salary for each additional year of service over 20 years up 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, 1999, shall be increased annually, following the first anniversary date of retirement, and be paid upon reaching the age of at least 55 years, by 1/12 of 3% of the original pension times the number of months the employee has been retired since age 50 (up to a maximum of 15%), and 3% annually thereafter of the pension payable at the time of the increase.

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

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**Notes to Financial Statements
June 30, 2002 and 2001**

Covered employees are required to contribute 9.91% 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 2033, the City's contributions must accumulate to the point where the past service cost for the Plan is fully funded.

b. Plan Asset Matters:

Investments in U.S. Government and U.S. Government guaranteed obligations are the only investments that are greater than 5% of net assets, totaling 51% of net assets.

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

c. Funding Policy and Annual Pension Cost:

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 accrued liability and is a component of the funding method used to determine contributions to the system.

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 percent amount method to amortize the unfunded liability over a 34-year period. The significant actuarial assumptions used to compute the actuarially determined contribution

CITY OF URBANA, ILLINOIS
POLICE PENSION FUND

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Notes to Financial Statements
June 30, 2002 and 2001

requirements are the same as those used to compute the pension benefit obligation:

| | |
|---|------------------------------------|
| Latest Actuarial Valuation Date | June 30, 2001 |
| Asset Valuation Method | 5 Year Average Market 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 |
| Post retirement benefit increases | 3.0% interest 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 |

| | |
|---|------------------|
| Annual Required Contribution | \$1,012,133 |
| Interest on Net Pension Obligation | 0 |
| Adjustment to Annual Required Contribution | <u>0</u> |
| Annual Pension Cost | 1,012,133 |
| Contributions Made | <u>1,052,672</u> |
| Increase (decrease) in Net Pension Obligation | (40,539) |
| Net Pension Obligation Beginning of Year | <u>(79,408)</u> |
| Net Pension Obligation End of Year | \$ (119,947) |

There were no changes in any actuarial assumptions that would significantly effect the pension benefit obligation or the required contribution.

Note 3 - Deposits and Investments:

The pension fund is authorized by State Statutes and fund policy 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

CITY OF URBANA, ILLINOIS
POLICE PENSION FUND

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Notes to Financial Statements
June 30, 2002 and 2001

accounts of approved life insurance companies (up to a maximum of 10% of the fund's net present assets), money market mutual funds which are backed by U.S. government securities and agencies, and common stocks (up to a maximum of 45% net present assets).

The fund's deposits and investments are categorized below to give an indication of the level of risk assumed at June 30, 2002.

Category 1 - includes amount that are insured and for which the fund or its agent in the fund's name holds the securities. 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 member's vested beneficial interest up to a maximum of \$100,000 per member.

| | Risk Category | Amortized Cost | Fair Value |
|----------------------------------|------------------|---------------------|---------------------|
| Checking and Savings Accounts | 1 | \$ 734,365 | \$ 734,365 |
| U.S. Government and Its Agencies | 1 | <u>7,207,058</u> | <u>7,348,488</u> |
| Subtotal, Category | 1 | 7,941,423 | 8,082,853 |
| Money Market Accounts | - | 460,610 | 460,610 |
| Common Stocks | - | <u>5,921,043</u> | <u>5,013,837</u> |
| Total | | <u>\$14,323,076</u> | <u>\$13,557,300</u> |

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

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

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

**Required Supplementary Information
Schedule of Funding Progress**

June 30, 2002

| Actuarial Valuation Date | Actuarial Value of Assets | Actuarial Liability Entry Age Normal Cost | Unfunded (Overfunded) Actuarial Accrued Liability | Funded Ratio | Covered Payroll | Unfunded (Overfunded) Actuarial Accrued Liability as a % of Covered Payroll |
|--------------------------|---|---|---|--------------|-----------------|---|
| June 30, 1996 | | | | | | |
| | Information before June 30, 1997 is not available. | | | | | |
| June 30, 1997 | \$10,833,086 | \$17,493,882 | \$6,660,796 | 61.9% | \$1,761,550 | 378.1% |
| June 30, 1998 | \$11,445,123 | \$17,708,970 | \$6,263,847 | 64.6% | \$1,869,403 | 335.1% |
| June 30, 1999 | \$12,489,176 | \$19,014,902 | \$6,525,726 | 65.7% | \$2,004,454 | 325.6% |
| June 30, 2000 | \$13,582,546 | \$19,769,233 | \$6,186,687 | 68.7% | \$2,005,269 | 308.5% |
| June 30, 2001 | \$14,491,027 | \$21,196,511 | \$6,705,484 | 68.4% | \$2,319,005 | 289.2% |

CITY OF URBANA, ILLINOIS
POLICE PENSION FUND

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Required Supplementary Information
Schedule of Employer Contributions

June 30, 2002

| Fiscal Year | Annual Required Contribution | Contributions Made | Percentage Contributed |
|-------------|--|--------------------|------------------------|
| 1996 | Information before 1997 is not available. | | |
| 1997 | \$621,024 | \$677,649 | 109.1% |
| 1998 | \$894,326 | \$872,320 | 97.5% |
| 1999 | \$876,966 | \$865,130 | 98.7% |
| 2000 | \$954,569 | \$953,431 | 99.9% |
| 2001 | \$911,079 | \$968,842 | 106.3% |
| 2002 | \$1,012,133 | \$1,052,672 | 104.0% |