



### **Q. Why add Legg Mason Value Trust?**

A. The fund has an investment style similar to the Fidelity Fund but has shown better performance over time. The fund's actively managed large-cap blend style complements the passively managed Vanguard Institutional Index option offered by the Plan. The fund has outperformed its benchmark, the S&P 500 for 14 straight years.

### **Q. Why add LSV Value Equity?**

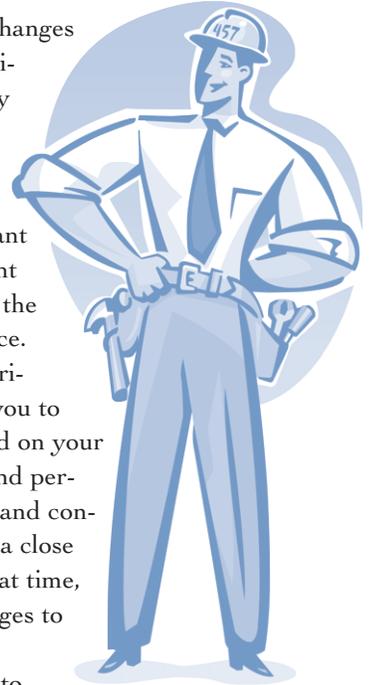
A. This fund offers participants a true large-cap value equity option which was not previously offered. Value investment styles have historically outperformed growth investment styles on a risk/return basis. The fund has a proven track record. Since its inception in March 1999, the fund has outperformed its benchmark, the Russell 1000 Value Index, in each calendar year.

### **Q. Why add T. Rowe Price Retirement Funds?**

A. The Retirement Funds simplify the investment process for individual Plan participants by taking the asset allocation decisions out of their hands. The funds invest in underlying T. Rowe Price mutual funds without charging a supplemental fee above the expense ratios of the underlying funds.

### **Investment Changes Update**

CMS is pleased to announce fund lineup changes in the Plan that will allow participants additional diversification opportunities and may help to simplify the retirement investment decision-making process for many. The Illinois State Board of Investment (ISBI), with the help of their independent consultant Iron Capital, monitors the Plan's investment options on an ongoing basis to ensure that the Plan remains competitive in the marketplace. It's our goal to provide you with a wide variety of investment choices that will enable you to invest effectively for your retirement, based on your individual time horizon, risk philosophy, and personal circumstances. In March, the recent and continuing market volatility caused us to take a close look at all of our investment options. At that time, ISBI in conjunction with CMS made changes to the Plan's investment lineup in an effort to round out the fund offerings and continue to offer quality options in each asset class.



As a result we are adding several new funds beginning July 1, 2005; Legg Mason Value Trust, LSV Value Equity, and T. Rowe Price Retirement Funds. See "New Funds Added" on page 2 for more information.

### **Fidelity Fund Frozen as of July 1, 2005**

We're strengthening the fund lineup by phasing out one of the current funds effective September 1, 2005. The Fidelity Fund seeks long-term capital growth where current return is also a consideration. The fund invests primarily in common stocks and convertible securities. The fund is in the same asset class as Legg Mason Value Trust, but has not performed as well.

As of July 1, 2005, this fund will no longer accept incoming exchanges or new contributions. This means that if you are currently contributing into this fund, you must execute a change. Changes to elections for future contributions to this fund must be made to T. Rowe Price by June 30, 2005. If you do not make this change to your future investment election, starting July 1, 2005, this election will automatically be allocated to the Legg Mason Value Trust.

Account balances may remain in the Fidelity Fund until close of business on August 31, 2005, which allows you plenty of time to move your balances to the investment option(s) of your choice. Any remaining balances in this fund after August 31, will automatically be exchanged to the Legg Mason Value Trust. However, this will not be treated as a participant directed exchange.

## New Funds Added

Effective July 1, 2005, the Plan will introduce three new investment options.

### Legg Mason Value Trust (ticker symbol LMVFX)

This fund is managed by Bill Miller, CFA, who seeks to generate excess returns by owning securities that have been priced by the market at significant discounts to their intrinsic value. The fund's research approach is not based on traditional accounting-based valuation measures. The fund's analysts are focused on cash earnings—namely, the present value of future cash flows of a company. Shareholder value is the result of cash, not accounting earnings. The investment team believes their focus on cash flow allows them to find many mispriced stocks that other managers miss.

The Legg Mason Value Trust approach:

- Invests primarily in large-capitalization stocks selling at large discounts to the manager's assessment of their intrinsic value.
- Focuses on cash earnings, namely the present value of future cash flows of a company.
- Analyzes key components of a company's business, including a company's products, competitive positioning, strategy, industry economics and dynamics, regulatory framework, and more.

## Want to Make an Exchange?

If you would like a prospectus to view additional information about the investment objectives or obtain the performance history of these funds, you may visit the Deferred Compensation Plan's Web site ([www.state.il.us/cms/employee/defcom](http://www.state.il.us/cms/employee/defcom)) or access the *my*RetirementPlan Web site ([rps.troweprice.com](http://rps.troweprice.com)) at T. Rowe Price. If you would like to speak to a representative regarding any questions on these changes, you may call the Deferred Compensation Office at 217-782-7006, 800-442-1300 or 800-526-0844 TDD/TTY. Retirement account representatives at T. Rowe Price are also available to assist you with any questions about the funds and/or make an exchange into the funds by calling toll-free 888-457-5770. Remember, the new funds will be available on July 1, 2005.

Call 888-457-5770 to request a prospectus, which includes investment objectives, risks, fees, expenses, and other information that you should read and consider carefully before investing.

### LSV Value Equity (ticker symbol LSVEX)

Fund managers Josef Lakonishok, Robert Vishny, and Menno Vermuelen have combined investment experience of over 50 years. The fund invests primarily in equity securities. The adviser focuses on medium to large U.S. companies (i.e., those with market capitalizations of \$1 billion or more), which, in the adviser's opinion are out of favor in the marketplace. The adviser believes these out of favor securities will produce superior returns if their future growth exceeds the market's low expectations. The adviser's investment strategy uses a strictly quantitative investment model to make investment decisions for the fund. The investment model selects the stocks to buy from the higher-ranked stocks and selects stocks to sell from those whose rankings have decreased.

LSV Value Equity looks for:

- Medium to large U.S. companies that are out of favor in the market and selling at attractive prices relative to their fundamental value.
- Investing to a lesser extent in small U.S. companies that are out of favor in the market and selling at attractive prices.
- Risk control by broadly diversifying the portfolio across industry groups and individual securities.

## Annual Audit

Please review your quarterly statement carefully! If it does not agree with your records, contact our auditors directly at:

Sikich Gardner & Co., LLP  
1000 Churchill Road  
Springfield, Illinois 62702

## T. Rowe Price Retirement Funds

Jerome Clark is the manager of the T. Rowe Price Retirement Funds. He oversees the series of diversified portfolios of both stocks and bonds, foreign and domestic, through holdings in other T. Rowe Price funds. The objective of each Retirement Fund is to earn the highest total return over time consistent with an emphasis on both capital growth and income. Each of the nine funds pursues this objective by investing in a diversified portfolio of T. Rowe Price stock and bond funds. Each Retirement Fund's allocation between T. Rowe Price stock and bond funds changes over time. The longer retirement date funds have greater exposure to equity funds than do the shorter-term retirement date funds. As a fund's retirement date draws near, the fund invests a larger portion of its assets in bonds.

The T. Rowe Price approach:

- Generating the highest total return over time consistent with an emphasis on both capital growth and income.
- Managing risk by investing in a broad array of investment asset classes in a single mutual fund.
- Providing professional asset allocation services.

The Retirement Funds can make it easier for you to invest for retirement. They may be right for you if you don't have the time or experience to select and keep track of your own investment portfolio. The funds are truly one-step portfolios. You do not mix and match them with other options. A participant selects the T. Rowe Price Target Retirement Fund below that best represents the year in which he or she plans to retire. The fund automatically rebalances over time for the target allocation to stocks, bonds, and conservative bonds up to and through distribution in the retirement years. There is no need to change funds over time.

Retirement 2040 Fund	(ticker symbol TRRD <del>X</del> )
Retirement 2035 Fund	(ticker symbol TRRJ <del>X</del> )
Retirement 2030 Fund	(ticker symbol TRRC <del>X</del> )
Retirement 2025 Fund	(ticker symbol TRRH <del>X</del> )
Retirement 2020 Fund	(ticker symbol TRRB <del>X</del> )
Retirement 2015 Fund	(ticker symbol TRRG <del>X</del> )
Retirement 2010 Fund	(ticker symbol TRRA <del>X</del> )
Retirement 2005 Fund	(ticker symbol TRRF <del>X</del> )
Retirement Income Fund	(ticker symbol TRRI <del>X</del> )

Please note that the Retirement Funds should not be considered a complete retirement solution. Before investing in one of these funds, be sure to weigh your objectives, time horizon, and risk tolerance, as well as your retirement needs and other sources of income.

## Telephone Numbers

### Deferred Compensation:

Plan Rules/Options Information

800.442.1300

217.782.7006

TDD/TTY: 800.526.0844

Internet: [www.state.il.us/cms/employee/defcom](http://www.state.il.us/cms/employee/defcom)

### Recordkeeper:

T. Rowe Price Retirement Plan Services Account Value Information and Investment Changes: 888.457.5770

TDD/TTY: 800.521.0325

Internet Access: 800.541.3022

Internet: [rps.troweprice.com](http://rps.troweprice.com)

### Fund Performance:

Columbia Acorn Fund: 800.922.6769

Ariel Fund: 800.292.7435

Fidelity Funds: 800.544.8888

Legg Mason: 800.577.8589

LSV: 203.852.1636

Provident Investment Counsel: 800.618.7643

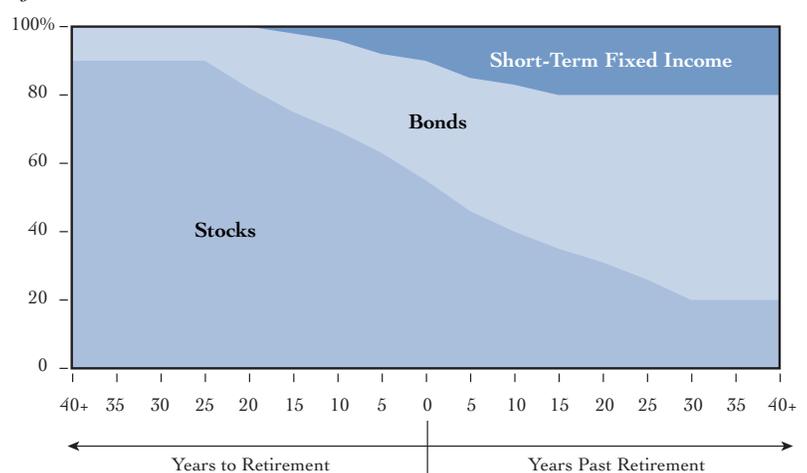
Stable Return Fund: 800.228.7466

T. Rowe Price Funds: 800.922.9945

Vanguard Funds: 800.523.8066

Wells Fargo: 800.222.8222

Weighted %



The chart shows how each retirement fund's stock, fixed-income, and short-term fixed-income allocation adjusts over time to meet your changing needs up to and during retirement.

## Income and Price Information

### First Quarter 2005

Transaction Date	Vanguard Bond Index	T.Rowe Price New Income <sup>1</sup>	Fidelity Puritan	Fidelity	Vanguard Inst. Index <sup>2</sup>	Wells Fargo Lg. Co. Growth	Columbia Acorn <sup>3</sup>	Ariel <sup>4</sup>	T. Rowe Price Int'l Stock <sup>5</sup>	PIC Small Cap Growth
01/03/05	\$10.27	\$9.11	\$18.84	\$29.70	\$109.81	\$46.33	\$26.05	\$52.52	\$12.88	\$16.50
01/04/05	\$10.24	\$9.08	\$18.69	\$29.35	\$108.54	\$46.66	\$25.70	\$52.05	\$12.71	\$16.13
01/05/05	\$10.24	\$9.08	\$18.64	\$29.24	\$108.15	\$45.55	\$25.43	\$51.54	\$12.66	\$15.95
01/06/05	\$10.25	\$9.08	\$18.71	\$29.37	\$108.56	\$46.43	\$25.52	\$51.65	\$12.62	\$16.00
01/07/05	\$10.24	\$9.08	\$18.67	\$29.31	\$108.40	\$45.52	\$25.38	\$51.32	\$12.57	\$15.92
01/10/05	\$10.25	\$9.09	\$18.69	\$29.44	\$108.77	\$46.78	\$25.54	\$51.44	\$12.62	\$16.09
01/11/05	\$10.26	\$9.10	\$18.63	\$29.28	\$108.12	\$45.33	\$25.44	\$51.24	\$12.60	\$15.94
01/12/05	\$10.27	\$9.11	\$18.69	\$29.42	\$108.56	\$46.60	\$25.51	\$51.25	\$12.63	\$15.98
01/13/05	\$10.29	\$9.13	\$18.61	\$29.16	\$107.62	\$44.81	\$25.45	\$51.10	\$12.58	\$15.96
01/14/05	\$10.27	\$9.12	\$18.67	\$29.34	\$108.27	\$46.21	\$25.64	\$51.43	\$12.59	\$16.12
01/18/05	\$10.28	\$9.12	\$18.78	\$29.62	\$109.32	\$46.56	\$25.88	\$51.82	\$12.65	\$16.25
01/19/05	\$10.28	\$9.13	\$18.66	\$29.37	\$108.29	\$44.90	\$25.67	\$51.49	\$12.55	\$16.06
01/20/05	\$10.30	\$9.13	\$18.58	\$29.10	\$107.45	\$43.92	\$25.45	\$51.41	\$12.41	\$15.96
01/21/05	\$10.31	\$9.14	\$18.53	\$28.95	\$106.76	\$43.75	\$25.43	\$51.07	\$12.44	\$15.88
01/24/05	\$10.31	\$9.15	\$18.51	\$28.82	\$106.39	\$43.34	\$25.26	\$50.80	\$12.49	\$15.71
01/25/05	\$10.29	\$9.12	\$18.54	\$28.96	\$106.81	\$43.43	\$25.35	\$50.96	\$12.47	\$15.73
01/26/05	\$10.28	\$9.12	\$18.60	\$29.07	\$107.33	\$43.72	\$25.59	\$51.09	\$12.62	\$15.98
01/27/05	\$10.28	\$9.12	\$18.59	\$29.13	\$107.38	\$43.80	\$25.64	\$51.09	\$12.61	\$15.95
01/28/05	\$10.30	\$9.14	\$18.57	\$29.20	\$107.10	\$43.68	\$25.55	\$50.95	\$12.57	\$15.83
01/31/05	\$10.30	\$9.14	\$18.67	\$29.43	\$108.00	\$44.09	\$25.88	\$51.67	\$12.66	\$16.08
02/01/05	\$10.30	\$9.14	\$18.77	\$29.61	\$108.75	\$44.05	\$26.08	\$52.01	\$12.73	\$16.15
02/02/05	\$10.30	\$9.14	\$18.82	\$29.69	\$109.11	\$44.11	\$26.17	\$52.24	\$12.77	\$16.19
02/03/05	\$10.29	\$9.14	\$18.79	\$29.58	\$108.84	\$43.85	\$26.14	\$52.27	\$12.68	\$16.17
02/04/05	\$10.33	\$9.17	\$18.95	\$29.88	\$110.04	\$44.25	\$26.35	\$52.57	\$12.83	\$16.37
02/07/05	\$10.34	\$9.18	\$18.95	\$29.81	\$109.92	\$44.31	\$26.30	\$52.57	\$12.73	\$16.33
02/08/05	\$10.34	\$9.19	\$18.96	\$29.87	\$110.00	\$44.50	\$26.36	\$52.79	\$12.72	\$16.41
02/09/05	\$10.36	\$9.20	\$18.88	\$29.63	\$109.09	\$44.11	\$26.07	\$52.28	\$12.69	\$16.15
02/10/05	\$10.33	\$9.18	\$18.93	\$29.79	\$109.55	\$44.41	\$26.11	\$52.36	\$12.79	\$16.16
02/11/05	\$10.31	\$9.17	\$19.02	\$29.99	\$110.33	\$44.81	\$26.39	\$52.88	\$12.89	\$16.39
02/14/05	\$10.32	\$9.17	\$19.03	\$30.01	\$110.42	\$44.79	\$26.40	\$52.86	\$13.02	\$16.41
02/15/05	\$10.31	\$9.17	\$19.06	\$30.08	\$110.79	\$44.95	\$26.43	\$53.05	\$13.06	\$16.40
02/16/05	\$10.29	\$9.15	\$19.05	\$30.04	\$110.83	\$44.79	\$26.54	\$53.25	\$12.97	\$16.47
02/17/05	\$10.28	\$9.14	\$18.97	\$29.80	\$109.95	\$44.42	\$26.34	\$52.86	\$13.00	\$16.34
02/18/05	\$10.25	\$9.11	\$18.96	\$29.76	\$110.03	\$44.30	\$26.39	\$52.79	\$13.04	\$16.31
02/22/05	\$10.24	\$9.10	\$18.80	\$29.38	\$108.44	\$43.69	\$26.11	\$52.24	\$13.07	\$16.03
02/23/05	\$10.25	\$9.11	\$18.89	\$29.51	\$109.05	\$43.76	\$26.16	\$52.40	\$13.04	\$16.06
02/24/05	\$10.24	\$9.10	\$18.98	\$29.74	\$109.95	\$44.09	\$26.36	\$52.83	\$13.09	\$16.25
02/25/05	\$10.24	\$9.10	\$19.09	\$30.01	\$110.98	\$44.39	\$26.64	\$53.29	\$13.22	\$16.46
02/28/05	\$10.20	\$9.07	\$19.02	\$29.78	\$110.27	\$44.18	\$26.61	\$53.28	\$13.25	\$16.34
03/01/05	\$10.19	\$9.07	\$19.08	\$29.92	\$110.90	\$44.51	\$26.68	\$53.53	\$13.28	\$16.40
03/02/05	\$10.19	\$9.06	\$19.07	\$29.95	\$110.90	\$44.50	\$26.67	\$53.67	\$13.23	\$16.41
03/03/05	\$10.19	\$9.06	\$19.07	\$30.00	\$110.94	\$44.39	\$26.72	\$53.70	\$13.25	\$16.41
03/04/05	\$10.22	\$9.10	\$19.22	\$30.33	\$112.01	\$44.67	\$26.95	\$54.18	\$13.43	\$16.60
03/07/05	\$10.23	\$9.10	\$19.24	\$30.41	\$112.31	\$44.99	\$26.97	\$54.24	\$13.39	\$16.59
03/08/05	\$10.20	\$9.08	\$19.19	\$30.31	\$111.78	\$44.76	\$26.84	\$53.96	\$13.42	\$16.42
03/09/05	\$10.14	\$9.02	\$19.04	\$30.04	\$110.65	\$44.48	\$26.63	\$53.51	\$13.37	\$16.25
03/10/05	\$10.16	\$9.04	\$19.07	\$30.09	\$110.86	\$44.59	\$26.63	\$53.46	\$13.33	\$16.11
03/11/05	\$10.12	\$9.01	\$18.99	\$29.86	\$110.05	\$43.98	\$26.54	\$53.41	\$13.39	\$16.16
03/14/05	\$10.13	\$9.01	\$19.05	\$29.99	\$110.67	\$44.20	\$26.59	\$53.87	\$13.26	\$16.16
03/15/05	\$10.12	\$9.00	\$18.96	\$29.83	\$109.84	\$43.86	\$26.51	\$53.61	\$13.23	\$16.15
03/16/05	\$10.12	\$9.01	\$18.87	\$29.58	\$108.96	\$43.52	\$26.38	\$53.52	\$13.23	\$16.03
03/17/05	\$10.14	\$9.02	\$18.88	\$29.59	\$109.16	\$43.47	\$26.45	\$53.56	\$13.21	\$16.09
03/18/05	\$10.12	\$9.01	\$18.87	\$29.60	\$109.10	\$43.13	\$26.42	\$53.41	\$13.22	\$16.02
03/21/05	\$10.11	\$9.00	\$18.79	\$29.46	\$108.57	\$43.16	\$26.30	\$53.25	\$13.07	\$16.01
03/22/05	\$10.07	\$8.97	\$18.64	\$29.20	\$107.46	\$42.76	\$26.22	\$53.00	\$13.06	\$15.96
03/23/05	\$10.06	\$8.95	\$18.61	\$29.23	\$107.09	\$42.87	\$25.91	\$52.86	\$12.85	\$15.81
03/24/05	\$10.07	\$8.96	\$18.59	\$29.20	\$107.01	\$42.67	\$25.98	\$52.78	\$12.86	\$15.90
03/28/05	\$10.05	\$8.95	\$18.61	\$29.29	\$107.27	\$42.84	\$25.97	\$52.88	\$12.80	\$15.90
03/29/05	\$10.07	\$8.95	\$18.51	\$29.03	\$106.48	\$42.63	\$25.72	\$52.51	\$12.73	\$15.61
03/30/05	\$10.08	\$8.97	\$18.66	\$29.43	\$107.96	\$43.23	\$26.00	\$53.02	\$12.83	\$15.82
03/31/05	\$10.11	\$8.99	\$18.69	\$29.42	\$107.88	\$42.98	\$26.12	\$53.00	\$12.85	\$15.86

<sup>1</sup>New income earnings are calculated using daily income accruals. They credit earnings to the first working day of the following month. Therefore, 29 days were credited for January, 28 days were credited for February, and 31 days were credited for March.

<sup>2</sup>Vanguard Institutional Index Fund declared a distribution of \$.45 payable March 23, 2005, to shareholders of record on March 22, 2005, using a share value of \$107.09.