

ALSIP POLICE PENSION FUND
Valuation Balance Sheet

**Showing Assets and Liabilities of the Fund in
 Accordance with Actuarial Reserve Requirements
 as of April 30, 2006**

Net Present Assets		\$14,030,355
Deferred Assets (Unfunded Accrued Liability)		\$18,648,481
Total Assets		\$32,678,836

Liabilities

Reserves for Annuities and Benefits in Force

Present Value of:

Retirement Annuities	25	Individuals	\$21,990,015
Disability Annuities	1	Individuals	476,704
Surviving Spouse Annuities	1	Individuals	108,048
Minor Dependent Annuities	0	Individuals	0
Deferred Retirement Annuities	0	Individuals	0
Handicapped Dependent Annuities	0	Individuals	0
Dependent Parent Annuities	0	Individuals	0
Total:	27	Individuals	\$22,574,767

Accrued Liabilities for Active Members	39	Individuals		\$10,104,069
Surplus				\$0
Total Liabilities and Surplus				\$32,678,836

This report is provided to you as part of the Public Pension Division advisory services under Section 1A-106 of the Illinois Pension Code.

Scott J. Brandt
 Statistical Services, Public Pension Division
 Illinois Department of Insurance

ALSIP POLICE PENSION FUND Actuarially Determined Tax Levy

Actuarially determined amount to provide the employer normal cost based on the annual payroll of active participants as of Sunday, April 30, 2006. \$356,029

Percent of employer normal cost to total annual salaries of \$2,483,080 is 14.338%.

Percent of total normal cost to total annual salaries of \$2,483,080 is 24.248%.

Amount necessary to amortize the unfunded accrued liability of \$18,648,481 as determined by the State of Illinois Department of Insurance over the remaining 27.1699 years as contemplated by Section 3-127 of the Illinois Pension Code. \$832,287

Credit for surplus. \$0

Total suggested amount of Tax Levy to arrive at the annual requirements of the fund as contemplated by Section 3-125 of the Illinois Pension Code. *\$1,188,316

*The above figure is the suggested amount which should be obtained by the fund from the municipality exclusive of any other items of income, such as interest on investments, contributions from participants, etc. These items have already been taken into consideration in arriving at this amount.

Actuarial Information

Funding method used	Entry age normal cost
Amortization method used	Level percentage of payroll in accordance with Section 3-127 of the Illinois Pension Code
Interest rate assumption	7.0%
Mortality rate assumption	1971 group annuity
Decrement assumption other than mortality	Experience tables
Salary progression assumption	5.5%
Status of Social Security in assumption	None

The attained age at time of disability or retirement, gender, annual salary or pension, and completed years of service of each individual participant as of the date of the Valuation Balance Sheet are used in calculating the liabilities of the fund. The actuarial assumptions used in determining the above amounts are based on all of the Article 3 funds in the State of Illinois in aggregate, not on each fund individually. The fund specific information used in the production of this document was provided to the Illinois Department of Insurance by your pension fund board of trustees through the fund's annual statement filing.