Firemen's Annuity and Benefit Fund of Chicago
(A Fiduciary Fund of the City of Chicago, Illinois)

Financial Statements

December 31, 2025

Firemen's Annuity and Benefit Fund of Chicago

Financial Statements with Supplementary Information

December 31, 2025 and 2024

Contents

	Page
Report of Independent Auditors	1
Management's Discussion and Analysis (Unaudited)	4 - 4e
Basic Financial Statements	
Combining Statements of Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position	5
Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position	6
Notes to Financial Statements	8
Required Supplementary Information - Pension	
Schedule of Changes in the City's Net Pension Liability and Related Ratios	31
Schedule of City Contributions and Related Notes	32
Schedule of Investment Returns	33
Required Supplementary Information - Health Insurance Supplement	
Schedule of Changes in the City's Net Health Insurance Supplement Liability and Related Ratios	34
Schedule of City Contributions and Related Notes	35

Firemen's Annuity and Benefit Fund of Chicago

Financial Statements with Supplementary Information

December 31, 2025 and 2024

Contents (continued)

	Page
Supplementary Information	
Schedules of Administrative Expenses	36
Schedules of Investment Expenses	37
Additions by Source	38
Deductions by Type	38

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CERTIFIED PUBLIC ACCOUNTANTS

Report of Independent Auditors

To the Board of Trustees of
Firemen's Annuity and Benefit Fund of Chicago

Opinion

We have audited the accompanying financial statements of Firemen's Annuity and Benefit Fund of Chicago (the Plan), a fiduciary fund of the City of Chicago, Illinois, which comprise the combining statements of pension plan fiduciary net position and health insurance supplement plan net position, and the related combining statements of changes in pension plan fiduciary net position and health insurance supplement plan net position as of and for the years ended December 31, 2025 and 2024, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the plan net position of Firemen's Annuity and Benefit Fund of Chicago as of December 31, 2025 and 2024, and the changes in plan net position for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Plan, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed;
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements; and
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 4e and the required supplementary information on pages 31 through 35 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Required Supplementary Information (continued)

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Plan's basic financial statements. The accompanying supplementary information on pages 36 through 38 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Matters

Previously Audited Information

The Plan's financial statements as of and for the year ended December 31, 2020 were audited by other auditors whose report dated June 29, 2021 expressed an unmodified opinion on those financial statements. We have previously audited the basic financial statements for the years ended December 31, 2023, 2022, 2021, 2019, 2018, 2017, and 2016 (which are not presented herein), and we expressed unmodified opinions on those financial statements. In our opinion, the information on page 38 is fairly stated in all material respects in relation to the basic financial statements from which it has been derived.

Legacy Professionals LLP

Westchester, Illinois

June 16, 2026

Firemen's Annuity and Benefit Fund of Chicago

Management's Discussion and Analysis (Unaudited)

December 31, 2025 and 2024

This section presents Management's Discussion and Analysis of the financial position and performance of the Firemen's Annuity and Benefit Fund of Chicago (the Plan) as of and for the year ended December 31, 2025 and 2024. This discussion is presented as an overview of the financial activities of the Plan and should be read in conjunction with the Plan's financial statements.

Overview of the Basic Financial Statements

The following discussion and analysis is intended to serve as an introduction to the Plan's basic financial statements. The financial statements are prepared on an economic sources focus and accrual basis of accounting in accordance with Governmental Accounting Standards Board (GASB) pronouncements. The basic components of the financial package are described below:

Combining Statements of Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position provide a snapshot of account balances and net position held in trust for future benefit payments and any liabilities as of the Plan's year end. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Plan is improving or deteriorating.

Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position show the revenues (additions) and expenses (deductions) during the year, where additions less deductions equal net increase (decrease) in net position. The net increase (decrease) in net position reports the change in net position as reported in the Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position of the prior year and the current year.

Notes to the Financial Statements provides additional information that is essential to achieving a better understanding of the data provided in the basic financial statements.

Required Supplementary Information provides schedules and related notes concerning actuarial information, funding progress, employer contributions, and investment returns.

Supplementary Information includes schedules of administrative expenses, investment expenses, additions by source, and deductions by type.

Financial Highlights

Plan Net Position

The condensed Combining Statements of Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position reflect the resources available to pay benefits to members. A summary of the Combining Statements of Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position is as follows:

Plan Net Position
As of December 31,

	2025	2024	2023	Current Year Increase/(Decrease) in Dollars	Percent
Assets:					
Receivables	$ 458,000,194	$ 467,413,981	$ 441,320,788	$ (9,413,787)	-2.0 %
Prepaid expenses	223,352	221,195	236,600	2,157	1.0 %
Investments, at fair value	1,575,882,570	1,321,858,903	1,147,799,192	254,023,667	19.2 %
Collateral held for securities on loan	105,440,897	84,635,318	56,827,894	20,805,579	24.6 %
Total assets	2,139,547,013	1,874,129,397	1,646,184,474	265,417,616	14.2 %
Liabilities:					
Payables	6,862,024	15,255,461	6,884,596	(8,393,437)	-55.0 %
Securities lending collateral	105,440,897	84,635,318	56,827,894	20,805,579	24.6 %
Total liabilities	112,302,921	99,890,779	63,712,490	12,412,142	12.4 %
Plan net position	$ 2,027,244,092	$ 1,774,238,618	$ 1,582,471,984	$ 253,005,474	14.3 %

Plan net position increased by $253,005,474 or 14.3% from $1,774,238,618 at December 31, 2024 to $2,027,244,092 at December 31, 2025. Comparatively, plan net position increased by $191,766,634 or 12.1% from $1,582,471,984 at December 31, 2023 to $1,774,238,618 at December 31, 2024.

The increase in plan net position for the years ended December 31, 2025 and 2024 was primarily due to strong investment returns, actuarial statutory required funding along with supplemental employer contributions from the City.

Changes in Plan Net Position

The Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position reflects the changes in the resources available to pay benefits to members. A summary of the Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position is as follows:

Changes in Plan Net Position
For the Years Ended December 31,

	2025	2024	2023	Current Year Increase/(Decrease) in Dollars	Percent
Additions:					
Employer contributions	$ 461,046,254	$ 472,889,101	$ 467,821,000	$ (11,842,847)	-2.5 %
Plan member contributions	54,479,656	53,203,307	52,456,647	1,276,349	2.4 %
Net investment income	194,176,107	104,652,935	129,106,300	89,523,172	85.5 %
Net securities lending income	295,625	239,220	293,184	56,405	23.6 %
Other	3,925	470,536	131,504	(466,611)	-99.2 %
Total additions	710,001,567	631,455,099	649,808,635	78,546,468	12.4 %
Deductions:					
Benefits	448,598,205	431,475,850	416,179,406	17,122,355	4.0 %
Administrative expenses	3,916,910	3,932,477	3,583,521	(15,567)	-0.4 %
Annuitant healthcare subsidy	778,623	767,336	723,080	11,287	1.5 %
Refunds of contributions	3,702,355	3,512,802	4,546,472	189,553	5.4 %
Total deductions	456,996,093	439,688,465	425,032,479	17,307,628	3.9 %
Net increase in plan net position	$ 253,005,474	$ 191,766,634	$ 224,776,156	$ 61,238,840	31.9 %

Additions to Plan Net Position

Total additions were $710,001,567 in 2025, $631,455,099 in 2024 and $649,808,635 in 2023. Employer contributions decreased by $(11,842,847) or -2.5% from $472,889,101 for the year ended December 31, 2024 to $461,046,254 for the year ended December 31, 2025. Comparatively, employer contributions increased by $5,068,101 or 1.1% from $467,821,000 for the year ended December 31, 2023 to $472,889,101 for the year ended December 31, 2024. The decrease in employer contributions for 2025 was due to a decrease in supplemental contributions from the City of $28,274,000 in 2024 to $15,640,948 in 2025. The increase in employer contributions for 2024 was due to funding requirements under the Illinois Compiled Statutes where the City is required to make level percent of pay contributions for plan years 2020 through 2055 that, along with member contributions and investment earnings, are expected to generate a projected funded ratio of 90% by the end of the 2055 plan year. Further, the City paid supplemental employer contributions of $28,274,000 and $38,720,000 during the years ended December 31, 2024 and 2023, respectively, from the Pension Advance Fund established on May 12, 2023 by executive order. Supplemental contributions from the City are projected to be received though 2026.

Additions to Plan Net Position (continued)

Plan member contributions increased by $1,276,349 or 2.4% from $53,203,307 for the year ended December 31, 2024 to $54,479,656 for the year ended December 31, 2025. Comparatively, plan member contributions increased by $746,660 or 1.4% from $52,456,647 for the year ended December 31, 2023 to $53,203,307 for the year ended December 31, 2024. Plan member contributions remained relatively flat for the years ended December 31, 2025 and 2024 as there were no significant changes in the contribution rate, the number of active participants, or average pensionable salary. Active participants were 4,674, 4,775 and 4,712 as of December 31, 2025, 2024 and 2023, respectively.

Net investment income increased by $89,523,172 or 85.5% from net investment income of $104,652,935 for the year ended December 31, 2024 to net investment income of $194,176,107 for the year ended December 31, 2025. Comparatively, net investment income decreased by $24,453,365 or -18.9% from net investment income of $129,106,300 for the year ended December 31, 2023 to net investment income of $104,652,935 for the year ended December 31, 2024. Investment earnings fluctuate primarily from the overall performance of the financial markets from year to year.

The Plan's realized return on investments for the year ended December 31, 2025 was 14.3% versus 9.2% for the year ended December 31, 2024 and 14.5% for the year ended December 31, 2023.

Portfolio Rate of Return
For the Years Ended December 31,

	2025	2024	2023
Domestic Equities	14.3%	18.8%	20.9%
Benchmark	17.2%	23.8%	26.0%
International Equities	27.5%	5.3%	23.4%
Benchmark	32.0%	5.2%	15.6%
Fixed income	8.3%	2.8%	6.7%
Benchmark	7.3%	1.3%	5.5%
Total Plan (Gross of Fees)	14.3%	9.2%	14.5%

Deductions to Plan Net Position

Total deductions were $456,996,093 in 2025, $439,688,465 in 2024 and $425,032,479 in 2023.

Benefits increased by $17,122,355 or 4.0% from $431,475,850 for the year ended December 31, 2024 to $448,598,205 for the year ended December 31, 2025. Comparatively, benefits increased by $15,296,444 or 3.7% from $416,179,406 for the year ended December 31, 2023 to $431,475,850 for the year ended December 31, 2024. In recent times, benefits have increased yearly due to several factors; active member contractual cost of living increases, an increase in the number of members in pay status and annual increases in annuitant payroll resulting from legislative requirements and changes.

Administrative expenses and refunds of contributions have all remained at relatively constant amounts over the last three years.

Actuarial Information

Pension Benefits

Under GASB Statement No. 67, *Financial Reporting for Pension Plans*, the Plan's funding for pension benefits is as follows:

Funding for Pension Benefits
For the Years Ended December 31,

	2025	2024	2023
Total pension liability	$ 8,029,795,014	$ 7,487,555,410	$ 7,318,750,192
Plan fiduciary net position	2,027,244,092	1,774,238,618	1,582,471,984
City's net pension liability	$ 6,002,550,922	$ 5,713,316,792	$ 5,736,278,208
Plan fiduciary net position as a percentage of the total pension liability	25.25%	23.70%	21.62%

Actuarial Information (continued)

Postemployment Healthcare Benefits

Under GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, the Plan's funding for postemployment healthcare benefits is as follows:

Funding for Postemployment Healthcare Benefits
For the Years Ended December 31,

	2025	2024	2023
Total health insurance supplement liability	$ 7,604,484	$ 8,140,391	$ 8,992,151
Plan fiduciary net position	-	-	-
City's health insurance supplement	$ 7,604,484	$ 8,140,391	$ 8,992,151
Plan fiduciary net position as a percentage of the total health insurance supplement	0.00%	0.00%	0.00%

Contributions for postemployment healthcare benefits are made on a "pay-as-you-go" basis, resulting in a 0.00% funded ratio.

Contact Information

This financial report is designed to provide plan participants, retirees, beneficiaries, the employer and all other interested users with a complete, detailed, easy to understand financial portrait of the Plan at December 31, 2025. Comments, questions or concerns regarding this report or requests for additional information should be addressed to:

Kelly Weller, Executive Director
Firemen's Annuity and Benefit Fund of Chicago
20 S. Clark Street, Suite 1400
Chicago, IL 60603

Firemen's Annuity and Benefit Fund of Chicago

Combining Statements of Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Positior

December 31, 2025 and 2024

	2025			2024		
	Total	Pension	Health Insurance Supplement	Total	Pension	Health Insurance Supplement
Assets						
Receivables						
Employer contributions - net	$ 445,490,445	$ 445,490,445	$ -	$ 446,148,174	$ 446,148,174	$ -
Investment income	5,272,770	5,272,770	-	5,367,671	5,367,671	-
Other	2,918,375	2,918,375	-	2,459,334	2,459,334	-
Securities lending	45,417	45,417	-	32,978	32,978	-
Unsettled trades	4,273,187	4,273,187	-	13,405,824	13,405,824	-
Total receivables	458,000,194	458,000,194	-	467,413,981	467,413,981	-
Prepaid expenses	223,352	223,352	-	221,195	221,195	-
Investments						
Cash deposits and short-term investments	78,376,552	78,376,552	-	66,898,214	66,898,214	-
Corporate bonds	111,163,772	111,163,772	-	132,869,717	132,869,717	-
Equities	926,399,909	926,399,909	-	763,117,214	763,117,214	-
Pooled funds	171,902,129	171,902,129	-	39,296,394	39,296,394	-
Limited partnerships	195,243,124	195,243,124	-	168,892,643	168,892,643	-
U.S. and Foreign Government obligations	92,797,084	92,797,084	-	150,784,721	150,784,721	-
Total investments	1,575,882,570	1,575,882,570	-	1,321,858,903	1,321,858,903	-
Collateral held for securities on loan	105,440,897	105,440,897	-	84,635,318	84,635,318	-
Total assets	2,139,547,013	2,139,547,013	-	1,874,129,397	1,874,129,397	-
Liabilities						
Accounts payable and accrued expenses	2,090,978	2,090,978	-	1,530,225	1,530,225	-
Participant accounts	484,016	484,016	-	326,843	326,843	-
Securities lending collateral	105,440,897	105,440,897	-	84,635,318	84,635,318	-
Securities lending	11,339	11,339	-	8,231	8,231	-
Unsettled trades	4,275,691	4,275,691	-	13,390,162	13,390,162	-
Total liabilities	112,302,921	112,302,921	-	99,890,779	99,890,779	-
Net position						
Net position restricted for pensions	2,027,244,092	2,027,244,092	-	1,774,238,618	1,774,238,618	-
Net position held in trust for health insurance supplement benefits	-	-	-	-	-	-
	$ 2,027,244,092	$ 2,027,244,092	$ -	$ 1,774,238,618	$ 1,774,238,618	$ -

See accompanying notes to financial statements.

Firemen's Annuity and Benefit Fund of Chicago

Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position

Years Ended December 31, 2025 and 2024

	2025			2024		
	Total	Pension	Health Insurance Supplement	Total	Pension	Health Insurance Supplement
Additions						
Contributions						
Employer contributions						
Statutory	$ 443,739,205	$ 442,960,582	$ 778,623	$ 442,949,000	$ 442,181,664	$ 767,336
Supplemental	15,640,948	15,640,948	-	28,274,000	28,274,000	-
Exempt rank funding	1,666,101	1,666,101	-	1,666,101	1,666,101	-
Total employer contributions	461,046,254	460,267,631	778,623	472,889,101	472,121,765	767,336
Plan member						
Annuities	54,336,667	54,336,667	-	53,060,769	53,060,769	-
Death benefits	142,989	142,989	-	142,538	142,538	-
Total plan member contributions	54,479,656	54,479,656	-	53,203,307	53,203,307	-
Investment income						
Net appreciation in fair value of investments	165,573,837	165,573,837	-	76,119,118	76,119,118	-
Interest	24,063,431	24,063,431	-	24,880,312	24,880,312	-
Dividends	17,761,952	17,761,952	-	14,572,113	14,572,113	-
	207,399,220	207,399,220	-	115,571,543	115,571,543	-
Less investment expenses	(13,223,113)	(13,223,113)	-	(10,918,608)	(10,918,608)	-
Net investment income	194,176,107	194,176,107	-	104,652,935	104,652,935	-
Securities lending income						
Income	4,548,817	4,548,817	-	4,369,515	4,369,515	-
Borrower rebates	(4,154,861)	(4,154,861)	-	(4,050,766)	(4,050,766)	-
Management fees	(98,331)	(98,331)	-	(79,529)	(79,529)	-
Net securities lending income	295,625	295,625	-	239,220	239,220	-
Gift Fund donations	2,130	2,130	-	2,580	2,580	-
Miscellaneous income	1,465	1,465	-	2,553	2,553	-
Tax levy interest	330	330	-	465,403	465,403	-
Total additions	710,001,567	709,222,944	778,623	631,455,099	630,687,763	767,336

See accompanying notes to financial statements.

Firemen's Annuity and Benefit Fund of Chicago

Combining Statements of Changes in Pension Plan Fiduciary Net Position and Health Insurance Supplement Plan Net Position

Years Ended December 31, 2025 and 2024

	2025			2024		
	Total	Pension	Health Insurance Supplement	Total	Pension	Health Insurance Supplement
Deductions						
Benefits						
Age and service benefits						
Employees	$ 377,534,947	$ 377,534,947	$ -	$ 362,212,096	$ 362,212,096	$ -
Spouses	43,891,690	43,891,690	-	43,152,723	43,152,723	-
Dependents	1,066,107	1,066,107	-	1,036,303	1,036,303	-
Total age and service benefits	422,492,744	422,492,744	-	406,401,122	406,401,122	-
Disability benefits						
Duty	18,192,002	18,192,002	-	17,439,178	17,439,178	-
Occupational	6,590,781	6,590,781	-	6,220,356	6,220,356	-
Ordinary	236,678	236,678	-	547,567	547,567	-
Total disability benefits	25,019,461	25,019,461	-	24,207,101	24,207,101	-
Gift Fund payments	350,000	350,000	-	148,477	148,477	-
Death benefits	736,000	736,000	-	719,150	719,150	-
Total benefits	448,598,205	448,598,205	-	431,475,850	431,475,850	-
Administrative expenses	3,916,910	3,916,910	-	3,932,477	3,932,477	-
Annuitant healthcare subsidy	778,623	-	778,623	767,336	-	767,336
Refunds of contributions	3,702,355	3,702,355	-	3,512,802	3,512,802	-
Total deductions	456,996,093	456,217,470	778,623	439,688,465	438,921,129	767,336
Net increase	253,005,474	253,005,474	-	191,766,634	191,766,634	-
Net position						
Beginning of year	1,774,238,618	1,774,238,618	-	1,582,471,984	1,582,471,984	-
End of year	$ 2,027,244,092	$ 2,027,244,092	$ -	$ 1,774,238,618	$ 1,774,238,618	$ -

See accompanying notes to financial statements.

Firemen's Annuity and Benefit Fund of Chicago

Notes to Financial Statements

December 31, 2025 and 2024

Note 1. Summary of Significant Accounting Policies

Financial Reporting Entity - Accounting principles generally accepted in the United States of America define a financial reporting entity as consisting of the primary government and its component units for which the primary government is financially accountable. Financial accountability includes appointing a voting majority of a component unit's governing board, the ability of a primary government to impose its will on the component unit, or a potential for a component unit to provide specific financial benefits to or impose specific financial burdens on the primary government. Firemen's Annuity and Benefit Fund of Chicago (the Plan) has determined that no other outside entity meets the above criteria and, therefore, no other entity has been included as a component unit in the Plan's financial statements.

Based on the above criteria, the Plan is considered to be a fiduciary fund of the City of Chicago, Illinois (the City) and is included in the City's financial statements.

Method of Accounting - The financial statements are presented using the accrual basis of accounting. Employer contributions are recognized as income pursuant to legal requirements as specified by the Illinois Compiled Statutes (the Statutes). Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Investments - Investments are reported at fair value, which generally represents reported market value as of the last business day of the year. Where less than an entire investment holding is sold, average value is used to determine realized gain or loss.

Capital Assets - The Plan has set a capitalization threshold of $100,000 for all capital asset types. As of December 31, 2025 and 2024, the Plan does not have any capital assets.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Subsequent Events - Subsequent events have been evaluated through June 16, 2026, which is the date the financial statements were available to be issued.

Note 2. Plan Description

The Plan was established in 1931 and is governed by legislation contained in the Statutes, particularly 40 ILCS, Act 5, Article 6 (the Article), which specifically and exclusively refers to the Plan. The Plan can be amended only by the Illinois Legislature. The Plan is a single-employer defined benefit pension plan with a defined contribution minimum. The Plan was established for the purpose of providing retirement and disability benefits for employees of the City of Chicago employed under the provisions of the Municipal Personnel Ordinance as fire service and for the dependents of such employees.

The Statutes authorize a Board of Trustees (the Board) of eight members to carry out the provisions of the Article. According to the Article, four members of the Board are ex officio and four are elected by the employee members of the Plan. The four ex officio members are the City Treasurer, the City Clerk, the City Comptroller and the Deputy Fire Commissioner. All members of the Board of Trustees are fiduciaries with respect to the Plan and are statutorily mandated to discharge their duties, as such, solely in the interest of the Plan's participants and beneficiaries.

The Board has the powers and duties required in the Article to collect all contributions due to the Plan, to invest the Plan's reserves, to have an annual audit, to appoint employees, to authorize or suspend payment of any benefit and to have exclusive original jurisdiction in all matters relating to or affecting the Plan. The Board approves its own budget prepared by the Plan's administrative staff. The Board is required annually to submit to the City Council of the City of Chicago a detailed report of the financial affairs and status of the reserves of the Plan. Provisions in other articles of 40 ILCS require the Board to submit its annual audit and actuarial valuation reports to the State of Illinois Department of Insurance, as well as another detailed annual report, the form and content of which are specified by the Department of Insurance.

The Plan provides retirement benefits, as well as, death and disability benefits. Tier 1 employees who reach compulsory retirement age of 63, and members not subject to compulsory retirement who attain age 63, with at least 10 years of service and less than 20 years of service are entitled to receive an annuity of 30% of average salary for the first ten years of service plus an additional 2% for each year in excess of 10 years with partial City contributions to a maximum of 50%.

At age 50 or more with 10 or more but less than 20 years of service, a Tier 1 employee is entitled to an annuity of the entire sum accumulated for age and service annuity from deductions from salary, plus 1/10 of the sum accumulated from contributions by the City for each completed year of service after the first 10 years. Tier 1 benefits are for participants who first become a fireman or paramedic under this Article prior to January 1, 2011.

Note 2. Plan Description (continued)

Tier 2 employees who have attained age 50 with at least 10 years of service are entitled to receive a tier 2 monthly annuity upon application. The tier 2 monthly annuity is equal to 2.5 of final average salary for each completed year of service, subject to an annuity reduction factor of ½ of 1% for each month that the fireman's age at retirement is under age 55. For tier 2 employees, the final average salary is the greater of (1) the average monthly salary obtained by dividing the total salary during the 96 consecutive months of service within the last 120 months of service or (2) the average monthly salary obtained by dividing the total salary during the 48 consecutive months of service within the last 60 months of service. An annual salary maximum for the purpose of determining benefits is calculated each calendar year with an initial base annual salary of $106,800 established in 2011 and annually increased at the lesser of 3% or 50% of the annual unadjusted percentage increase, but not less than zero, in the Consumer Price Index (CPI-U). Effective July 1, 2025, the annual salary was set at $141,408 to be increased annually by the lesser of 3% or the annual unadjusted percentage increase, but not less than zero, in the CPI-U. This annuity shall not exceed 75% of final average salary.

Tier 1 employees with at least 20 years of service are entitled to receive a minimum formula annuity upon attainment of age 50, of 50% of final average salary plus an additional amount equal to 2.5% of final average salary for each year of service or fraction thereof in excess of 20 years of service. For Tier 1 employees, final average salary is based on the highest average annual salary for any four consecutive years within the last ten years of service immediately preceding the date of retirement. This annuity shall not exceed 75% of the final average salary.

For Tier 1 employees, the monthly annuity is increased by 3% of the original annuity (simple). The increase begins the later of 1) the 1st of the month following the first anniversary of the date of retirement or 2) the 1st of the month after attainment of age 55 and each January 1st thereafter for life. For Tier 2 employees, the monthly annuity is increased by the lesser of 3% or ½ of the annual unadjusted percentage increase in the Consumer Price Index-U. The increase begins in January of the year of the first payment date following the later of the attainment of age 60 or the first anniversary of the annuity start date.

Participants should refer to the applicable State Statutes for more complete information.

Note 2. Plan Description (continued)

Any employee of the City employed under the provisions of the Municipal Personnel Ordinance as fire service is covered by the Plan. At December 31, 2025 and 2024, participation in the Plan consisted of the following:

	2025	2024
Retirees and beneficiaries currently receiving benefits	5,557	5,460
Terminated plan participants entitled to but not yet receiving benefits	176	159
Active plan participants	4,674	4,775
Total participants	10,407	10,394

Note 3. Employer's Pension Liability

Net Pension Liability

The components of the City's net pension liability of the Plan for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Total pension liability	$ 8,029,795,014	$ 7,487,555,410
Plan fiduciary net position	2,027,244,092	1,774,238,618
City's net pension liability	$ 6,002,550,922	$ 5,713,316,792
Plan fiduciary net position as a percentage of the total pension liability	25.25%	23.70%

See the schedule of changes in the City's net pension liability and related ratios in the required supplementary information for additional information related to the funded status of the Plan.

The actuarial assumptions used in the December 31, 2025 and 2024 valuations were based on the results of an actuarial experience study conducted for the period of January 1, 2017 through December 31, 2021, and were adopted and became effective December 31, 2022.

Note 3. Employer's Pension Liability (continued)

Net Pension Liability (continued)

The net pension liabilities were determined by actuarial valuations performed as of December 31, 2025 and 2024 using the following actuarial methods and assumptions:

Actuarial valuation date	December 31, 2025 and 2024
Actuarial cost method	Entry-Age Normal
Asset valuation method	5 year smoothed fair value
Actuarial assumptions:	
Inflation	2.50% per year
Salary increases	3.50% to 25.00% per year, varying by years of service
Investment rate of return	6.75% per year, net of investment expense
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition last updated pursuant to an experience study of the period of January 2017 through December 31, 2021.
Post-retirement mortality	PubS-2010 Retiree Amount-weighted Mortality Table, using 119% of rates for males and 100% of rates for females, projected generationally using scale MP-2021.
Disabled mortality	PubS-2010 Disabled Retiree Amount-weighted Mortality Table projected generationally using scale MP-2021.
Beneficiary mortality	Pub-2010 Contingent Survivor Amount-weighted Mortality Table, using 100% of rates for males and 113% rates for females, projected generationally using scale MP-2021.
Pre-retirement mortality	PubS-2010 Employee Amount-weighted Mortality Table, projected generationally using scale MP-2021.
Postretirement annuity increases	Tier 1 participants - 3.0% simple interest. Tier 2 participants - the lesser of 3.0% or one half of the increase in the Consumer Price Index.

Note 3. Employer's Pension Liability (continued)

Discount Rate

A discount rate of 6.75% was used to measure the total pension liability at December 31, 2025. The discount rate was based on an expected rate of return on Plan investments of 6.75% and a municipal bond rate of 4.83%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made according to the contribution rate applicable for each member's tier and that employer contributions will be made as specified by Public Act 99-0506. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions and contributions from future plan members that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members throughout the projection period. Therefore, the long-term expected rate of return on Plan investments of 6.75% was applied to projected benefits for all periods. The municipal bond rate as of December 31, 2025 was based on the Bond Buyer 20-Bond Index of general obligation municipal bonds.

A discount rate of 6.75% was used to measure the total pension liability at December 31, 2024. The discount rate was based on an expected rate of return on Plan investments of 6.75% and a municipal bond rate of 4.08%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made according to the contribution rate applicable for each member's tier and that employer contributions will be made as specified by Public Act 99-0506. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Projected employer contributions and contributions from future plan members that are intended to fund the service costs of future plan members and their beneficiaries are not included. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members throughout the projection period. Therefore, the long-term expected rate of return on Plan investments of 6.75% was applied to projected benefits for all periods. The municipal bond rate as of December 31, 2024 was based on the Bond Buyer 20-Bond Index of general obligation municipal bonds.

Note 3. Employer's Pension Liability (continued)

Discount Rate Sensitivity

The following is an analysis of the net pension liability's sensitivity to changes in the discount rate at December 31, 2025 and 2024. The following table presents the net pension liability of the City using the blended discount rate as well as the City's net pension liability calculated using a discount rate 1 percent lower and 1 percent higher than the current discount rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
City's Net Pension Liability - December 31, 2025	$ 6,943,419,364	$ 6,002,550,922	$ 5,212,825,139

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
City's Net Pension Liability - December 31, 2024	$ 6,580,981,713	$ 5,713,316,792	$ 4,984,481,642

Note 4. Summary of Employer Funding Policies

Covered employees are required to contribute 9.125% of their salary to the Plan. If an employee leaves covered employment without qualifying for an annuity, accumulated contributions are refunded with statutory interest.

The City, for its employer portion, is required by the Statutes to fund the Plan on an actuarial basis sufficient to produce a funding level of 90% by the year ended December 31, 2055. The City's yearly contribution is equal to no less than (1) the normal cost to the Plan, plus (2) an annual amount sufficient to bring the total assets of the Plan up to 90% of the total actuarial liabilities of the Plan by the end of fiscal year 2055, as annually updated and determined by an enrolled actuary employed by the Illinois Department of Insurance or by an enrolled actuary retained by the Plan or the City.

On May 12, 2023, an executive order was signed authorizing the City to assign $641,500,000 of projected fund balance to a Pension Advance Fund to cover advance pension payments to the City's four pension funds for the years ended December 31, 2023, 2024, 2025 and 2026. In January 2023, the City of Chicago, as a part of its Pension Management Policy, made a supplemental contribution of $38,720,000. In January 2024, the City of Chicago, as a part of its Pension Management Policy, made a supplemental contribution of $28,274,000. In January 2025, the City of Chicago, as a part of its Pension Management Policy, made a supplemental contribution of $15,640,948. In January 2026, the City of Chicago, as part of its Pension Management Policy, made a supplemental contribution of $5,791,572.

Note 5. Reserves for Actuarial Liabilities

The reserves for actuarial liabilities are based on an annual valuation submitted by the Plan's consulting actuary. The annual actuarial valuation establishes the reserves required for various statutory liabilities which arise from pension benefit schedules that are part of the current pension code legislation. The pension code legislation can be amended only by the Illinois Legislature.

The Prior Service Annuity Reserve is a reserve account for the accumulation of City contributions to provide for: a) employee and spouse annuities that are based on service performed before the Plan's effective date of July 1, 1931 and b) any excess in minimum annuity formula requirements over the amounts required for age and service annuities, and for spouse annuities.

The City Contribution Reserve is used to accumulate amounts contributed by the City to provide for annuities based on age and service of each employee and spouse. An individual account is maintained for each employee and spouse until the employee retires, at which time the individual account balances are transferred to the Annuity Payment Reserve.

The Annuity Payment Reserve receives the amounts transferred from the individual accounts in the City Contribution Reserve and the Salary Deduction Reserve when an employee retires and qualifies for an annuity. All age and service annuity payments are charged to this reserve.

The Salary Deduction Reserve is similarly used to accumulate deductions made from employee salaries for age and service annuities for the employee and spouse. Individual accounts are maintained until the employee retires or withdraws from service before qualifying for an annuity. At retirement, account balances are transferred to the Annuity Payment Reserve. If an eligible employee elects to take a refund of contributions instead of an annuity, the contribution refund is charged to this reserve.

The Death Benefit Reserve accumulates contributions from employees and the City for ordinary death benefits. All ordinary death benefits paid are charged to this reserve.

The Ordinary Disability Reserve accumulates contributions from employees and the City for ordinary disability benefits. All ordinary disability benefits paid are charged to this reserve.

The Supplementary Payment Reserve accumulates amounts to provide automatic annual postretirement increases to employee annuitants who retired before September 1, 1959 and amounts in excess of the original annuity grant due to increases in the minimum annuity.

The Gift Reserve accumulates donations to be used to provide an extra benefit to widowed spouse annuitants and orphaned child annuitants.

The Reserve (deficit) represents the difference between the actuarially determined present value of all future pension payments and the value of the Plan's present assets plus the present value of future contributions. A deficit indicates that additional assets will be needed to provide for future benefits, while a surplus indicates that present assets and future contributions exceed the expected requirements for future pension payments.

Note 5. Reserves for Actuarial Liabilities (continued)

Net position restricted for pensions as of December 31, 2025 and 2024 were comprised of the following reserve surplus (deficit) balances:

	2025	2024
Prior Service Annuity Reserve	$ 3,377,145,962	$ 3,228,883,226
City Contribution Reserve	877,020,551	875,667,374
Annuity Payment Reserve	1,685,855,319	1,594,286,040
Salary Deduction Reserve	723,363,823	722,251,312
Death Benefit Reserve (deficit)	(29,496,422)	(28,068,912)
Ordinary Disability Reserve	555,938	529,303
Supplementary Payment Reserve (deficit)	(493,472)	(493,472)
Gift Reserve	28,877,570	24,413,361
Reserve (deficit)	(4,635,585,177)	(4,643,229,614)
Total fiduciary net position for pension benefits	$ 2,027,244,092	$ 1,774,238,618

Note 6. Investments

Investment Policies

The Board of Trustees is responsible for establishing reasonable and consistent investment objectives, policies and guidelines governing the investment of Plan assets in accordance with the Statutes. The Plan is authorized to invest in bonds, notes, certificates of indebtedness, mortgage notes, real estate, stocks, shares, debentures, or other obligations or securities as set forth in the "prudent person" provisions of the Statutes. All of the Plan's financial instruments are consistent with the permissible investments outlined in the Statutes and any index-linked financial instruments are limited to those indices that replicate the permissible investments outlined in the Statutes. During the years ended December 31, 2025 and 2024, there were no significant changes to the investment policies.

Note 6. Investments (continued)

Long-Term Expected Rate of Return

The Plan's investment policies in accordance with the Statutes establish the following target allocation across asset classes:

	2025		2024	
Asset Class	Target Allocation	Long-term Expected Real Rate of Return	Target Allocation	Long-term Expected Real Rate of Return
Equity	57.00%	7.4%	57.00%	7.4%
Fixed income	22.00%	4.9%	22.00%	4.9%
Other investments	21.00%	6.8%	21.00%	6.8%
Total	100.00%		100.00%	

The long-term expected real rate of return on the Plan's investments was determined using an asset allocation study conducted by the Plan's investment management consultant in which best estimate ranges of expected future real rates of return (net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates or arithmetic real rates of return for each major asset class included in the Plan's target asset allocation are listed in the preceding table.

Annual Money-Weighted Rate of Return

The annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 13.77% and 8.47% for the years ended December 31, 2025 and 2024, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. U.S. Government obligations or obligations explicitly guaranteed by the U.S. Government are not considered to have credit risk and do not require disclosure of credit quality. The Plan establishes minimum investment rating guidelines for each investment manager based on their area of concentration and level of allowable risk. The following table presents a summarization at December 31, 2025 and 2024 of the lowest credit quality rating of investments in corporate bonds, foreign government obligations, short-term investments, and fixed income mutual funds as valued by Moody's Investors Service and/or Standard & Poor's, as applicable.

Note 6. Investments (continued)

Credit Risk (continued)

Type of Investment	Rating	2025	2024
Cash deposits and short-term investments	Not Rated	$ 78,376,552	$ 66,898,214
Corporate bonds	Aaa/AAA	$ 7,182,558	$ 11,078,355
	Aa/AA	2,477,762	3,006,539
	A/A	13,708,572	24,497,547
	Baa/BBB	43,051,824	52,932,909
	Ba/BB	14,622,222	13,180,226
	B/B	5,023,008	3,668,582
	Caa/CCC	4,675,406	3,830,553
	Ca/CC	430,056	1,073,718
	C/C	-	14,016
	Not Rated	10,281,007	13,505,421
	U.S. Government Guaranteed	9,711,357	6,081,851
		$ 111,163,772	$ 132,869,717
Pooled funds - fixed income	Not Rated	$ 126,291,936	$ -
U.S. and Foreign Government obligations	Aaa/AAA	$ 2,566,888	$ 68,467,088
	Aa/AA	18,572,184	2,911,503
	A/A	1,389,787	271,017
	Baa/BBB	2,903,194	1,534,239
	Ba/BB	3,173,122	1,964,243
	B/B	-	545,303
	Caa/CCC	602,972	214,229
	Not Rated	2,813,569	1,747,134
	U.S. Government Guaranteed	60,775,368	73,129,965
		$ 92,797,084	$ 150,784,721

Note 6. Investments (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. The Plan requires investment managers to display an overall level of interest rate risk that is consistent with the benchmark specified by the Plan. The following table presents a summarization of debt investments at December 31, 2025 and 2024 using the segmented time distribution method:

Type of Investment	Maturity	2025	2024
Cash deposits and short-term investments	Less than 1 year	$ 78,376,552	$ 66,898,214
Corporate bonds	Less than 1 year	$ 3,160,035	$ 6,035,786
	1-6 years	39,954,871	46,999,547
	6-10 years	32,582,855	36,719,668
	Over 10 years	35,466,011	43,114,716
		$ 111,163,772	$ 132,869,717
Pooled funds - fixed income	6-10 years	$ 126,291,936	$ -
U.S. and Foreign Government obligations	Less than 1 year	$ 3,081,055	$ 3,694,292
	1-6 years	15,428,745	49,245,439
	6-10 years	21,266,226	32,331,104
	Over 10 years	53,021,058	65,513,886
		$ 92,797,084	$ 150,784,721

Note 6. Investments (continued)

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The Plan requires investment managers to invest in at least ten countries if investing in foreign obligations and/or equities. The Plan's exposure to foreign currency risk at December 31, 2025 and 2024 is as follows:

Type of Investment	Fair Value (USD) 2025	Fair Value (USD) 2024
Corporate bonds:		
European euro	$ 251,794	$ 225,316
U.S. dollar	110,911,978	132,644,401
	$111,163,772	$132,869,717
U.S. and Foreign Government obligations:		
Brazilian real	$ 431,928	$ -
British pound	-	729,587
Canadian dollar	-	473,365
European euro	503,628	104,256
Hungarian forint	590,203	-
Indonesian rupiah	-	776,416
Mexican peso	856,142	-
South African rand	1,580,913	404,422
Turkish lira	1,052,551	-
Uruguayan peso uruguayo	201,339	29,219
U.S. dollar	87,580,380	148,267,456
	$ 92,797,084	$150,784,721

Note 6. Investments (continued)

Foreign Currency Risk (continued)

Type of Investment	Fair Value (USD) 2025	Fair Value (USD) 2024
Equities:		
Australian dollar	$ 11,529,560	$ 10,386,016
Brazilian real	12,032,270	6,423,238
British pound	33,752,308	29,966,765
Canadian dollar	7,901,831	8,005,202
Chilean peso	899,066	809,935
Chinese yuan renminbi	276,527	253,289
Colombian peso	355,377	165,573
Danish krone	2,742,823	2,918,767
Egyptian pound	488,794	230,847
European euro	88,396,985	60,786,422
Hong Kong dollar	38,614,589	27,962,571
Hungarian forint	880,519	516,201
Indian rupee	20,091,098	16,409,035
Indonesian rupiah	2,313,030	2,040,972
Japanese yen	40,866,728	30,109,960
Kuwaiti dinar	214,014	192,894
Malaysian ringgit	1,092,275	997,186
Mexican peso	10,310,113	5,407,848
New Israeli shekel	174,389	-
New Taiwan dollar	20,901,835	13,889,458
New Zealand dollar	-	40,489
Norwegian krone	467,731	171,646
Philippines peso	168,835	131,576
Polish zloty	1,591,714	972,992
Qatari riyal	618,551	424,927
Russian ruble	2,055,404	1,481,389
Singapore dollar	6,086,199	2,761,484
South African rand	6,153,485	2,995,283
South Korean won	22,006,386	11,082,417
Swedish krona	5,993,641	7,174,816
Swiss franc	12,302,876	11,704,216
Thailand baht	1,302,616	693,070
Turkish lira	367,124	831,445
United Arab Emirates dirham	3,163,727	1,746,335
U.S. dollar	570,287,489	503,432,950
	$926,399,909	$763,117,214

Note 6. Investments (continued)

Additional Investment Disclosures

During 2025 and 2024, net realized gain on investments sold, reflecting the difference between the proceeds received and cost value of securities sold, was $70,341,977 and $27,796,506 respectively. These amounts are included in the net appreciation (depreciation) in fair value of investments as reported on the statements of changes in pension plan fiduciary net position. The calculation of realized gains and losses is independent of the calculation of net appreciation (depreciation) in the fair value of plan investments. Investments purchased in a previous year and sold in the current year result in their realized gains and losses being reported in the current year and their net appreciation in plan assets being reported in both the current year and the previous year(s).

The Plan does not isolate that portion of net appreciation (depreciation) in fair value of investments resulting from changes in the foreign exchange rate on investments from fluctuations arising from changes in the market prices of the securities. Such fluctuations are included with net appreciation (depreciation) in fair value of investments. Net realized gains and (losses) on foreign currency transactions represent net exchange gains or losses on closed foreign currency contracts, disposition of foreign currencies, and the difference between the amount of investment income and foreign withholding taxes recorded on the Plan's books and the U.S. dollar equivalent amounts actually received or paid. Net unrealized gains and (losses) on foreign currency transactions arise from changes in the value of open foreign currency contracts and assets and liabilities other than investments at the year end, resulting from changes in the exchange rate.

Note 7. Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurement and Application*, established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Basis of Fair Value Measurement

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities
Level 2	Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly
Level 3	Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

Note 7. Fair Value Measurements (continued)

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of December 31, 2025 and 2024:

		Fair Value Measurements at 12/31/2025 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Cash deposits and short-term investments	$ 16,134,062	$ 16,134,062	$ -	$ -
Corporate bonds	111,163,772	-	111,163,772	-
Equities	926,399,909	926,399,909	-	-
Pooled funds	13,699	13,699	-	-
U.S. and Foreign Government obligations	92,797,084	24,096,776	68,700,308	-
	1,146,508,526	$ 966,644,446	$ 179,864,080	$ -
Investments measured at net asset value	429,374,044			
Total investments at fair value	$1,575,882,570			

		Fair Value Measurements at 12/31/2024 Using		
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level				
Cash deposits and short-term investments	$ 11,259,547	$ 11,259,547	$ -	$ -
Corporate bonds	132,869,717	-	132,869,717	-
Equities	763,117,214	763,117,214	-	-
U.S. and Foreign Government obligations	150,784,721	67,162,624	83,622,097	-
	1,058,031,199	$ 841,539,385	$ 216,491,814	$ -
Investments measured at net asset value	263,827,704			
Total investments at fair value	$1,321,858,903			

Note 7. Fair Value Measurements (continued)

Level 1 Measurements

Cash deposits, equities, pooled funds, and U.S. Treasury securities are traded in active markets on national and international securities exchanges and are valued at closing prices on the measurement date.

Level 2 Measurements

Corporate bonds and U.S. Government and Foreign Government obligations are generally valued by benchmarking model-derived prices to quoted market prices and trade data for identical or comparable securities. To the extent that quoted prices are not available, fair value is determined based on a valuation model that include inputs such as interest rate yield curves and credit spreads. Securities traded in markets that are not considered active are valued based on quoted market prices, broker to dealer quotations, or alternative pricing sources with reasonable levels of price transparency. Securities that trade infrequently and therefore have little or no price transparency are valued using the investment manager's best estimates.

The valuation methods for investments measured at net asset value (NAV) are presented on the following table:

	Fair Value		Unfunded	Redemption Frequency	Redemption Notice
	12/31/2025	12/31/2024	Commitments	(If Eligible)	Period
Investments measured at net asset value:					
Short-term investment fund (1)	$ 62,242,490	$ 55,638,667	$ -	Daily	N/A
Pooled funds (2)					
Equity	33,688,861	27,854,895	-	Daily, Monthly	N/A, 10 Days
Fixed income	126,291,936	-	-	Daily	N/A
Real estate	11,907,633	11,441,499	-	Pro Rata Basis	N/A
Limited partnerships (3)	195,243,124	168,892,643	68,006,696	Closed-end Daily - Quarterly	N/A, 3 - 45 Days
Total	$ 429,374,044	$ 263,827,704			

(1) Short-term investment fund - This investment's objective is to invest in short-term investments of high quality and low risk to protect capital while achieving investment returns. The fair value of the investment in the fund has been determined using the NAV per share of the investment.

(2) Pooled funds - For the year ended December 31, 2025, this investment consists of an equity fund, two fixed income funds, and a commingled real estate account. For the year ended December 31, 2024, this investment consists of an equity fund and a commingled real estate account. The investment objective of all pooled funds is to maximize the total return. The fair value of the investments in this type has been determined using the NAV per share of the investments.

Note 7. Fair Value Measurements (continued)

(3) Limited partnerships - This investment consists of twenty limited partnership investments with an investment objective to achieve long-term capital appreciation, preserve capital, and achieve a consistent pattern of returns through investments in limited partnerships, privately issued securities, private equity funds, other pooled investments, and real estate funds. Sixteen of the twenty limited partnership investments are closed-end where the partnership interests are generally illiquid and cannot be redeemed. It is expected that the liquidation of the limited partnership interests will generally coincide with the terms of the various partnership agreements. The limited partnership termination dates range from October 22, 2017 to January 4, 2037 but may be terminated earlier or extended later as set forth in the terms of the applicable partnership agreement. Four of the twenty partnerships are open-ended with an infinite life, unless the general partner determines otherwise. The fair value of the investments in this type has been determined using the NAV per share (or its equivalent) of the investment.

Note 8. Securities Lending

The Statutes and the Board of Trustees permit the Plan to lend its securities to broker-dealers and other entities with a simultaneous agreement to return collateral for the same securities in the future. The Plan's custodian, acting as the lending agent, lends securities for collateral in the form of cash, U.S. Government obligations and irrevocable letters of credit equal to 102% of the fair value of domestic securities plus accrued interest and 105% of the fair value of foreign securities plus accrued interest. The Plan is not restricted as to the type or amount of securities it may loan. The Plan does not have the right to sell or pledge securities received as collateral unless the borrower defaults.

The average term of securities loaned was 37 days in 2025 and 38 days in 2024; however, any loan may be terminated on demand by either the Plan or the borrower. Cash collateral may be invested in a short-term investment pool, which had an average weighted maturity at December 31, 2025 and 2024 of 22 and 21 days, respectively. Cash collateral may also be invested in term loans in which the investments (term loans) match the term of the securities loaned.

As of December 31, 2025 and 2024, the fair value (carrying amount) of loaned securities was $101,805,306 and $82,350,688 respectively. As of December 31, 2025 and 2024, the fair value (carrying amount) of cash collateral received by the Plan was $105,440,897 and $84,635,318 respectively. The cash collateral is included as an asset and a corresponding liability on the statements of plan net position.

Note 8. Securities Lending (continued)

Although the Plan's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrower of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

Indemnification deals with the situation in which a client's securities are not returned due to the insolvency of a borrower. The contract with the lending agent requires it to indemnify the Plan if borrowers fail to return the securities (and if the collateral is inadequate to replace the securities lent) or fail to pay the Plan for income distributions by the issuers of securities while the securities are on loan.

There were no losses due to default of a borrower or the lending agent during the years ended December 31, 2025 and 2024.

A summary of securities loaned at fair value as of December 31:

	2025	2024
Corporate bonds	$ 19,303,318	$ 36,100,845
Equities	80,627,378	40,775,963
U.S. and Foreign Government obligations	1,874,610	5,473,880
Total	$101,805,306	$ 82,350,688

Note 9. Health Insurance Supplement Plan

Plan Description

Public Act 98-0043, effective June 28, 2013, initially terminated the health insurance supplement to be paid by the Plan after December 31, 2016. During the year ended December 31, 2019, the Circuit Court ordered that all eligible City of Chicago employee annuitants of the Plan are entitled to receive a health insurance premium subsidy for each month after December 31, 2016 in which they meet the eligibility requirements.

Eligible City of Chicago employee annuitants (both current and future employee annuitants, but not spousal or child annuitants) of the Plan are entitled to receive a health insurance premium subsidy of $55 per month from the Plan if the annuitant is not qualified to receive Medicare benefits or $21 per month from the Plan if the annuitant is qualified to receive Medicare benefits, representing a partial reimbursement for healthcare costs. The remaining costs for healthcare are borne by the City and the annuitant.

Note 9. Health Insurance Supplement Plan (continued)

To be eligible for the health insurance premium subsidy, the annuitant must have retired on or after August 23, 1989; the annuitant must have been hired prior to July 1, 2003; and the annuitant must have either, (a) participated in a group healthcare plan for which the Plan offers to deduct health insurance premiums from monthly annuities in accordance with the 1983 and 1985 amendments to the Illinois Pension Code Statutes (currently either the Blue Cross/Blue Shield plans sponsored by the City of Chicago or the Aetna plans sponsored by Local 2), or (b) for the period between January 1, 2017 and December 31, 2019, participated in any health insurance plan and paid their healthcare insurance coverage themselves, either through an account on which the annuitant is named or an account established for the benefit of the annuitant.

At December 31, 2025 and 2024, participants potentially eligible for the health insurance supplement consisted of the following:

	2025	2024
Active members	927	1,102
Inactive plan members or beneficiaries currently receiving benefits	1,975	1,934
Inactive plan members entitled to but not yet receiving benefit payments	7	9
Total participants	2,909	3,045

Benefits Provided - The Plan pays a health insurance premium subsidy of $55 per month if the annuitant is not qualified to receive Medicare benefits or $21 per month if the annuitant is qualified to receive Medicare benefits.

Contributions - The Plan pays the health insurance premium subsidies on a "pay-as-you-go" basis through an allocation of Employer contributions from the City of Chicago.

Method of Accounting - The health insurance supplement plan's financial statements have been combined with the Plan's financial statements and are presented using the accrual basis of accounting.

Net Health Insurance Supplement Liability - The components of the city's net health insurance supplement liability for the years ended December 31, 2025 and 2024 are as follows:

	2025	2024
Total health insurance supplement liability	$ 7,604,484	$ 8,140,391
Plan fiduciary net position	-	-
City's net health insurance supplement liability	$ 7,604,484	$ 8,140,391
Plan fiduciary net position as a percentage of the total health insurance supplement liability	0.00%	0.00%

Note 9. Health Insurance Supplement Plan (continued)

Contributions for health insurance premium subsidies are made on a "pay-as-you-go" basis. There are no dedicated assets for health insurance premiums subsidies resulting in a 0.00% funded ratio.

See the schedule of changes in the city's net health insurance supplement liability and related ratios in the required supplementary information for additional information related to the funded status of the health insurance supplement plan.

The net health insurance supplement liability was determined by an actuarial valuation performed as of December 31, 2025 and 2024 using the following actuarial methods and assumptions:

Discount rate	2025 - 4.83% 2024 - 4.08%
Election percentage	20% of pre-Medicare eligible retirees and 60% of post-Medicare eligible retirees are assumed to receive the supplement.
Mortality	Post-retirement mortality rates for non-disabled pensioners were based on the PubS-2010 Retiree Amount-weighted Mortality tables, using 119% of rates for males and 100% of rates for females and projected generationally using scale MP-2021. Post-retirement mortality rates for disabled pensioners were based on the PubS-2010 Disabled Annuitant Amount-weighted Mortality Table and projected generationally using scale MP-2021. Beneficiary mortality rates were based on the Pub-2010 Contingent Survivor Amount-weighted Mortality Table, using 100% of rates for males and 113% of rates for females. Pre-retirement mortality rates were based on the PubS-2010 Employee Amount-weighted Mortality Table and projected generationally using scale MP-2021.

The actuarial assumptions used in the December 31, 2025 and 2024 valuations were based on the results of an actuarial experience study conducted for the period of January 1, 2017 through December 31, 2021, and were adopted and became effective December 31, 2022.

Discount Rate

As there are no assets dedicated to the health insurance supplement plan, the discount rates used to measure the total health insurance supplement liability were 4.83% as of December 31, 2025 and 4.08% as of December 31, 2024 based on the Bond Buyer 20-Bond Index of general obligation municipal bonds.

Note 9. Health Insurance Supplement Plan (continued)

Sensitivity of the Net Health Insurance Supplement Liability to Changes in the Discount Rate

The following is an analysis of the net health insurance supplement liability's sensitivity to changes in the discount rate at December 31, 2025 and 2024. The following table presents the net health insurance supplement liability of the employer using the current discount rate as well as the employer's net health insurance supplement liability calculated using a discount rate 1 percent lower and 1 percent higher than the current discount rate:

	1% Decrease 3.83%	Current Discount Rate 4.83%	1% Increase 5.83%
City's Net Health Insurance Supplement Liability - December 31, 2025	$ 8,264,462	$ 7,604,484	$ 7,036,161

	1% Decrease 3.08%	Current Discount Rate 4.08%	1% Increase 5.08%
City's Net Health Insurance Supplement Liability - December 31, 2024	$ 8,898,689	$ 8,140,391	$ 7,491,871

Note 10. Employer Contributions Receivable - Net

Employer contributions due and not paid prior to year-end are recorded as contributions receivable and are reserved for uncertain collections. The allowance for uncollectible accounts is based on the likelihood of future collections. Employer contributions receivable at December 31, 2025 and 2024 consist of the following:

	2025	2024
Employer contributions receivable	$ 445,490,445	$ 446,148,174
Less allowance for uncollectible accounts	-	-
Total	$ 445,490,445	$ 446,148,174

Note 11. Deferred Compensation Plan

The Plan offers its employees a deferred compensation plan established in accordance with Internal Revenue Code Section 457. The deferred compensation plan, which is funded through employee contributions, is available to all Plan employees and permits them to defer a portion of their salary until future years. Participation in the deferred compensation plan is optional. The deferred compensation is managed by a third party administrator. The assets of the deferred compensation plan are placed in trust with the third party for the exclusive benefit of the participants and their beneficiaries and are not considered assets of the Plan.

Note 12. Related Party Transactions

The Plan has allowed the Ende, Menzer, Walsh & Quinn Retirees', Widows' and Children's Assistance Fund (the Corporation) to utilize its facilities and equipment to accommodate distributions to widows and children at no additional expense to the Plan. This distribution by the Corporation, to the widows and orphans, had been handled by the Plan.

Three of the Plan's Trustees are also directors of the Corporation.

During both of the years ended December 31, 2025 and 2024, the Plan contributed to the Corporation from the balances in the gift reserve account as allowed under the discretionary authority granted by 40ILCS Act 5, Article 6-202 to render financial assistance to qualified widows and children annuitants of the participants of the Plan.

Note 13. Pronouncements Issued Not Yet Effective

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. Statement No. 103 is effective for the Plan's fiscal year ending December 31, 2026.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. Statement No. 104 is effective for the Plan's fiscal year ending December 31, 2026.

In December 2025, GASB issued Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve financial reporting requirements for subsequent events by enhancing consistency in their application and better meeting the information needs of financial statement users. Statement No. 105 is effective for the Plan's fiscal year ending December 31, 2027.

The Plan's management has not yet determined the effect, if any these Statements will have on the Plan's financial statements.

Required Supplementary Information - Pension

Firemen's Annuity and Benefit Fund of Chicago

Required Supplementary Information - Pension

Schedule of Changes in the City's Net Pension Liability and Related Ratios

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Total pension liability										
Service cost including pension plan administrative expense	$ 117,718,780	$ 118,927,677	$ 123,735,266	$ 115,307,255	$ 115,812,400	$ 112,478,105	$ 105,367,286	$ 97,143,246	$ 93,366,729	$ 94,115,473
Interest on the total pension liability	497,826,473	487,096,947	481,018,380	466,819,133	429,630,005	410,128,090	408,586,099	410,821,674	371,622,080	342,084,603
Benefit changes	142,530,732	-	4,964,323	11,737,121	196,531,562	-	-	-	-	227,212,695
Difference between expected and actual experience	240,381,089	1,701,723	(83,067,800)	(30,666,655)	93,928,230	174,717,534	(65,213,748)	(56,417,879)	26,954,338	24,110,158
Assumption changes	-	-	-	53,664,613	(340,370,762)	30,468,135	190,954,465	382,610,753	414,218,762	(74,372,930)
Benefit payments	(452,300,560)	(431,475,850)	(416,179,406)	(398,049,793)	(385,067,130)	(362,831,685)	(342,884,926)	(320,595,085)	(302,518,486)	(283,085,767)
Refunds	-	(3,512,802)	(4,546,472)	(3,917,789)	(3,607,546)	(3,328,719)	(3,452,913)	(4,067,219)	(3,579,629)	(3,673,250)
Pension plan administrative expense	(3,916,910)	(3,932,477)	(3,583,521)	(3,390,041)	(3,082,062)	(2,991,289)	(3,225,938)	(3,285,110)	(3,171,986)	(3,216,823)
Net change in total pension liability	542,239,604	168,805,218	102,340,770	211,503,844	103,774,697	358,640,171	290,130,325	506,210,380	596,891,808	323,174,159
Total pension liability										
Beginning of year	7,487,555,410	7,318,750,192	7,216,409,422	7,004,905,578	6,901,130,881	6,542,490,710	6,252,360,385	5,746,150,005	5,149,258,197	4,826,084,038
End of year	$ 8,029,795,014	$ 7,487,555,410	$ 7,318,750,192	$ 7,216,409,422	$ 7,004,905,578	$ 6,901,130,881	$ 6,542,490,710	$ 6,252,360,385	$ 5,746,150,005	$ 5,149,258,197
Plan fiduciary net position										
Contributions - employer	$ 460,267,631	$ 472,121,765	$ 467,097,920	$ 399,209,599	$ 367,481,614	$ 368,422,961	$ 255,382,266	$ 249,684,038	$ 228,452,611	$ 154,101,396
Contributions - employee	54,479,656	53,203,307	52,456,647	53,030,821	52,268,136	54,414,653	46,622,658	45,894,781	47,364,276	48,959,929
Net investment income	194,472,062	105,357,558	129,523,957	(155,590,040)	129,513,641	105,366,987	161,082,443	(58,000,233)	140,569,856	60,881,106
Benefit payments	(448,598,205)	(431,475,850)	(416,179,406)	(398,049,793)	(385,067,130)	(362,831,685)	(342,884,926)	(320,595,085)	(302,518,486)	(283,085,767)
Refunds	(3,702,355)	(3,512,802)	(4,546,472)	(3,917,789)	(3,607,546)	(3,328,719)	(3,452,913)	(4,067,219)	(3,579,629)	(3,673,250)
Pension plan administrative expense	(3,916,910)	(3,932,477)	(3,583,521)	(3,390,041)	(3,082,062)	(2,991,289)	(3,225,938)	(3,285,110)	(3,171,986)	(3,216,823)
Other	3,595	5,133	7,031	5,150	4,788	12,757	506,886	5,853	22,879	(53,891)
Net change in plan fiduciary net position	253,005,474	191,766,634	224,776,156	(108,702,093)	157,511,441	159,065,665	114,030,476	(90,362,975)	107,139,521	(26,087,300)
Plan fiduciary net position										
Beginning of year	1,774,238,618	1,582,471,984	1,357,695,828	1,466,397,921	1,308,886,480	1,149,820,815	1,035,790,339	1,126,153,314	1,019,013,793	1,045,101,093
End of year	$ 2,027,244,092	$ 1,774,238,618	$ 1,582,471,984	$ 1,357,695,828	$ 1,466,397,921	$ 1,308,886,480	$ 1,149,820,815	$ 1,035,790,339	$ 1,126,153,314	$ 1,019,013,793
City's net pension liability	$ 6,002,550,922	$ 5,713,316,792	$ 5,736,278,208	$ 5,858,713,594	$ 5,538,507,657	$ 5,592,244,401	$ 5,392,669,895	$ 5,216,570,046	$ 4,619,996,691	$ 4,130,244,404
Plan fiduciary net position as a percentage of the total pension liability	25.25%	23.70%	21.62%	18.81%	20.93%	18.97%	17.57%	16.57%	19.60%	19.79%
Covered-employee payroll	$ 604,204,092	$ 529,090,215	$ 523,828,926	$ 525,479,549	$ 520,047,197	$ 500,367,870	$ 457,082,316	$ 456,969,301	$ 469,407,281	$ 478,470,944
Employer's net pension liability as a percentage of covered-employee payroll	993.46%	1079.84%	1095.07%	1114.93%	1065.00%	1117.63%	1179.80%	1141.56%	984.22%	863.22%

See Report of Independent Auditors.

Firemen's Annuity and Benefit Fund of Chicago

Required Supplementary Information - Pension

Schedule of City Contributions and Related Notes

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 554,649,609	$ 541,052,087	$ 528,571,846	$ 509,936,459	$ 476,497,828	$ 466,556,303	$ 442,044,761	$ 412,220,284	$ 372,845,121	$ 333,952,291
Contributions in relation to the actuarially determined contribution	(460,267,631)	(472,121,765)	(467,097,920)	(399,209,599)	(367,481,614)	(368,422,961)	(255,382,266)	(249,684,038)	(228,452,611)	(154,101,396)
Contribution deficiency	$ 94,381,978	$ 68,930,322	$ 61,473,926	$ 110,726,860	$ 109,016,214	$ 98,133,342	$ 186,662,495	$ 162,536,246	$ 144,392,510	$ 179,850,895
Covered employee payroll	$ 604,204,092	$ 529,090,215	$ 523,828,926	$ 525,479,549	$ 520,047,197	$ 500,367,870	$ 457,082,316	$ 456,969,301	$ 469,407,281	$ 478,470,944
Contributions as a percentage of covered employee payroll	76.18%	89.23%	89.17%	75.97%	70.66%	73.63%	55.87%	54.64%	48.67%	32.21%

Notes to Schedule

Valuation Date:

Actuarially determined contribution amount is determined as of December 31, with appropriate interest to the end of the year

Methods and assumptions used to establish "actuarially determined contribution" rates

Actuarial cost method	Entry Age Actuarial cost method
Amortization method	20-year closed period layers, level percentage of payroll amortization
Asset valuation method	5-year smoothed fair value

Actuarial assumptions:

Investment rate of return	6.75%, net of investment expense
Projected salary increases	3.50% to 25.00%, varying by years of service
Mortality	Post-retirement mortality - PubS-2010 Retiree Amount-weighted Mortality Table, using 119% of rates for males and 100% of rates for females, projected generationally using scale MP-2021 Disabled mortality - PubS-2010 Disabled Retiree Amount-weighted Mortality Table, projected generationally using scale MP-2021. Beneficiary mortality - Pub-2010 Contingent Survivor Amount-weighted Mortality Table, using 100% of rates for males and 113% of rates for females, projected generationally using scale MP-2021 Pre-retirement mortality - PubS-2010 Employee Amount-weighted Mortality Table, projected generationally using scale MP-2021.
Cost of living adjustments	Tier 1: 3% simple Tier 2: The lesser of 3% or one-half of the change in the Consumer Price Index

Other assumptions:

Same as those used in the December 31, 2025 actuarial funding valuation

See Report of Independent Auditors.

Firemen's Annuity and Benefit Fund of Chicago

Required Supplementary Information - Pension

Schedule of Investment Returns

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Annual money-weighted rate of return, net of investment expense	13.8%	8.4%	13.9%	-14.7%	14.2%	11.7%	20.4%	-6.6%	17.9%	7.5%

See Report of Independent Auditors.

Required Supplementary Information - Health Insurance Supplement

Firemen's Annuity and Benefit Fund of Chicago

Required Supplementary Information - Health Insurance Supplement

Schedule of Changes in the City's
Net Health Insurance Supplement Liability and Related Ratios

	2025	2024	2023	2022	2021	2020	2019
Total health insurance supplement liability							
Service cost	$ 70,673	$ 100,731	$ 104,639	$ 168,461	$ 187,889	$ 161,182	$ 129,709
Interest	319,128	283,920	300,579	185,376	185,051	266,380	350,846
Difference between expected and actual experience	338,274	143,572	606,790	761,207	909,364	(1,403,312)	89,281
Assumption changes	(485,359)	(612,647)	366,244	(1,283,254)	(233,476)	906,200	1,362,123
Benefit payments	(778,623)	(767,336)	(723,080)	(650,401)	(868,386)	(1,032,062)	(565,425)
Net change in total health insurance supplement liability	(535,907)	(851,760)	655,172	(818,611)	180,442	(1,101,612)	1,366,534
Total health insurance supplement liability							
Beginning of year	8,140,391	8,992,151	8,336,979	9,155,590	8,975,148	10,076,760	8,710,226
End of year	$ 7,604,484	$ 8,140,391	$ 8,992,151	$ 8,336,979	$ 9,155,590	$ 8,975,148	$ 10,076,760
Plan fiduciary net position							
Contributions - employer	$ 778,623	$ 767,336	$ 723,080	$ 650,401	$ 868,386	$ 1,032,062	$ 565,425
Benefit payments	(778,623)	(767,336)	(723,080)	(650,401)	(868,386)	(1,032,062)	(565,425)
Net change in plan fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position							
Beginning of year	-	-	-	-	-	-	-
End of year	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's net health insurance supplement liability	$ 7,604,484	$ 8,140,391	$ 8,992,151	$ 8,336,979	$ 9,155,590	$ 8,975,148	$ 10,076,760
Plan fiduciary net position as a percentage of the total health insurance supplement liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 150,614,579	$ 153,816,094	$ 172,561,410	$ 192,319,657	$ 208,128,910	$ 219,890,380	$ 220,401,135
Employer's net health insurance supplement liability as a percentage of covered-employee payrol	5.05%	5.29%	5.21%	4.33%	4.40%	4.08%	4.57%

Note: This schedule is intended to show information for ten years
The additional years' information will be displayed as it becomes available
There are currently no assets accumulated in a trust that meets the criteria of
GASB codifications P22.101 or P52.101 to pay related benefits for the
health insurance supplement plan.

See Report of Independent Auditors.

Firemen's Annuity and Benefit Fund of Chicago

Required Supplementary Information - Health Insurance Supplement

Schedule of City Contributions and Related Notes

Last Ten Fiscal Years

	2025	2024	2023	2022	2021	2020	2019
Actuarially determined contribution	$ 778,623	$ 767,336	$ 723,080	$ 650,401	$ 868,386	$ 1,032,062	$ 565,425
Contributions in relation to the actuarially determined	(778,623)	(767,336)	(723,080)	(650,401)	(868,386)	(1,032,062)	(565,425)
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered employee payroll	$ 150,614,579	$ 153,816,094	$ 172,561,410	$ 192,319,657	$ 208,128,910	$ 219,890,380	$ 220,401,135
Contributions as a percentage of covered employee payroll	0.52%	0.50%	0.42%	0.34%	0.42%	0.47%	0.26%

Notes to Schedule

Valuation Date:
December 31, 2025

Actuarial cost method	Entry Age Normal Cost
Amortization method	30-year open, level dollar amortization
Actuarial assumptions:	
Discount rate	4.83%
Election percentage	20% of pre-Medicare eligible retirees and 60% of post-Medicare eligible retirees are assumed to receive the subsidy.
Mortality	Post-retirement mortality - PubS-2010 Retiree Amount-weighted Mortality Table, using 119% of rates for males and 100% of rates for females, projected generationally using scale MP-2021 Beneficiary mortality - Pub-2010 Contingent Survivor Amount-weighted Mortality Table, using 100% of rates for males and 113% of rates for females, projected generationally using scale MP-2021 Disabled mortality - PubS-2010 Disabled Retiree Amount-weighted Mortality Table, projected generationally using scale MP-2021. Pre-retirement mortality - PubS-2010 Employee Amount-weighted Mortality Table, projected generationally using scale MP-2021.

Note: This schedule is intended to show information for ten years.
The additional years' information will be displayed as it becomes available

See Report of Independent Auditors.

Supplementary Information

Firemen's Annuity and Benefit Fund of Chicago

Supplementary Information

Schedules of Administrative Expenses

Years Ended December 31, 2025 and 2024

	2025	2024
Administrative expenses		
Employee benefits	$ 492,536	$ 489,917
Equipment and maintenance	137,480	127,460
General and administrative	202,166	186,283
Insurance and surety bond	171,278	183,153
Office salaries	1,821,126	1,963,472
Printing and postage	55,647	49,262
Professional and consulting fees		
Actuarial	56,305	67,470
Audit	71,350	52,900
Consulting	106,020	85,744
Legal	277,653	240,833
Medical	229,679	203,894
Payroll administration	2,495	3,006
Rent	293,175	279,083
Total administrative expenses	$ 3,916,910	$ 3,932,477

Firemen's Annuity and Benefit Fund of Chicago

Supplementary Information

Schedules of Investment Expenses

Years Ended December 31, 2025 and 2024

	2025	2024
Investment manager fees		
Adams Street Partners	$ 298,153	$ 283,140
Brandes Investment Partners, L.P.	559,551	466,388
Brightwood Capital Advisors, LLC	125,171	4,467
Brown Advisory	311,413	311,160
Brown Capital Management	393,350	323,310
Capital Fund Management LLP	376,559	223,130
CBRE Investment Management	301,094	286,062
Earnest Partners, LLC	218,474	209,003
Garcia Hamilton & Associates, L.P.	8,803	20,494
GlobeFlex Capital, L.P.	266,970	242,255
Highclere International Investors LLP	290,435	272,259
IFM Investors	132,153	120,021
Jackson Square Partners	-	86,736
JP Morgan Asset Management	201,419	68,860
Kennedy Capital Management	365,190	313,584
Logan Capital Management, Inc.	339,345	256,159
Loomis, Sayles & Company, L.P.	323,785	271,244
LSV Asset Management	741,298	606,757
Mesirow Institutional Investment Management, Inc.	188,947	177,988
Neuberger Berman, LLC	429,674	427,606
Newton Investment Management	370,350	274,420
Pacific Investment Management Company, LLC	-	43,648
Pomona Capital	552,762	166,875
Principal Global Investors	472,497	375,670
RhumbLine Advisers, Corp.	40,645	32,301
Ullico Investment Advisors, Inc.	-	210,132
Wellington Management	42,600	-
Western Asset Management Company	-	168,018
William Blair & Company, LLC	579,276	474,155
	7,929,914	6,715,842
Other trading expenses and investment fees	4,911,283	3,838,619
Investment consulting fees		
Callan LLC	293,916	285,356
Investment custodian fees		
Northern Trust	88,000	78,791
Total investment expenses	$ 13,223,113	$ 10,918,608

Firemen's Annuity and Benefit Fund of Chicago

Supplementary Information

Additions by Source

Year Ended December 31,	Employer Contributions	Plan Member Contributions	Net Investment and Net Securities Lending Income (Loss)	Other	Total Additions
2016	$ 156,158,391	$ 48,959,929	$ 55,362,185	$ 5,525,415	$ 266,005,920
2017	$ 228,452,611	$ 47,364,276	$ 140,507,402	$ 85,333	$ 416,409,622
2018	$ 249,684,038	$ 45,894,781	$ (58,048,526)	$ 54,146	$ 237,584,439
2019	$ 255,947,691	$ 46,622,658	$ 161,032,664	$ 556,665	$ 464,159,678
2020	$ 369,455,023	$ 54,414,653	$ 105,329,745	$ 49,999	$ 529,249,420
2021	$ 368,350,000	$ 52,268,136	$ 129,510,718	$ 7,711	$ 550,136,565
2022	$ 399,860,000	$ 53,030,821	$ (155,590,513)	$ 5,623	$ 297,305,931
2023	$ 467,821,000	$ 52,456,647	$ 129,399,484	$ 131,504	$ 649,808,635
2024	$ 472,889,101	$ 53,203,307	$ 104,892,155	$ 470,536	$ 631,455,099
2025	$ 461,046,254	$ 54,479,656	$ 194,471,732	$ 3,925	$ 710,001,567

Deductions by Type

Year Ended December 31,	Benefits	Administrative Expenses	Annuitant Health Care	Other	Total Deductions
2016	$ 283,085,767	$ 3,216,823	$ 2,056,995	$ 3,733,635	$ 292,093,220
2017	$ 302,518,486	$ 3,171,986	$ -	$ 3,579,629	$ 309,270,101
2018	$ 320,595,085	$ 3,285,110	$ -	$ 4,067,219	$ 327,947,414
2019	$ 342,884,926	$ 3,225,938	$ 565,425	$ 3,452,913	$ 350,129,202
2020	$ 362,831,685	$ 2,892,186	$ 1,032,062	$ 3,427,822	$ 370,183,755
2021	$ 385,067,130	$ 3,082,062	$ 868,386	$ 3,607,546	$ 392,625,124
2022	$ 398,049,793	$ 3,390,041	$ 650,401	$ 3,917,789	$ 406,008,024
2023	$ 416,179,406	$ 3,583,521	$ 723,080	$ 4,546,472	$ 425,032,479
2024	$ 431,475,850	$ 3,932,477	$ 767,336	$ 3,512,802	$ 439,688,465
2025	$ 448,598,205	$ 3,916,910	$ 778,623	$ 3,702,355	$ 456,996,093