

**THE POLICE AND FIREMEN'S RETIREMENT SYSTEM  
OF NEW JERSEY  
ANNUAL REPORT  
OF THE ACTUARY  
PREPARED AS OF JULY 1, 2001**

**DOC:V01936GL.DOC**

April 11, 2002

Board of Trustees  
The Police and Firemen's Retirement System  
of New Jersey  
Trenton, New Jersey

Members of the Board:

The law governing the operation of the Police and Firemen's Retirement System of New Jersey provides for annual actuarial valuations of the System. The results of the July 1, 2001 valuation are submitted in this report which also includes a comparison with the results of the July 1, 2000 valuation.

The valuation shows the financial condition of the System as of July 1, 2001 and gives the basis for determining the required annual contribution to be made in the Fiscal Year ending June 30, 2004 for the plan year beginning July 1, 2001.

The valuation reflects the provisions of Chapter 201, P.L. 2001 which made changes to Chapter 247, P.L. 1993 with respect to the benefits payable to members who transferred from the Public Employees' Retirement System of New Jersey to this System as a result of the Chapter 247 legislation. As in prior years, an interest rate of 8.75% was used for the valuation.

The Table of Contents, which follows, highlights the Sections of the Report.

Respectfully submitted,

(Signed) LISA A. WITLEN

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## TABLE OF CONTENTS

<u>Section</u>	<u>Item</u>	<u>Page No.</u>
I	Summary of Key Results	1
II	Employee Data	7
III	Assets, Liabilities and Contributions	10
	A. Market Value of Assets as of June 30, 2001	
	B. Reconciliation of Market Value of Assets from June 30, 2000 to June 30, 2001	
	C. Summary of Market Value of Assets by Source	
	D.(I) Development of Actuarial Value of Assets as of July 1, 2001	
	D.(II) Reconciliation of Fund Balances as of July 1, 2001	
	E. Summary of Actuarial Accrued Liability as of July 1, 2001	
	F. Summary of Unfunded Accrued Liability/(Surplus)	
	G. Development of Excess Valuation Assets	
	H. Development of Normal Cost (with reduction for Excess Assets) as of July 1, 2001	
	I. Summary of Total Required Contributions	
	J. Summary of Contribution Rates	
IV	Comments Concerning the Valuation	18
V	Accounting Information	22
VI	Level of Funding	26

TABLE OF CONTENTS  
(Continued)

<u>Section</u>	<u>Item</u>	<u>Page No.</u>
Appendix A	Brief Summary of the Benefit and Contribution Provisions as Interpreted for Valuation Purposes	27
Appendix B	Outline of Actuarial Assumptions and Methods	32
Appendix C	Additional Contribution Schedules	34
	A. Additional Accrued Liability Contribution Schedule	
	B. Summary of Fiscal Year 2004 Contributions for State College Locations	
Appendix D	Additional Census Data Statistics	35
Appendix E	Tabulations Used as a Basis for the 2001 Valuation	44
	Table 1 – Contributing Active Members Distributed by Age	
	Table 2 – Contributing Active Members Distributed by Service	
	Table 3 - Non-Contributing Active Members Distributed by Age	
	Table 4 - Non-Contributing Active Members Distributed by Service	
	Table 5 - Service Retirements	
	Table 6 – Special Retirements	
	Table 7 - Disability Retirements	
	Table 8 - Active Members’ Death Benefits	
	Table 9 - Retired Members’ Death Benefits	
	Table 10 - Deferred Terminated Vested	

REPORT ON THE ANNUAL  
VALUATION OF  
THE POLICE AND FIREMEN'S RETIREMENT SYSTEM  
OF NEW JERSEY  
PREPARED AS OF JULY 1, 2001

SECTION I - SUMMARY OF KEY RESULTS

The Police and Firemen's Retirement System of New Jersey was established effective July 1, 1944. Each year an actuarial valuation of the assets and liabilities of the System is made to determine the appropriate level of contributions. This report, prepared as of July 1, 2001, presents the results of the annual actuarial valuation of the Fund.

The report reflects the provisions of Chapter 201, P.L. 2001 which made changes to Chapter 247, P.L. 1993 which respect to benefits payable to members who transferred from the Public Employees' Retirement System of New Jersey to the Police and Firemen's Retirement System of New Jersey as a result of the Chapter 247 legislation and which had a retroactive effect on the July 1, 1999 and July 1, 2000 valuations. This is discussed in greater detail later in this report.

For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized on the following pages.

Valuation Date	July 1, 2001	July 1, 2000
<u>Number of Active Participants</u>		
• Contributory	41,870	41,394
• Non-Contributory	<u>1,149</u>	<u>1,036</u>
• Total	43,019	42,430
<u>Annual Compensation</u>		
• Contributory Participants	\$ 2,563,091,639	\$ 2,421,254,949
• Non-Contributory Participants	<u>55,609,445</u>	<u>48,556,756</u>
• Total Compensation	\$ 2,618,701,084	\$ 2,469,811,705
Number of Pensioners and Beneficiaries	24,319	23,032
Total Annual Allowances	\$ 777,135,166	\$ 706,920,730
Number of Terminated Vested Members	60	59
Total Annual Allowances	\$ 693,588	\$ 676,424
<u>Assets</u>		
Total Present Market Value of Assets*	\$ 16,805,673,262	\$ 18,951,312,882
Total Valuation Assets*	\$ 18,074,269,601	\$ 17,605,461,732 <sup>o</sup>
<u>Contribution Amounts</u>		
Normal Contribution#	\$ 377,852,435	\$ 0
Accrued Liability Contribution##	<u>208,135</u>	<u>364,850</u>
Total Contribution**	\$ 378,060,570	\$ 364,850

\*Includes receivable contributions of \$(184,209) for the July 1, 2001 and \$75,840,515 for the July 1, 2000 valuation, respectively. The amounts also include the present value of receivable ERI contributions of \$216,803,904 for July 1, 2001 and \$214,283,724 for July 1, 2000.

\*\* The contribution amounts were calculated assuming payment on 7/1/03 and 7/1/02, respectively. Interest should be added from those dates to the actual payment dates.

# Required contributions have been reduced by a portion of excess assets.

## The accrued liability contribution does not include ERI payments (including the Chapter 59 payment to be made by North Hudson Regional Fire and Rescue) since the actual contribution will depend on the payment schedule chosen by each location.

<sup>o</sup> The amount shown was determined prior to the retroactive effect of Chapter 201, P.L. 2001 on the calculation of valuation assets.

The major benefit and contribution provisions of the statute as reflected in the valuation are summarized in Appendix A. Included in this valuation are the provisions of Chapter 201, P.L. 2001 which made changes to Chapter 247, P.L. 1993 with respect to the benefits payable to members who transferred from the Public Employees' Retirement System of New Jersey (PERS) to the Police and Firemen's Retirement System of New Jersey (PFRS) as a result of the Chapter 247 legislation and which had a retroactive effect on the July 1, 1999 and July 1, 2000 PFRS valuations.

The changes due to this legislation can be summarized as follows:

- Each member or retiree who transferred from PERS to PFRS as a result of Chapter 247 will receive full credit under PFRS for their PERS transferred service.
- Each member or retiree who transferred from PERS to PFRS as a result of Chapter 247 and who had paid the cost for full PFRS service credit will be reimbursed for that payment.
- The increase in the unfunded accrued liability due to the preceding benefit improvements will be fully funded by the recognition of additional market value surplus in the determination of the actuarial value of assets for the July 1, 1999 valuation.

Although this change has no material effect on the actuarial valuations as of July 1, 1999 and July 1, 2000, which were completed prior to this legislation, it did change the amount of valuation assets used for these valuations. The original amounts used for each valuation and the revised amounts reflecting the effect of Chapter 201, can be summarized as follows:

<b>Actuarial Value of Assets</b>	<b>State</b>	<b>Local</b>	<b>Total System</b>
July 1, 1999 Valuation			
Original	\$ 1,694,130,763	\$ 14,384,636,223	\$ 16,078,766,986
Revised	\$ 1,707,810,554	\$ 14,438,882,341	\$ 16,146,692,895
July 1, 2000 Valuation			
Original	\$ 1,796,414,245	\$ 15,809,047,487	\$ 17,605,461,732
Revised	\$ 1,808,315,665	\$ 15,856,241,610	\$ 17,664,557,275

There are no other changes to the plan provisions since the previous valuation.

A summary of the actuarial assumptions and methods employed in the valuation is set forth in Appendix B. As discussed above, the July 1, 1999 valuation assets were redetermined to increase the market value surplus recognition percentage to fund the additional unfunded accrued liability attributable to Chapter 201, P.L. 2001. Beginning with the July 1, 2000 valuation, the five-year average of market value with mark-up was continued.

There were no other changes in actuarial assumptions and methods since the previous valuation.

The combination of the plan provisions, actuarial assumptions and member and beneficiary data is used to generate the overall required level of employer contributions. The required contribution is summarized in Section III(I).

The valuation generates a balance sheet which summarizes in some detail the total present and prospective assets and liabilities of the Fund. A summary comparison of the balance sheets as of July 1, 2000 and July 1, 2001 is set forth in the following table. The allocation of assets among the various investment alternatives is shown in graphic form on page 6.



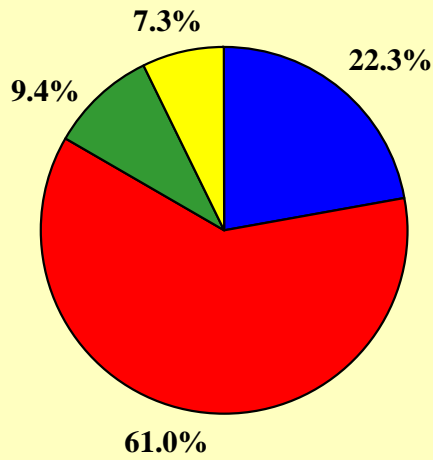
**TABLE I  
COMPARATIVE BALANCE SHEET**

<u><b>ASSETS</b></u>	<b>2001</b>	<b>2000*</b>
Actuarial value of assets of Fund	\$ 18,074,269,601	\$ 17,605,461,732
Net unfunded accrued liability/(surplus)	(151,682,564)	(1,013,919,114)
Total Assets	\$ 17,922,587,037	\$ 16,591,542,618
<u><b>LIABILITIES</b></u>		
Present value of benefits to present beneficiaries payable from the Retirement Reserve Fund	\$ 9,259,660,051	\$ 8,457,570,178
Present value of benefits to present active members	8,662,926,986	8,133,972,440
Total Liabilities	\$ 17,922,587,037	\$ 16,591,542,618

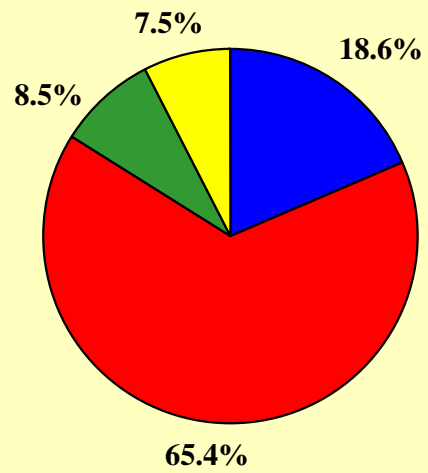
\*The results shown for 2000 were determined prior to the retroactive effect of Chapter 201, P.L. 2001 which increased the actuarial value of assets used for the July 1, 1999 and July 1, 2000 valuations.

# THE POLICE AND FIREMEN'S RETIREMENT SYSTEM OF NEW JERSEY

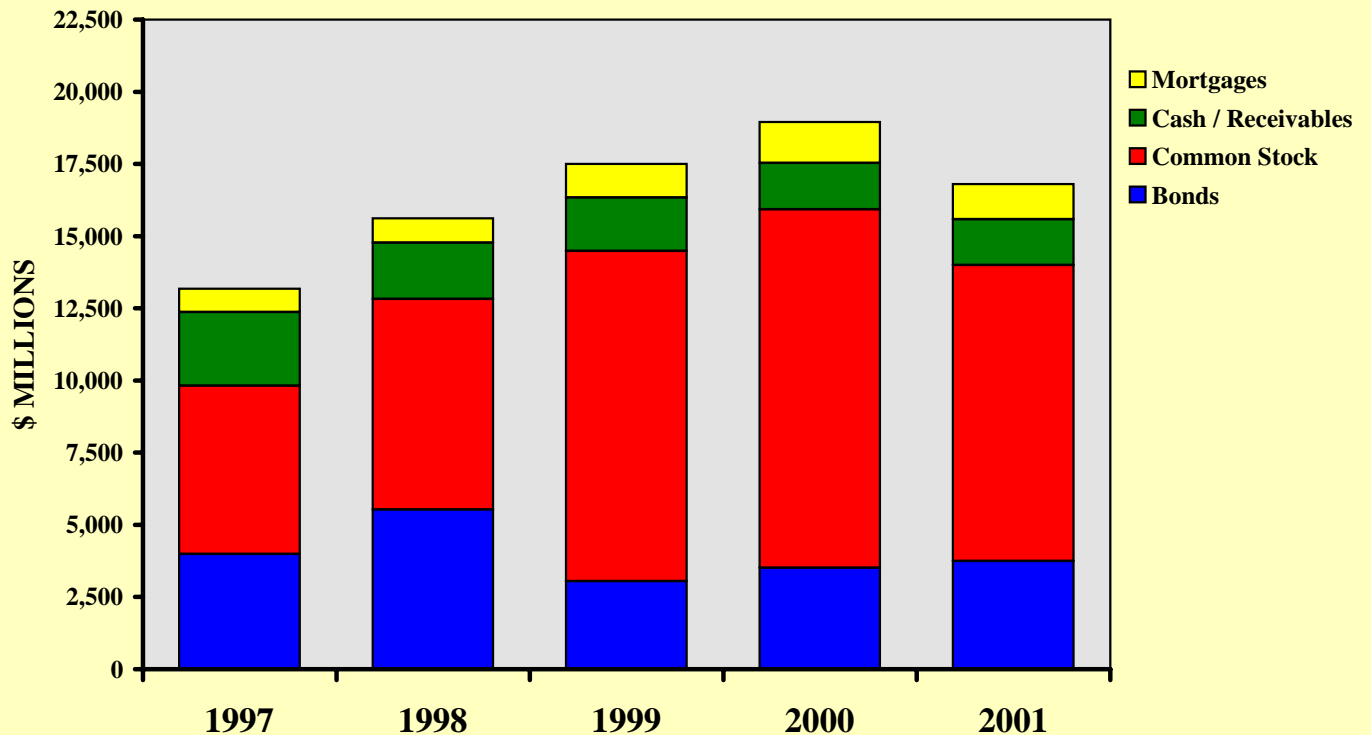
## ASSET ALLOCATION MARKET VALUE



**2001**



**2000**



SECTION II – EMPLOYEE DATA

The data employed for the valuations were furnished to the actuary by the Division of Pensions and Benefits. The following summarizes and compares the Fund membership as of July 1, 2001 and July 1, 2000 by various categories.

**ACTIVE MEMBERSHIP**

Group	2001		2000	
	Number	Annual Compensation	Number	Annual Compensation
Men	39,450	\$ 2,428,469,017	39,065	\$ 2,298,302,871
Women	3,569	\$ 190,232,067	3,365	\$ 171,508,834

**RETIRED MEMBERS AND BENEFICIARIES**

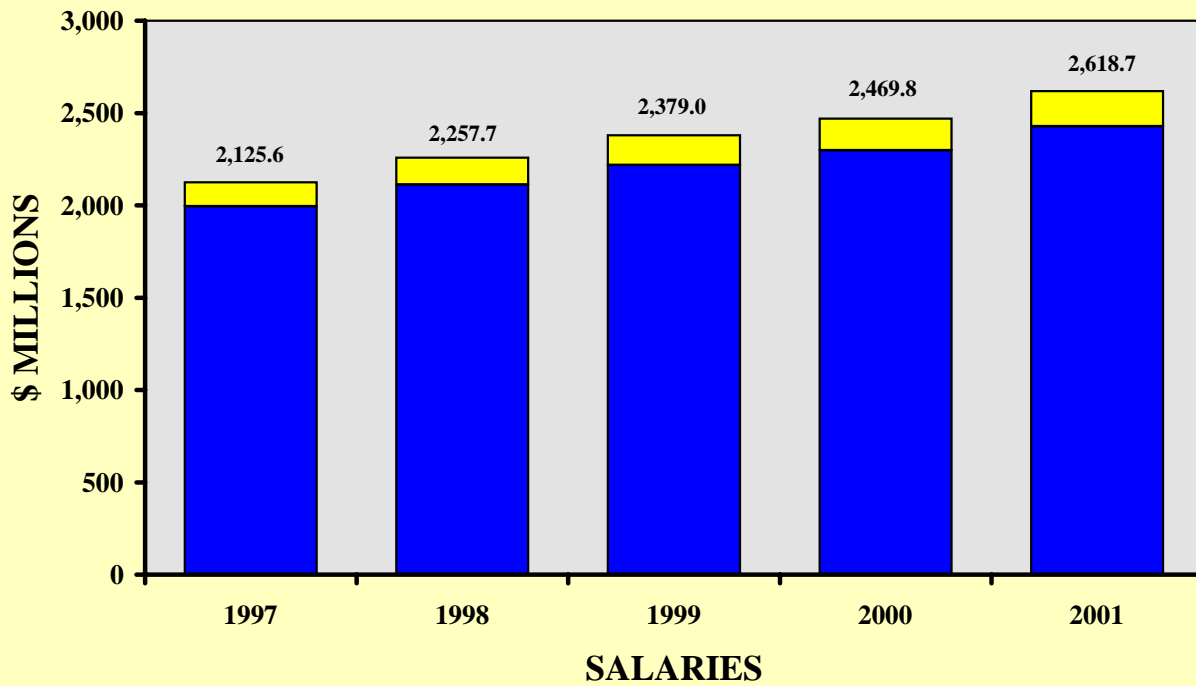
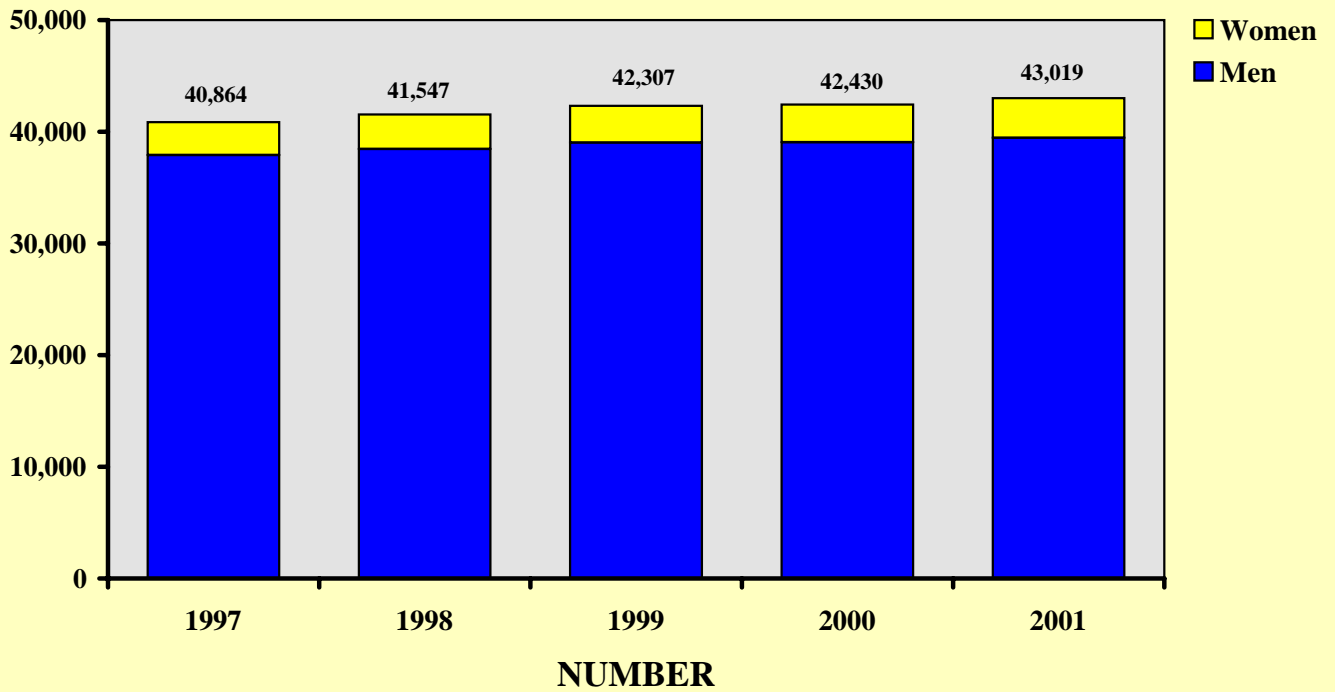
Group	2001		2000	
	Number	Annual Allowances	Number	Annual Allowances
Deferred Terminated Vesteds	60	\$ 693,588	59	\$ 676,424
Service Retirements	16,771	\$ 635,064,249	16,076	\$ 583,025,839
Disability Retirements	2,949	\$ 59,797,771	2,718	\$ 51,585,304
Beneficiaries	4,599	\$ 82,273,146	4,238	\$ 72,309,587

Appendix E provides a detailed distribution between groups.

Graphic presentations of the statistical data on membership are shown on the following pages.

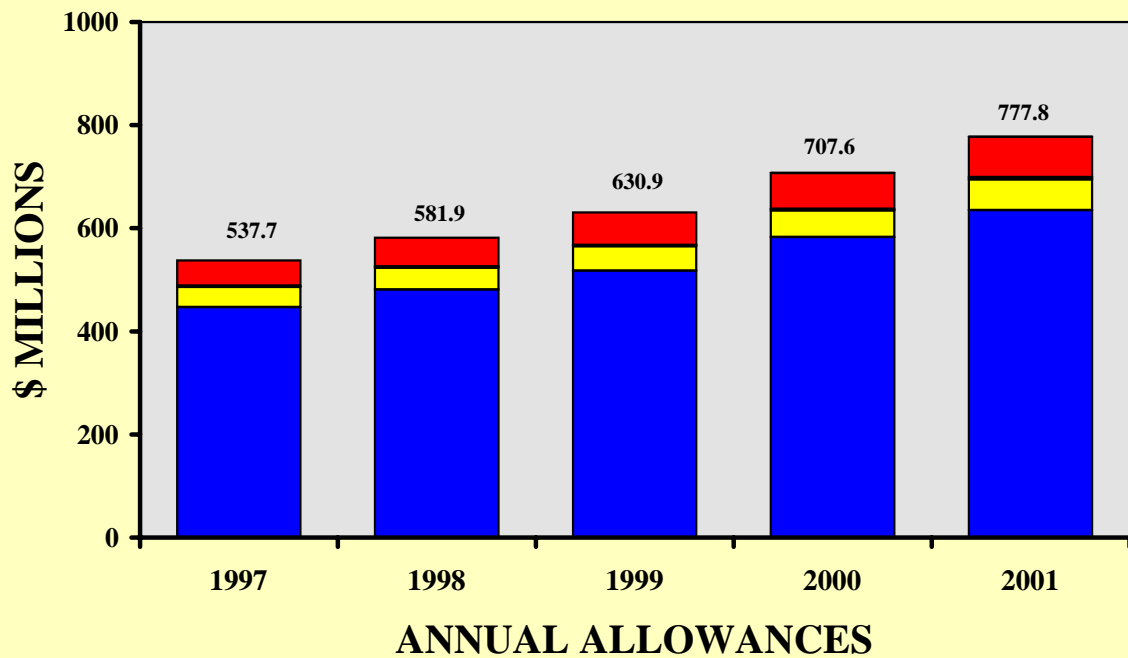
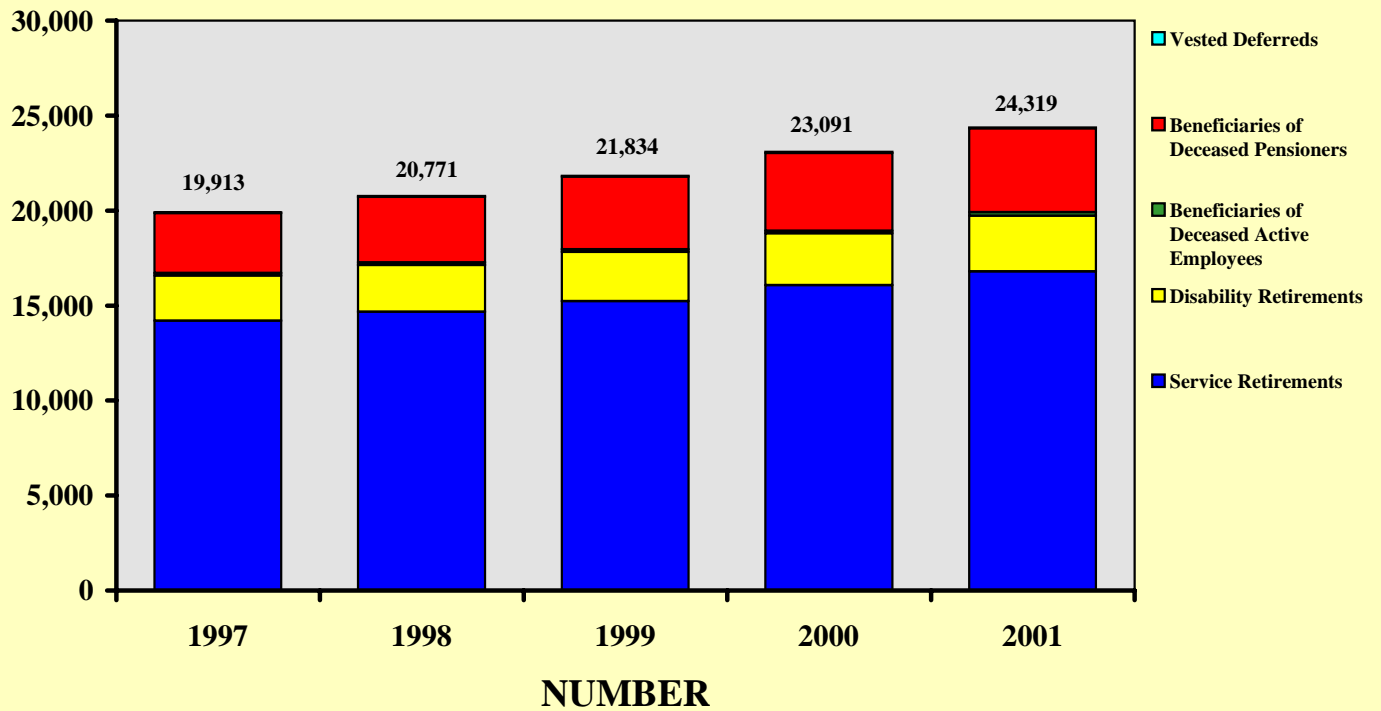
# THE POLICE AND FIREMEN'S RETIREMENT SYSTEM OF NEW JERSEY

## SUMMARY OF ACTIVE PARTICIPATION



# THE POLICE AND FIREMEN'S RETIREMENT SYSTEM OF NEW JERSEY

## SUMMARY OF RETIRED PARTICIPATION



SECTION III – ASSETS, LIABILITIES AND CONTRIBUTIONS

**A. Market Value of Assets as of June 30, 2001**

1.	Assets		
	a.	Cash	\$ 55,175,268
	b.	Investment Holdings	15,976,503,628
	c.	Accrued Interest on Investments	65,167,049
	d.	Employers' Contributions Receivable – Local	247,405,677
	e.	Interest Receivable on Loans	2,768,424
	f.	Members' Contributions Receivable	42,644,881
	g.	Members' Loans Receivable	439,937,723
	h.	Dividends Receivable	21,852,496
	i.	Employers' Contributions Receivable – Delayed Enrollments	40,504
	j.	Employers' Contributions Receivable – Delayed Appropriations	174,214
	k.	Accounts Receivable – Others	<u>6,380,135</u>
	l.	Total	\$ 16,858,049,999
2.	Liabilities		
	a.	Pension Payroll Payable	\$ 46,892,118
	b.	Pension Adjustment Payroll Payable	8,795,728
	c.	Withholding Payable	9,791,464
	d.	Accounts Payable - Others	2,726,548
	e.	Administrative Expense Payable	<u>515,545</u>
	f.	Total	\$ 68,721,403
3.	Preliminary Market Value of Assets as of June 30, 2001: 1(l) - 2(f)		\$ 16,789,328,596
4.	State Receivable Contributions		\$ 0
5.	Adjustment to Local Receivable Contributions*		\$ (184,209)
6.	Adjustment to June 30, 2001 Financial Report to reflect:		
	a.	Actual present value of receivable ERI contributions as of June 30, 2001	\$ 3,006,758
	b.	Additional Chapter 59, P.L. 1999 present value of receivable ERI contributions	<u>\$ 13,522,117</u>
7.	Market Value of Assets as of June 30, 2001		\$ 16,805,673,262

\*Adjustment to the value shown in the June 30, 2001 Financial Report for Local Employers' Appropriations Receivable to reflect the lump sum payoff of the additional unfunded accrued liability attributable to Chapter 39, P.L. 2000 (NJ Transit Corporation).

**B. Reconciliation of Market Value of Assets from June 30, 2000 to June 30, 2001**

	State	Local	Total System
1. Market Value of Assets as of June 30, 2000	\$ 1,969,357,464	\$ 17,142,794,826	\$ 19,112,152,290
2. Increases			
a. Pension Contributions			
(1) Members' Contributions	\$ 34,781,862	\$ 191,930,685	\$ 226,712,547
(2) Transfers from Other Systems	892,162	1,920,803	2,812,965
(3) Total	\$ 35,674,024	\$ 193,851,488	\$ 229,525,512
b. Employers' Contributions			
(1) Appropriations	\$ 0	\$ (149,204,122)	\$ (149,204,122)
(2) Transfers from other Systems	0	0	0
(3) Additional Employers' Contributions (including Chapter 109)	0	310,371	310,371
(4) Delayed Enrollments	(4,454)	49,034	44,580
(5) Delayed Appropriations	(12,855)	142,601	129,746
(6) Total	\$ (17,309)	\$ (148,702,116)	\$ (148,719,425)
c. Adjustment due to Special Reserve Fund reallocation	\$ 393,141	\$ (393,141)	\$ 0
d. Investment Income	\$ (160,579,642)	\$ (1,466,531,366)	\$ (1,627,111,008)
e. Total Increases	\$ (124,529,786)	\$ (1,421,775,135)	\$ (1,546,304,921)
3. Decreases			
a. Benefits Provided by Members			
(1) Withdrawals of Members' Contributions	\$ 2,605,242	\$ 3,897,874	\$ 6,503,116
(2) Withdrawals of Transfers' Contributions	175,740	654,589	830,329
(3) Adjustment for Loans	0	0	0
(4) Total	\$ 2,780,982	\$ 4,552,463	\$ 7,333,445
b. Benefits Provided by Employers			
(1) Transfer Withdrawals - Employers' Benefits	\$ 0	\$ 0	\$ 0
(2) Death Benefit Claims	3,826,578	17,667,138	21,493,716
(3) Administrative Expense	275,533	2,479,797	2,755,330
(4) Miscellaneous Expense	(4,074)	11,209	7,135
(5) Total	\$ 4,098,037	\$ 20,158,144	\$ 24,256,181
c. Retirement Allowances	\$ 46,628,684	\$ 601,993,034	\$ 648,621,718
d. Pension Adjustment	\$ 3,867,382	\$ 92,440,047	\$ 96,307,429
e. Total Decreases	\$ 57,375,085	\$ 719,143,688	\$ 776,518,773
4. a. Preliminary Market Value of Assets as of June 30, 2001 = (1) + 2(e) - 3(e)	\$ 1,787,452,593	\$ 15,001,876,003	\$ 16,789,328,596
b. State Receivable Contributions	\$ (93,434,880)	\$ 93,434,880	\$ 0
c. Adjustment to Local Receivable Contributions	N/A	\$ (184,209)	\$ (184,209)
d. Adjustment to June 30, 2001 Financial Report to reflect:			
(1) Actual present value of receivable ERI contributions as of June 30, 2001	N/A	\$ 3,006,758	\$ 3,006,758
(2) Additional present value of Chapter 59, P.L. 1999 receivable contributions	N/A	\$ 13,522,117	\$ 13,522,117
e. Adjustment for NJIT transfer	\$ 4,554,376	\$ (4,554,376)	\$ 0
5. Market Value of Assets as of June 30, 2001 = 4(a) + 4(b) + 4(c) + 4(d)(1) + 4(d)(2) + 4 (e)	\$ 1,698,572,089	\$ 15,107,101,173	\$ 16,805,673,262

**C. Summary of Market Value of Assets by Source**

1.	Reserve for Employers' Contributions	\$	8,203,828,815
2.	Reserve for Members' Contributions		1,856,937,299
3.	Reserve for Retirement Fund		6,728,562,482
4.	Reserve for Special Reserve Fund		0
5.	Receivable Contributions		(184,209)
6.	Additional receivable ERI contributions		3,006,758
7.	Additional present value of Chapter 59, P.L. 1999 receivable contributions		<u>13,522,117</u>
8.	Total Market Value of Assets as of June 30, 2001	\$	16,805,673,262

**D.(I) Development of Actuarial Value of Assets as of July 1, 2001**

	State	Local Employers	Total System
1. Actuarial Value of Assets as of June 30, 2000 (without receivable contribution)*	\$ 1,893,209,494	\$ 15,481,223,542	\$ 17,374,433,036
2. Net Cash Flow excluding Investment Income and Present Value of ERI Contributions	(21,325,229)	(674,387,457)	(695,712,686)
3. Investment Income at Actuarially Assumed Rate of 8.75%	164,684,577	1,331,524,291	1,496,208,868
4. Expected Actuarial Value of Assets as of June 30, 2001 = 1. + 2. + 3.	\$ 2,036,568,842	\$ 16,138,360,376	\$ 18,174,929,218
5. Mark-up percentage	20.0%	20.0%	
6. Mark-up to Reflect Growth in Preliminary Market Value of Assets	(49,823,250)	(267,456,062)	(317,279,312)
7. Receivable Contribution	(93,434,880)	93,250,671	(184,209)
8. Present Value of Receivable ERI Contributions as of June 30, 2001	N/A	203,281,787	203,281,787
9. Present Value of Receivable ERI Contributions due to Chapter 59, P.L. 1999	N/A	13,522,117	13,522,117
10. Adjustment for NJIT transfer	4,554,376	(4,554,376)	0
11. Actuarial Value of Assets as of June 30, 2001 = 4. + 6. + 7. + 8. + 9. + 10.	\$ 1,897,865,088	\$ 16,176,404,513	\$ 18,074,269,601

\*Reflects retroactive adjustment required under Chapter 201, P.L. 2001.



**D.(II) Reconciliation of Fund Balances as of July 1, 2001**

	STATE	LOCAL EMPLOYERS	TOTAL SYSTEM
Present assets of Fund credited to:			
Retirement Reserve Fund			
Credited to Fund as of June 30, 2000	\$ 651,950,763	\$ 5,623,961,561	\$ 6,275,912,324
• Reserve Transferred from (to):			
- Contingent Reserve Fund	56,856,380	491,985,172	548,841,552
- Annuity Savings Fund	11,946,772	87,648,654	99,595,426
• Distribution of Income	57,045,692	492,096,637	549,142,329
• Total Deductions	(50,496,067)	(694,433,081)	(744,929,148)
• Adjustment to the present value of ERI payments as of June 30, 2001	<u>0</u>	<u>16,528,875</u>	<u>16,528,875</u>
Credited to Fund as of June 30, 2001	\$ 727,303,540	\$ 6,017,787,818	\$ 6,745,091,358
Annuity Savings Fund			
Credited to Fund as of June 30, 2000	\$ 198,164,419	\$ 1,536,879,016	\$ 1,735,043,435
• Members' Contributions	34,781,862	191,930,685	226,712,547
• Transfers from Other Systems	673,009	1,328,724	2,001,733
• Reserve Transferred from (to):			
- Retirement Reserve Fund	(11,946,772)	(87,648,654)	(99,595,426)
• Distribution of Income	0	0	0
• Total Deductions	<u>(2,743,945)</u>	<u>(4,481,044)</u>	<u>(7,224,989)</u>
Credited to Fund as of June 30, 2001	\$ 218,928,573	\$ 1,638,008,727	\$ 1,856,937,300
Contingent Reserve Fund			
Credited to Fund as of June 30, 2000	\$ 1,211,933,390	\$ 10,976,529,983	\$ 12,188,463,373
• Transfers from Other Systems	219,153	592,079	811,232
• Reserve Transferred from (to):			
- Retirement Reserve Fund	(56,856,380)	(491,985,172)	(548,841,552)
- Special Reserve Fund	18,114,529	163,030,759	181,145,288
• Employers' Contributions	(17,309)	(148,702,116)	(148,719,425)
• Distribution of Income	(217,625,334)	(1,958,628,003)	(2,176,253,337)
• Total Deductions	<u>(4,135,074)</u>	<u>(20,229,562)</u>	<u>(24,364,636)</u>
Credited to Fund as of June 30, 2001	\$ 951,632,975	\$ 8,520,607,968	\$ 9,472,240,943
Special Reserve Fund			
Credited to Fund as of June 30, 2000	\$ 18,114,529	\$ 163,030,759	\$ 181,145,288
• Reserve Transferred from (to):			
- Contingent Reserve Fund	<u>(18,114,529)</u>	<u>(163,030,759)</u>	<u>(181,145,288)</u>
Credited to Fund as of June 30, 2001	\$ 0	\$ 0	\$ 0
Total Present Assets	\$ 1,897,865,088	\$ 16,176,404,513	\$ 18,074,269,601
Present value of prospective accrued liability/(surplus) contributions/(credits) payable by the State and Local employers to the Contingent Reserve Fund for basic allowances with cost-of-living adjustments	<u>\$ (31,724,697)</u>	<u>\$ (119,957,867)</u>	<u>\$ (151,682,564)</u>
Total Assets	\$ 1,866,140,391	\$ 16,056,446,646	\$ 17,922,587,037

**E. Summary of Actuarial Accrued Liability as of July 1, 2001**

	State	Local Employers	Total System
1. Retirees and Beneficiaries			
a. Service Retirement	\$ 500,474,965	\$ 6,904,658,616	\$ 7,405,133,581
b. Disability Retirement	99,883,542	671,274,654	771,158,196
c. Beneficiaries	42,002,174	751,474,697	793,476,871
d. Lump Sum Death Benefits	<u>13,400,193</u>	<u>143,411,423</u>	<u>156,811,616</u>
e. Total	\$ 655,760,874	\$ 8,470,819,390	\$ 9,126,580,264
2. Terminated Vested Members	\$ 3,055,630	\$ 19,681,111	\$ 22,736,741
3. Active Participants			
a. Service Retirement	\$ 989,681,527	\$ 6,383,993,825	\$ 7,373,675,352
b. Vested Retirement	14,114,728	73,437,514	87,552,242
c. Ordinary Disability	66,426,891	340,086,509	406,513,400
d. Accidental Disability	30,208,000	163,685,713	193,893,713
e. Ordinary Death	5,589,561	28,456,998	34,046,559
f. Accidental Death	2,036,873	10,858,803	12,895,676
g. Withdrawal of Contributions	2,111,521	10,901,728	13,013,249
h. Lump Sum Death Benefit	<u>17,367,843</u>	<u>100,488,120</u>	<u>117,855,963</u>
i. Total	\$ 1,127,536,944	\$ 7,111,909,210	\$ 8,239,446,154
4. Total Additional Actuarial Accrued Liability due to Chapter 428, P.L. 1999	<u>\$ 79,786,943</u>	<u>\$ 454,036,935</u>	<u>\$ 533,823,878</u>
5. Total Actuarial Accrued Liability = 1(e) + 2 + 3(i) + 4	\$ 1,866,140,391	\$ 16,056,446,646	\$ 17,922,587,037

**F. Summary of Unfunded Accrued Liability/(Surplus)**

	July 1, 2001 Valuation			July 1, 2000 Valuation*		
	State Locations	Municipalities & Local Groups	Total	State Locations	Municipalities & Local Groups	Total
1. Present Value of Benefits	\$ 1,866,140,391	\$ 16,056,446,646	\$ 17,922,587,037	\$ 1,666,842,906	\$ 14,924,699,712	\$ 16,591,542,618
2. Actuarial Value of Assets	1,897,865,088	16,176,404,513	18,074,269,601	1,796,414,245	15,809,047,487	17,605,461,732
3. Unfunded Accrued Liability/(Surplus)						
(a) Chapter 204	0	3,709,882	3,709,882	0	3,577,502	3,577,502
(b) Chapter 39	0	0**	0**	0	3,066,800	3,066,800
(c) Excluding Chapter 204 and Chapter 39	(31,724,697)	(123,667,749)	(155,392,446)	(129,571,339)	(890,992,077)	(1,020,563,416)
(d) Gross Unfunded Accrued Liability/(Surplus) = (a) + (b) + (c)	\$ (31,724,697)	\$ (119,957,867)	\$ (151,682,564)	\$ (129,571,339)	\$ (884,347,775)	\$ (1,013,919,114)
4. Present Value of Future Chapter 428 Normal Costs	38,202,149	165,114,423	203,316,572	35,405,150	161,114,093	196,519,243
5. Net Unfunded Accrued Liability/(Surplus) Reflecting Chapter 428 offset = 3(d) + 4	\$ 6,477,452	\$ 45,156,556	\$ 51,634,008	\$ (94,166,189)	\$ (723,233,682)	\$ (817,399,871)

\*Results shown for 2000 were determined prior to the retroactive effect of Chapter 201, P.L. 2001 which increased the actuarial value of assets used for the July 1, 1999 and July 1, 2000 valuations.

\*\*The unfunded accrued liability due to Chapter 39, P.L. 2000 (New Jersey Transit Corporation) was paid off in a lump sum rather than in annual payments.

**G. Development of Excess Valuation Assets**

Chapter 115, P.L. 1997 prescribes a procedure for determining the value of Excess Valuation Assets. The law provides for a reduction in the normal contributions of the State and other employers for the valuation period ending June 30, 1995 to the extent possible by the excess valuation assets and permitted the State Treasurer to reduce the normal contribution payable by the State and other employers for valuations after June 30, 1995 up to a specified portion of excess valuation assets (84% as of the July 1, 2001 valuation). Further, Chapter 8, P.L. 2000 amended the definition of Excess Valuation Assets, beginning with the June 30, 1998 valuation, to also reflect the present value of the expected additional normal cost contributions attributable to the provisions of Chapter 428, P.L. 1999.

	<b>State</b>	<b>Municipalities and Local Groups</b>
1. Valuation Assets	\$ 1,897,865,088	\$ 16,176,404,513
2. Actuarial Accrued Liability	1,866,140,391	16,052,736,764
3. Present Value of Future Chapter 428 Normal Costs	38,202,149	165,114,423
4. Excess Valuation Assets = 1. - 2. - 3. not less than zero	\$ 0	\$ 0

**H. Development of Normal Cost (with reduction for Excess Assets) as of July 1, 2001**

	<b>State</b>	<b>Local Employers</b>	<b>Total System</b>
1. Service Retirement	\$ 67,114,866	\$ 372,009,698	\$ 439,124,564
2. Ordinary Disability Retirement	5,969,332	27,510,621	33,479,953
3. Accidental Disability Retirement	3,308,909	15,862,103	19,171,012
4. Ordinary Death Benefits	461,234	2,125,361	2,586,595
5. Accidental Death Benefits	222,548	1,031,083	1,253,631
6. Vested Termination Retirement	1,242,784	6,401,854	7,644,638
7. Return of Members' Contributions Upon Withdrawal	610,916	2,332,216	2,943,132
8. Lump Sum Death Benefits After Retirement	1,338,519	6,704,383	8,042,902
9. Term Cost Lump Sum Death Benefit During Active Service	3,910,756	21,253,156	25,163,912
10. Portion Attributable to Chapter 428*	<u>5,943,360</u>	<u>26,814,063</u>	<u>32,757,423</u>
11. Total Gross Normal Cost	\$ 90,123,224	\$ 482,044,538	\$ 572,167,762
12. Expected Employee Contributions	34,318,069	185,597,544	219,915,613
13. Portion of Local Normal Cost Payable by the State due to <ul style="list-style-type: none"> <li>• Chapter 511</li> <li>• Chapter 247</li> <li>• Chapter 109</li> </ul>	14,723,991 5,536,475 <u>23,799,491</u>	(14,723,991) (5,536,475) <u>(23,799,491)</u>	0 0 <u>0</u>
14. Preliminary Normal Cost as of July 1, 2001 = 11 - 12 + 13	\$ 99,865,112	\$ 252,387,037	\$ 352,252,149
15. Reduction for Chapter 428 Normal Cost (currently covered by Excess Valuation Assets)	5,943,360	26,814,063	32,757,423
16. Reduction due to excess valuation assets	0	0	0
17. Interest to Reflect a 2 Year Delay in Payment to July 1, 2003	<u>17,155,395</u>	<u>41,202,314</u>	<u>58,357,709</u>
18. Net Normal Cost = 14 - 15 - 16 + 17	\$ 111,077,147	\$ 266,775,288	\$ 377,852,435

\*Currently covered by Excess Valuation Assets available prior to reduction for the Present Value of Future Chapter 428 Normal Costs.

**I. Summary of Total Required Contributions**

	July 1, 2001 Valuation			July 1, 2000 Valuation***		
	State Locations	Municipalities & Local Groups	Total	State Locations	Municipalities & Local Groups	Total
Active Participant Payroll	\$ 398,118,379	\$ 2,163,590,060	\$ 2,561,708,439	\$ 363,360,250	\$ 2,055,781,766	\$ 2,419,142,016
1. Normal Cost						
a) Normal Cost (without Chapters 109, 247, 428 and 511)	\$ 45,679,150	\$ 241,185,477	\$ 286,864,627	\$ 42,474,697	\$ 229,556,526	\$ 272,031,223
b) Normal Cost for Chapter 511	20,899,344	N/A	20,899,344	19,688,023	N/A	19,688,023
c) Normal Cost for Chapter 247	6,547,747	454,633	7,002,380	6,381,806	545,638	6,927,444
d) Chapter 109 Payment	33,325,826	N/A	33,325,826	31,471,147	N/A	31,471,147
e) Term Cost for Lump Sum Death Benefit to Active Members	4,625,080	25,135,178	29,760,258	4,077,572	23,069,657	27,147,229
f) Normal Cost for Chapter 428	7,028,952	31,711,819	38,740,771	6,475,528	30,485,833	36,961,361
g) Preliminary Normal Cost = (a) + (b) + (c) + (d) + (e) + (f)	\$ 118,106,099	\$ 298,487,107	\$ 416,593,206	\$ 110,568,773	\$ 283,657,654	\$ 394,226,427
h) Reduction for Chapter 428 Normal Cost (currently covered by Excess Valuation Assets)	7,028,952	31,711,819	38,740,771	6,475,528	30,485,833	36,961,361
i) Additional reduction due to Excess Valuation Assets	0	0	0	104,093,245**	253,171,821	357,265,066
j) Net Normal Cost = (g) – (h) – (i)	\$ 111,077,147	\$ 266,775,288	\$ 377,852,435	\$ 0	\$ 0	\$ 0
2. Accrued Liability*						
a) Unfunded Actuarial Liability Payment (without Chapters 39, 204, 428 and 247)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b) Chapter 39 UAL Payment <sup>‡</sup>	N/A	0	0	N/A	168,403	168,403
c) Chapter 204 UAL Payment	0	208,135	208,135	0	196,447	196,447
d) Chapter 247 UAL Payment	0	N/A	0	0	N/A	0
e) Chapter 428 UAL Payment	0	N/A	0	0	N/A	0
f) Total Accrued Liability = (a) + (b) + (c) + (d) + (e)	\$ 0	\$ 208,135	\$ 208,135	\$ 0	\$ 364,850	\$ 364,850
3. Total Contribution = 1(j) + 2(f)	\$ 111,077,147	\$ 266,983,423	\$ 378,060,570	\$ 0	\$ 364,850	\$ 364,850

\* Does not include ERI payment (including the Chapter 59 payment to be made by North Hudson Regional Fire and Rescue) since actual contributions depend on the payment schedule chosen by each location.

\*\* Includes \$49,735,088 attributable to Municipalities & Local Groups' liabilities which are payable by the State as required under Chapters 109, 247 and 511.

\*\*\* The results shown for the July 1, 2000 valuation were determined prior to the retroactive effect of Chapter 201, P.L. 2001 which had no material impact on the required contribution calculation.

‡The unfunded accrued liability attributable to Chapter 39, P.L. 2000 (New Jersey Transit Corporation) was paid off in a lump sum rather than in annual payments.

**J. Summary of Contribution Rates**

The following chart summarizes the rounded contribution rates that are applied to the applicable compensation for each location to produce the required contributions:

	July 1, 2001 Valuation		July 1, 2000 Valuation	
	State Locations	Municipalities & Local Groups	State Locations	Municipalities & Local Groups
<b>1. Normal Contribution Rates:</b>				
a) Basic Allowances	11.474%	11.471%	11.689%	11.504%
b) Lump Sum Death Benefit	1.162%	1.162%	1.122%	1.122%
c) Chapter 511*	5.250%	N/A	5.418%	N/A
d) Chapter 247*				
• PERS Local normal rate applicable to pay for individuals without past service	N/A	0.283%	N/A	0.479%
• Total PERS Local rate applicable to pay for individuals with past service	N/A	4.046%	N/A	3.937%
• Portion of Municipalities & Local Groups costs payable by the State	1.645%	N/A	1.756%	N/A
e) Chapter 109*	8.371%	N/A	8.661%	N/A
f) Reduction in Normal Rate due to Excess Assets				
• PERS Local normal rate applicable to pay for individuals without past service	N/A	0.000%	N/A	(1.601%)
• Total PERS Local rate applicable to pay for individuals with past service	N/A	0.000%	N/A	(5.059%)
• Applicable to all other members of the System	0.000%	0.000%	(28.646%)	(12.626%)
g) Chapter 428***	1.766%	1.466%	1.782%	1.483%
<b>2. Accrued Liability Contribution Rates:</b>				
a) Basic Allowances	0.000%	0.000%	0.000%	0.000%
b) Chapter 204	0.000%	**	0.000%	**
c) Chapter 39 <sup>†</sup>	N/A	0.000%	N/A	**
d) Chapter 247*				
• Rate applicable to pay for individuals without past service	0.000%	N/A	0.000%	N/A
e) Chapter 428*	0.000%	N/A	0.000%	N/A

\* Payment for certain costs under Chapters 109, 247, 511 and 428 (Chapter 8) for both Municipalities & Local Groups and State Locations are made by the State in accordance with the legislation.

\*\* Costs for locations affected by Chapter 204 and Chapter 39 are presented in Appendix C.

\*\*\* Provided for informational purposes only. The full amount is not payable since it is currently covered by Excess Valuation Assets in accordance with Chapter 8, P.L. 2000.

<sup>†</sup> The unfunded liability attributable to Chapter 39, P.L. 2000 (New Jersey Transit Corporation) was paid off in a lump sum rather than in annual payments.

SECTION IV - COMMENTS CONCERNING THE VALUATION

The variation in liabilities and contributions reflects the Fund's actual experience during the year. The Plan realized a net actuarial loss during the past year, primarily a result of the investment return which was less than that expected (6.92% on an actuarial value basis, rather than the 8.75% expected) and on a net actuarial experience loss.

The following shows the development of the actuarial experience and identifies the major experience components:

**Calculation of Net Actuarial Gain**

1.	Unfunded Accrued Liability as of July 1, 2000	\$ (1,013,919,114)
2.	Normal Cost as of July 1, 2000	517,990,956
3.	Interest on (1) and (2)	(43,393,714)
4.	Actual Members' Contributions	226,712,547
5.	Discounted value of prior year's Employer Contribution	335,494
6.	Expected interest on Members' contributions	<u>9,918,673</u>
7.	Expected Unfunded Accrued Liability as of July 1, 2001	\$ (776,288,586)
8.	Actual Unfunded Accrued Liability as of July 1, 2001	<u>\$ (151,682,564)</u>
9.	Actuarial (gain)/loss = (8) - (7)	\$ 624,606,022

**Components of Actuarial Experience**

1.	Investment (Gain)/Loss	\$ 310,895,904
2.	Other (Gain)/Loss, including mortality, salary increases greater than expected, changes in employee data	<u>313,710,118</u>
3.	Total Actuarial (Gain)/Loss	\$ 624,606,022

The valuation also reflects costs attributable to the following legislation:

**Chapter 204, P.L. 1989**

The provisions of Chapter 204 allowed employees with titles which were previously excluded from PFRS membership to enter the Plan. Each employer is required to contribute any additional contribution necessary to fund any unfunded liability arising from Chapter 204. Appendix C lists all applicable locations and the required contributions.

**Chapter 511, P.L. 1992**

Chapter 511 required that the normal cost and accrued liability contribution attributable to this chapter be separately determined. However, as a result of Chapter 115, P.L. 1997, the accrued liability contribution rate attributable to Chapter 511 was eliminated. The following summarizes the normal cost rate for the current and previous valuations:

<b>Chapter 511 Contribution Rate</b>	<b>June 30, 2001</b>	<b>June 30, 2000</b>
Normal Cost	5.250%	5.418%
Accrued Liability	<u>N/A</u>	<u>N/A</u>
Total Rate	5.250%	5.418%

**Chapter 247, P.L. 1993 and Chapter 201 P.L. 2001**

Chapter 247 requires the State to pay the difference between the PFRS normal cost rate and the PERS normal cost rate for certain members who transferred into PFRS as of January 1, 1992 or later. In addition, the law requires the State to pay the “System” unfunded accrued liability contribution for Municipalities and Local Groups that transferred into PFRS on and after January 1, 1992 without past service. The following summarizes the number of active employees affected, the applicable contribution rates, and the Chapter 247 contributions for the current and previous valuations:



<b>Chapter 247</b>	<b>June 30, 2001</b>	<b>June 30, 2000</b>
Number of Active Employees	1,382	1,451
<u>Contribution Rates:</u>		
Normal Cost	1.645%	1.756%
Accrued Liability	<u>0.000</u>	<u>0.000</u>
Total Rate	1.645%	1.756%
<u>Contributions:</u>		
Normal Cost	\$ 6,547,747	\$ 6,381,806
Accrued Liability	<u>0</u>	<u>0</u>
Total Cost	\$ 6,547,747	\$ 6,381,806

Chapter 201, P.L. 2001 made changes to Chapter 247, P.L. 1993 with respect to the benefits payable to members who transferred from PERS to PFRS as a result of the Chapter 247 legislation. The resulting increase in the unfunded accrued liabilities due to the increased benefits was fully funded by the recognition of additional market value surplus in the determination of the actuarial value of assets for the July 1, 1999 valuation.

#### **Chapter 59, P.L. 1999**

Chapter 59, P.L. 1999 permitted local units to offer early retirement or termination incentives to certain employees affected by the consolidation of services. Appendix C lists all applicable locations and summarizes the contribution requirement under Chapter 59.

#### **Chapter 8, P.L. 2000**

Chapter 8, P.L. 2000 required that, if valuation assets are insufficient to fund the normal cost and accrued liability costs attributable to Chapter 428, P.L. 1999, the contribution required to fund these costs for the State and other employers shall be paid by the State. For the July 1, 2001 valuation, valuation assets were sufficient to fund the costs attributable to Chapter 428 and, therefore, no additional State contributions are required.

**Chapter 39, P.L. 2000**

Chapter 39, P.L. 2000 amended Chapter 386, P.L. 1991 which allowed the transfer of the railroad police force of the NJ Transit Corporation into the System. It specified that the members would receive credit for prior service if they continued covered employment in the System for at least five years (credit all service if less than ten years of service as of April 1, 1992 or credit all service over ten years if a member had more than ten years of service as of that date). Chapter 39 amended the provisions of Chapter 386 by crediting all years of service but offsetting the total benefit by any amounts payable from the Railroad Retirement System. Appendix C indicates that the additional unfunded accrued liability attributable to Chapter 39 has been fully paid off.

SECTION V - ACCOUNTING INFORMATION

Statement No. 5 of the Governmental Accounting Standards Board, issued November 1986, established standards of disclosure of pension information by public retirement systems. Statement No. 25 of the Governmental Accounting Standards Board, issued November 1994, established financial reporting standards for defined benefit pension plans and for the notes to the financial statements of defined contribution plans of state and local governmental liabilities and superseded Statement No. 5 effective for periods beginning after June 15, 1996. Statement No. 27, Accounting for Pensions by State and Local Governmental Employers superseded Statement 5 for employers participating in pension plans and is effective for periods beginning after June 15, 1997.

The information required by Statements No. 25 and No. 27 is presented in the following tables. These include the development of the Annual Required Contribution (ARC) as of April 1, 2004, the Schedule of Funding Progress, the Schedule of Employer Contributions and the required Additional Information.

**(A) Development of the Annual Required Contribution (ARC) as of April 1, 2004:**

	<u>State</u>	<u>Municipalities &amp; Local Groups</u>
1. Actuarial Value of Plan Assets as of June 30, 2001		
(a) Valuation Assets as of June 30, 2001 (including Employer and ERI Receivable Contributions)	\$1,897,865,088	\$16,176,404,513
(b) Adjustment for Receivable/(Payable) Contributions included in (a)	<u>(93,434,880)</u>	<u>93,250,671</u>
(c) Valuation Assets as of June 30, 2001 for GASB Disclosure = (a) - (b)	\$1,991,299,968	\$16,083,153,842
2. Actuarial Accrued Liability as of June 30, 2001	\$1,866,140,391	\$16,056,446,646
3. Unfunded Actuarial Accrued Liability/(Surplus) as of June 30, 2001	\$ (125,159,577)	\$ (26,707,196)
4. Amortization of Unfunded Actuarial Accrued Liability/(Surplus) over 30 years with payments Increasing at 5.95% per year	\$ (5,937,322)	\$ (1,266,936)
5. Development of Net Normal Cost as of June 30, 2001:		
(a) Basic Allowance Normal Cost	\$ 130,272,425	\$ 416,731,425
(b) Term Cost for Lump Sum Death Benefit	3,910,756	21,253,156
(c) Expected Employee Contributions	<u>34,318,069</u>	<u>185,597,544</u>
(d) Net Normal Cost as of June 30, 2001 = (a) + (b) - (c)	\$ 99,865,112	\$ 252,387,037
6. Annual Required Contribution as of April 1, 2004		
(a) Annual Required Contribution as of June 30, 2001 = 4 + 5 (d)	\$ 93,927,790	\$ 251,120,101
(b) Interest Adjustment to April 1, 2004	<u>24,369,442</u>	<u>65,152,782</u>
(c) Annual Required Contribution as of April 1, 2004 = (a) + (b)	\$ 118,297,232	\$ 316,272,883

**(B) Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll $\frac{(b-a)}{c}$
6/30/96	\$ 10,959,178,731	\$ 12,076,365,067	\$1,117,186,336	90.75%	\$ 1,967,863,025	56.77%
6/30/97						
State	\$ 1,183,747,522	\$ 1,234,959,165	\$ 51,211,643	95.85%	\$ 315,690,310	16.22%
Local	10,854,173,290	11,746,169,752	891,996,462	92.41%	1,767,762,346	50.46%
Total	\$ 12,037,920,812	\$ 12,981,128,917	\$ 943,208,105	92.73%	\$ 2,083,452,656	45.27%
6/30/98						
State	\$ 1,559,131,933	\$ 1,377,734,455	\$ (181,397,478)	113.17%	\$ 346,079,078	(52.42)%
Local	13,169,957,658	12,881,842,367	(288,115,291)	102.24%	1,870,322,787	(15.40)%
Total	\$ 14,729,089,591	\$ 14,259,576,822	\$ (469,512,769)	103.29%	\$ 2,216,401,865	(21.18)%
6/30/99*						
State	\$ 1,717,248,151	\$ 1,534,470,501	\$ (182,777,650)	111.91%	\$ 362,949,950	(50.36)%
Local	14,536,570,357	13,894,951,617	(641,618,740)	104.62%	1,971,087,124	(32.55)%
Total	\$ 16,253,818,508	\$ 15,429,422,118	\$ (824,396,390)	105.34%	\$ 2,334,037,074	(35.32)%
6/30/00*						
State	\$ 1,884,870,936	\$ 1,666,842,906	\$ (218,028,030)	113.08%	\$ 363,360,250	(60.00)%
Local	15,644,750,281	14,924,699,712	(720,050,569)	104.82%	2,055,781,766	(35.03)%
Total	\$ 17,529,621,217	\$ 16,591,542,618	\$ (938,078,599)	105.65%	\$ 2,419,142,016	(38.78)%
6/30/01						
State	\$ 1,991,299,968	\$ 1,866,140,391	\$ (125,159,577)	106.71%	\$ 398,118,379	(31.44)%
Local	16,083,153,842	16,056,446,646	(26,707,196)	100.17%	2,163,590,060	(1.23)%
Total	\$ 18,074,453,810	\$ 17,922,587,037	\$ (151,866,773)	100.85%	\$ 2,561,708,439	(5.93)%

\*The actuarial value of assets for June 30, 1999 and June 30, 2000 were changed retroactively by Chapter 201, P.L. 2001. Because there was no material effect on either valuation, the amounts shown for these years were not changed.

(C) **Schedule of Employer Contributions**

<b>Fiscal Year</b>	<b>Annual Required Contribution##</b>	<b>Employer Contribution**</b>	<b>Percentage Contributed</b>
<b><u>STATE</u></b>			
1999	\$ 93,920,617	\$ 23,730,087*	25.27%
2000	\$ 98,974,449	\$ 60,521,749*	61.15%
2001	\$ 95,883,272	\$ 0*	0.00%
2002	\$ 103,580,989	\$ 0*	0.00%
2003	\$ 104,998,547	\$ 0*	0.00%
2004	\$ 118,297,232	\$ 111,077,147*	93.90%
<b><u>LOCAL</u></b>			
1999	\$ 273,210,113	\$ 256,551,862	93.90%
2000	\$ 275,790,739	\$ 214,164,848#	77.65%
2001	\$ 249,746,232	\$ 75,670,018	30.30%
2002	\$ 248,754,078	\$ 185,415*	0.07%
2003	\$ 259,969,532	\$ 364,850*	0.14%
2004	\$ 316,272,883	\$ 266,983,423*	84.42%

\* In accordance with Chapter 115, P.L. 1997, a portion of the required contribution was offset by available excess valuation assets.

\*\* Employer contribution schedule reflects the portion of Local Employer contributions payable by the State in accordance with Chapters 109, 247, 511 and 428.

# In accordance with Chapter 8, P.L. 2000, this amount excludes the basic accrued liability contribution of \$44,810,085 which has been eliminated due to the application of Excess Valuation Assets as of June 30, 1998

## Does not reflect the retroactive effect of Chapter 201, P.L. 2001 on the Fiscal Year 2002 and 2003 Annual Required Contributions.

(D) The information presented in the required supplementary schedules was determined as part of the actuarial valuation. Additional information follows:

Valuation Date	June 30, 2001
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent, Closed
Remaining Amortization Period	30 years
Asset Valuation Method	Five year average of market value
Actuarial Assumptions:	
Investment Rate of Return	8.75%
Projected Salary Increases	5.95%
Cost of Living Adjustments	60% of the maximum of the CPI increase and 4.0%

SECTION VI - LEVEL OF FUNDING

Although the value of accrued benefits and the funding ratios shown in the previous section are required for the State's financial statements, it is instructive to also look at these values under an alternative approach. For this purpose, we are presenting liabilities determined on a Financial Accounting Standards Board Statement No. 87 Accumulated Benefit Obligation (ABO) basis. This is the same approach as GASB Statement No. 5 except that no assumption is made as to future salary increases.

FASB 87 ABO Funded Ratios

<u>Valuation Date: June 30, 2001</u>			
Actuarial present value of accumulated benefits:	<u>State</u>	<u>Local Employers</u>	<u>Total System</u>
Vested benefits			
Participants currently receiving payments	\$ 666,781,730	\$ 8,587,173,988	\$ 9,253,955,718
Other participants	525,903,800	3,897,274,097	4,423,177,897
	\$ 1,192,685,530	\$ 12,484,448,085	\$ 13,677,133,615
Non-vested benefits	367,735,388	1,819,427,190	2,187,162,578
Total	\$ 1,560,420,918	\$ 14,303,875,275	\$ 15,864,296,193
Assets at market value	\$ 1,698,572,089	\$ 15,107,101,173	\$ 16,805,673,262
Ratio of Assets to Total Present Value	108.9%	105.6%	105.9%

<u>Valuation Date: June 30, 2000</u>			
Actuarial present value of accumulated benefits:	<u>State</u>	<u>Local Employers</u>	<u>Total System</u>
Vested benefits			
Participants currently receiving payments	\$ 570,067,176	\$ 7,881,569,163	\$ 8,451,636,339
Other participants	449,022,356	3,494,001,381	3,943,023,737
	\$ 1,019,089,532	\$ 11,375,570,544	\$ 12,394,660,076
Non-vested benefits	361,747,461	1,879,522,411	2,241,269,872
Total	\$ 1,380,836,993	\$ 13,255,092,955	\$ 14,635,929,948
Assets at market value	\$ 1,884,463,635	\$ 17,066,849,247	\$ 18,951,312,882
Ratio of Assets to Total Present Value	136.5%	128.8%	129.5%

As in the case of the Governmental Accounting Standard Board Statement No. 5, the actuarial present value of vested and non-vested accrued benefits was based on an interest rate of 8.75% for both 2000 and 2001.

## APPENDIX A

BRIEF SUMMARY OF THE BENEFIT AND  
CONTRIBUTION PROVISIONS AS INTERPRETED  
FOR VALUATION PURPOSES

Eligibility for Membership

Enrollment is restricted to eligible policemen and firemen who are permanent and full-time and who pass the physical and mental fitness requirements. The maximum enrollment age is 35.

1. Definitions

Plan Year	The 12-month period beginning on July 1 and ending on June 30.
Credited Service	A year of service is credited for each year an employee is a Member of the Retirement System plus service, if any, covered by a prior service liability.
Average Final Compensation (AFC)	The average annual compensation for the three consecutive years of Service immediately preceding retirement or the highest three consecutive fiscal years of Membership Service.
Compensation	Base salary upon which contributions by a Member to the Annuity Savings Fund were based in the last year of Service. For Accidental Death, benefits are computed at the annual rate of salary.
Final Compensation (FC)	Annual compensation received by the member in the last 12 months of Credited Service preceding his retirement.
Accumulated Deductions	The sum of all amounts deducted from the compensation of a Member or contributed by him or on his behalf without interest.

2. Benefits

Service Retirement Eligibility means age 55 or 20 years of credited service for an employee who is a member of the Retirement System as of January 18, 2000 and age 55 for an employee who became a member of the Retirement System after January 18, 2000; mandatory at age 65. Benefit is an annual retirement allowance equal to a member annuity plus an employer pension which together equals the greater of:

- (i) 1/60th of FC for each year of Credited Service; or



- (ii) 2% of FC multiplied by years of Credited Service up to 30 plus 1% of FC multiplied by years of Service over 30. (Prior to January 18, 2000, this benefit was based on AFC rather than FC. However, Policy Memorandum 4-2000, which interpreted the provisions of Chapter 428, P.L. 1999, authorized the change in the salary basis).
- (iii) 50% of FC if the member has 20 or more years of Credited Service.

Chapter 428 also requires that, in addition to the 50% of FC benefit, any member as of January 18, 2000 who will have 20 or more years of Credited Service and is required to retire upon attaining age 65, shall receive an additional benefit equal to 3% of FC for each year of Credited Service over 20 years but not over 25 years.

#### Special Retirement

After completion of 25 years of Credited Service. The annual retirement benefit is equal to a member annuity plus an employer pension which together equal 65% of FC plus 1% of FC for each year of Credited Service over 25. There is a maximum benefit of 70% of FC except for those members with 30 or more years of Credited Service on June 30, 1979.

#### Vested Termination

- (A) Eligible upon termination of service prior to age 55 and prior to 10 years of Service. The benefit equals a refund of Accumulated Deductions less any outstanding loans.
- (B) Eligible upon termination of service prior to age 55 and after 10 years of Service (but less than 20 years if a member on or prior to January 18, 2000 or less than 25 years of service if a member after January 18, 2000). The benefit is a deferred retirement benefit, commencing at age 55, equal to a member annuity plus an employer pension which together provide a retirement allowance equal to 2% of FC multiplied by years of Credited Service up to 30 plus 1% of FC multiplied by years of Credited Service over 30.

#### Death Benefits

##### Ordinary Death Benefit - Lump Sum

- (1) If a member dies prior to retirement, the benefit payable is as follows:
  - A lump sum amount equal to 3-1/2 times FC payable to the member's beneficiary.
- (2) After retirement but prior to age 55, the benefit is as follows:
  - (i) For death while a Disabled Retiree the benefit is equal to 3-1/2 times Compensation.

- (ii) For death while a Deferred Retiree the benefit is equal to his Accumulated Deductions.
  - (iii) For death while a Retiree who has completed 20 years of Service, the benefit is equal to 1/2 times FC.
- (3) After retirement and after age 55, the benefit payable is equal to 1/2 times Compensation. (Note: If a Member is not disabled, 10 years of Credited Service is required for Members enrolling after July 1, 1971.)

#### Ordinary Death Benefit - Survivor Annuity

- (1) If a member dies prior to retirement, the benefit payable to a widow (widower) is equal to 50% of FC (20% of FC payable to one child, 35% of FC payable to two children or 50% of FC payable to three or more children if there is no surviving widow or widower or if the widow or widower dies or remarries or 25% of FC payable to one parent or 40% of FC payable to two parents if no surviving widow, widower or child. If no widow, widower, child or parent, the benefit payable to a beneficiary is the aggregate Accumulated Contributions at the time of death).

- (2) For any member who retired after December 18, 1967, the benefit payable to widow (widower) is equal to 50% of FC plus 15% of FC for one child and 25% of FC for two or more children.

If no spouse, or spouse remarries, the benefit is equal to 20% of FC for one child, 35% for two children, and 50% for three or more children.

There is also a minimum benefit payable to widows (widowers) of \$4,500 a year.

- (3) For any member who retired with an Accidental Disability Benefit, the benefit payable is equal to \$4,500 a year to the widow (widower). If there is no widow (widower) the benefit payable is \$600 a year for 1 child, \$960 a year for 2 children, and \$1,500 a year for 3 or more children. The benefit for children is payable until age 18.

### Accidental Death Benefit

A death while active resulting from injuries received from an accident during performance of duty is eligible for a lump sum equal to the Accumulated Deductions plus 3-1/2 times Compensation plus an annuity benefit payable is as follows:

- (i) The benefit to a widow or widower is equal to 70% of Compensation.
- (ii) The benefit, when there is no spouse, or spouse is remarried, is equal to 20% of Compensation for one child, 35% for two children, 50% for three or more children. The benefit is payable while the children are under age 18, or until age 24 if they are full-time students, or it is payable for life if they are disabled.
- (iii) The benefit, when there is no spouse or children, is equal to 25% of Compensation for one parent and 40% for two parents.
- (iv) The benefit, when there is no relation as stated above, is equal to the Accumulated Deductions and is payable to a beneficiary or to the Member's estate. This is also the minimum benefit payable under (i), (ii) and (iii).

### Disability Benefits

#### Ordinary Disability Retirement

A Member is eligible for Ordinary Disability Retirement if he (she) has 4 years of Service and is totally and permanently incapacitated from the performance of usual or available duties. The benefit is equal to the greater of:

- (i) 1-1/2% of FC times the number of years of Credited Service; or
- (ii) 40% of FC.

In addition, a member who has at least 20 years but less than 25 years of Credited Service and who is required to retire upon application by the employer on and after January 18, 2000 shall receive a benefit equal to a member annuity plus an employer pension which together provide a total retirement allowance equal to 50% of FC plus 3% of FC multiplied by the number of years of Credited Service over 20 but not over 25.

#### Accidental Disability Retirement

A Member is eligible upon total and permanent incapacitation from the performance of usual or available duties as a result of injury during the performance of regular duties. The benefit payable is equal to a Member annuity plus an employer pension which together equals 2/3 of the Compensation at date of injury.

### Special Disability Retirement

A member is eligible for Special Disability Retirement if he (she) has 5 years of Credited Service, is under age 55, and has received a heart transplant. The benefit payable is equal to a Member annuity plus an employer pension which together equals 50% of FC.

.  
3.

### Member Contributions

Each member contributes 8-1/2% of Compensation.

APPENDIX B

## OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHOD

VALUATION INTEREST RATE: 8-3/4% per annum, compounded annually.

SALARY INCREASE: 5.95% per year.

SEPARATIONS FROM SERVICE: Representative values of the assumed annual rates of separation are as follows:

<u>Age</u>	<u>Annual Rates of</u>						<u>Ultimate Withdrawal</u>
	<u>Select Withdrawal</u>						
	<u>Up to the 1st Year</u>	<u>2nd Year</u>	<u>3rd Year</u>	<u>4th Year</u>	<u>5 to 9 Years</u>	<u>After 9 Years</u>	
25	3.15%	2.25%	1.85%	2.32%	1.98%	0.00%	
30	3.15	2.25	1.85	2.32	1.76	1.00	
35	3.15	2.25	1.85	2.32	1.30	0.60	
40	3.15	2.25	1.85	2.32	0.83	0.50	
45	3.15	2.25	1.85	2.32	0.59	0.35	
50	3.15	2.25	1.85	2.32	0.53	0.30	
55	0.00	0.00	0.00	0.00	0.00	0.00	

<u>Age</u>	<u>Annual Rates of</u>							
	<u>Death</u>		<u>Disability</u>		<u>Service Retirement</u>			
	<u>Ordinary</u>	<u>Accidental</u>	<u>Ordinary</u>	<u>Accidental</u>	<u>Length of Service</u>			
				<u>Less Than 21 Years*</u>	<u>21 to 24 Years</u>	<u>25 Years</u>	<u>26 or More Years</u>	
25	.050%	.006%	.100%	.029%	0.00%	0.00%	41.00%	15.40%
30	.065	.006	.150	.071	0.00	0.00	41.00	15.40
35	.065	.008	.250	.122	0.00	0.00	41.00	15.40
40	.120	.008	.350	.153	0.00	0.00	41.00	15.40
45	.180	.009	.380	.151	0.00	0.00	41.00	15.40
50	.250	.009	.330	.119	0.00	0.00	41.00	15.40
55	.300	.014	.500	.107	5.00	0.00	41.00	15.40
60	.600	.013	.200	.107	5.00	0.00	41.00	20.71
64	.600	.008	.800	.107	50.00	0.00	41.00	31.50
65 and over	0.000	0.000	0.000	0.000	100.00	100.00	100.00	100.00

\*5.00% retirement assumption for any member as of January 18, 2000 upon completion of 20 years of service up to age 54.

DEATHS AFTER RETIREMENT: Special mortality tables are used for the period after disability retirement. Representative values of the assumed annual rates of mortality are as follows:

<u>Age</u>	<u>Service Retirements</u>		<u>Beneficiaries</u>		<u>Age</u>	<u>Disability Retirements</u>
	<u>Men</u>	<u>Women</u>	<u>Men</u>	<u>Women</u>		
55	0.90%	0.254%	0.90%	0.699%	35	1.494%
60	1.42	0.424	1.42	1.027	40	1.584
65	2.17	0.706	2.17	1.563	45	1.674
70	2.75	1.238	2.75	1.981	50	1.761
75	4.46	2.399	4.46	2.399	55	2.016
80	7.41	4.294	7.41	4.294	60	2.376
85	11.48	6.992	11.48	6.992	65	2.736

Marriage: Husbands are assumed to be 3 years older than wives. Among the active population, 90% of participants are assumed married. No children are assumed. Neither the percentage married nor the number of children assumptions are necessarily individually explicit, but they are considered reasonable, when viewed as a single combined assumption.

VALUATION METHOD: Projected Unit Credit Method. This method essentially funds the System's benefits accrued to the valuation date. Experience gains or losses are recognized in future accrued liability contributions.

COLA: Benefits are assumed to increase 2.4% each year.

ASSET VALUATION METHOD: A five year average of market values with write-up was used. This method takes into account appreciation (depreciation) in investments in order to smooth asset values by averaging the excess of the actual over the expected income, on a market value basis, over a five year period. (In accordance with Chapter 201, P.L. 2001, the July 1, 1999 asset valuation method was changed to recognize additional market value surplus to fully fund the additional unfunded accrued liability due to the Chapter 201 benefit increase. Beginning with the July 1, 2000 valuation, the five-year average of market value with mark-up was continued.)

APPENDIX C

## ADDITIONAL CONTRIBUTION SCHEDULES

A. ADDITIONAL ACCRUED LIABILITY CONTRIBUTION SCHEDULE

	July 1, 2001 Valuation		July 1, 2000 Valuation	
	Payment*	Years Remaining	Payment*	Years Remaining
<b>Chapter 204</b>				
• Location #21202	\$ 38,453	30	\$ 36,294	31
• Location #39300	5,144	30	4,855	31
• Location #49700	13,692	30	12,923	31
• Location #62400	41,658	30	39,319	31
• Location #62500	45,267	30	42,725	31
• Location #62700	13,604	30	12,840	31
• Location #75700	50,317	30	47,491	31
Total	\$ 208,135		\$ 196,447	
<b>Chapter 39</b>				
• Location #62300 (NJ Transit Corp.)	\$ 0**	0	\$ 168,403	31
<b>Chapter 59</b>				
• Location #79000 (North Hudson Regional Fire and Rescue)	\$ 2,101,076	14	\$ 1,983,083	15

\* Dollar amounts include two years of interest at 8.75% and contributions will increase by 5.95% per year.

\*\* The unfunded accrued liability was paid off in a lump sum rather than an annual contribution.

B. SUMMARY OF FISCAL YEAR 2004 CONTRIBUTIONS FOR STATE COLLEGE LOCATIONS

Location	Location Name	Number of Members	2001 Appropriation Payroll	Preliminary Fiscal Year 2004 Contribution	Offset for Excess Assets*	Final Fiscal Year 2004 Contribution
00410	Rowan University	3	\$ 135,215	\$ 40,113	\$ (2,387)	\$ 37,726
00412	Kean University	17	875,823	259,822	(15,458)	244,364
00413	William Paterson University of NJ	13	637,759	189,198	(11,256)	177,942
00414	Montclair State University	16	689,728	204,615	(12,174)	192,441
00415	The College of NJ	14	652,658	193,618	(11,519)	182,099
00421	Richard Stockton College of NJ	14	663,080	196,709	(11,703)	185,006
00497	University of Medicine and Dentistry of NJ	37	1,884,452	559,042	(33,261)	525,781
00498	University of Medicine and Dentistry of NJ	31	1,576,189	467,592	(27,820)	439,772
00499	University of Medicine and Dentistry of NJ	15	745,683	221,214	(13,161)	208,053
62400	NJ Institute of Technology	23	1,158,488	343,677	(20,447)	323,230
90011	Rutgers University	93	4,802,068	1,424,581	(84,757)	1,339,824
Total		276	\$ 13,821,143	\$ 4,100,181	\$ (243,943)	\$ 3,856,238

\* Includes reductions due to Chapter 115, P.L. 1997 and Chapter 8, P.L. 2000 legislation.

**APPENDIX D****ADDITIONAL CENSUS DATA STATISTICS**

In response to a request from the Board of Trustees, we have performed additional calculations and constructed additional exhibits based on the July 1, 2001 valuation data. The information has been presented in the same order as requested in the memo. Additional responses to the data questions have been included where applicable.

**Age Breakdown**

## 1. Average Age at Retirement – split by Special/Service Retirements

The exhibit on page 42 provides information split between Police and Firemen and by type of retirement. The average age at retirement is 56.8, 54.2 and 55.0 for service, special, and deferred retirement respectively.

## 2. Average Age at Entry

The average age at entry for Contributing active participants at July 1, 2001 is 26.5. The average age at entry for Non-Contributing active participants at July 1, 2001 is 29.9. The average age at entry for all actives at July 1, 2001 is 26.6.

## 3. &amp; 4. Average Age at Death for Active participants and Retired participants.

We have assumed that all deaths between July 1, 2000 and June 30, 2001 occurred at the middle of the plan year; January 1, 2001. Based on this assumption, the average age at death for the various groups is as follows:

Active Contributing members at July 1, 2000	47.9
Active Non-Contributing members at July 1, 2000	53.1
Retired at July 1, 2000	71.8
Disabled at July 1, 2000	65.7
Beneficiary at July 1, 2000	76.0
Terminated Vested at July 1, 2000	N/A

## 5. &amp; 6. Average Age at Retirement for those who retired under ordinary and accidental disability.

Specific information by category is contained on page 43. The average age at retirement is 41.8 and 39.6 for ordinary and accidental disability respectively.



**Breakdown of Members**

## 1. Police/Firemen split for Active and Retirees

The Police/Firemen split summarized below for plan members can be found in Appendix E of this report.

	<b><u>Policemen</u></b>	<b><u>Firemen</u></b>	<b><u>Unknown</u></b>	<b><u>Total</u></b>
Active Contributing Members	35,488	6,382	0	41,870
Active Non-Contributing Members	1,075	74	0	1,149
Vested Terminated Participants	50	8	2	60
Retired Participants	10,318	3,497	2,956	16,771
Disabled Retired Participants	2,174	302	473	2,949
Beneficiaries	<u>15</u>	<u>6</u>	<u>4,578</u>	<u>4,599</u>
Total	49,120	10,269	8,009	67,398

**Breakdown of Retired Members and Beneficiaries**

## 1-6. Number of members receiving various benefits.

This information is included in Appendix E of this report and is summarized as follows:

**Number of Members**

Receiving Special Retirement Benefits	15,241
Receiving Service Retirement Benefits	1,395
Receiving Deferred Retirement Benefits	135
Receiving Ordinary Disability Benefits	1,696
Receiving Accidental Disability Benefits	1,253

## 7. Members who died as a result of Accidental Death

We did not receive any information that indicates cause of death for deceased members.

## 8.-10. Number of Widows, Children, and Other Dependents

This information is included in Tables 8 and 9 of Appendix E of this report and is summarized as follows:

	<b><u>Number</u></b>
Widows/Widowers	3,772
Children	196
Other Dependents	631

13. The Number of Beneficiaries and Children receiving benefits due to the accidental death of a member is 130 (123 Beneficiaries, 5 Children and 2 other dependents). We have no information to perform a further S.H.B.P./Local Health Benefits split.

### **Breakdown of Costs**

The information contained in this section, “Breakdown of Costs”, has been calculated in a manner consistent with that shown in prior reports.

1. Cost per member for Insurance.

Dividing the total death benefit cost, prior to the offset for Excess Valuation Assets, of \$45,077,174 (\$6,064,373 for State location and \$39,012,801 for Local groups) by the number of active contributing members of 41,870 gives the total cost per member for insurance \$1,076.60.

2. Cost per member for Administration

Dividing the Administrative cost per member = \$2,755,330/67,398 members = \$40.88.

- 3.&4. The normal contribution rates for State Locations and Municipalities and Local Groups are summarized in Section III(J) of this report.

- 5.&6. The Accrued Liability rates for State Locations and Municipalities and Local Groups are also summarized in Section III(J) of this report.

### **Breakdown of Purchases**

We do not receive information on the active data file regarding service purchases.

### **Better Breakdown of Inactive Members**

To better demonstrate the effect that inactive participants have on costs, we have split the liabilities attributable to beneficiaries used to calculate the Accrued Liability into specific categories. The information summarized below can be found in Section III(E) of this report.

	<b><u>Actuarial Accrued Liability</u></b>	<b><u>Percentage of Total Accrued Liability</u></b>
Service/Special Retirements	\$ 7,509,592,739	41.90%
Disableds	778,149,372	4.34%
Beneficiaries	809,002,486	4.51%
Deferred Terminated Vesteds	5,704,333	0.03%
Lump Sum Death Benefits	<u>157,211,121</u>	<u>0.88%</u>
Total	\$ 9,259,660,051	51.66%

The percentage shown on the right is the percent attributable to each inactive piece of the total Accrued Liability of \$17,922,587,037.

**Reconciliation of Census Data**

The following chart presents a reconciliation of census data from July 1, 2000 to June 30, 2001:

	Actives		Deferred Vested	Retirees				Beneficiaries	Dependents	Domestic Relations Beneficiaries	Total
	Contrib.	Noncontrib.		Service	Special	Deferred	Disabled				
Members as of July 1, 2000	41,394	1,036	59	1,349	14,600	127	2,718	3,492	176	570	65,521
Status Change											
To Contributing	155	(155)	-	-	-	-	-	-	-	-	0
To Noncontributing	(498)	498	-	-	-	-	-	-	-	-	0
Terminated Vested	(7)	(3)	10	-	-	-	-	-	-	-	0
Terminated Non-Vested	(184)	(198)	-	-	-	-	-	-	-	-	(382)
Service Retirement	(89)	(27)	-	116	-	-	-	-	-	-	0
Special Retirement	(931)	(12)	-	-	943	-	-	-	-	-	0
Deferred Vesteds Now Payable	-	-	(9)	-	-	9	-	-	-	-	0
New Disabled	(209)	(74)	-	-	-	-	283	-	-	-	0
New Death	(58)	(9)	-	(70)	(299)	(1)	(55)	(92)	(2)	(2)	(588)
Payments Began	-	-	-	-	-	-	-	-	-	112	112
Payments Ceased	-	-	-	-	-	-	-	-	(13)	(53)	(66)
New Actives	2,297	93	-	-	-	-	-	-	-	-	2,390
Rehires	-	-	-	-	-	-	-	-	-	-	0
New Beneficiaries	-	-	-	-	-	-	-	372	39	-	411
Data Corrections	-	-	-	-	(3)	-	3	-	-	-	0
Members as of July 1, 2001	41,870	1,149	60	1,395	15,241	135	2,949	3,772	200	627	67,398

**Active Member Fifth Age and Service Distribution**

The following charts present distributions of active members by age and service.

**STATE LOCATIONS AND MUNICIPALITIES AND LOCAL GROUPS**

<b>AGE</b>	<b>SERVICE</b>	<b>1</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>TOTAL</b>
<b>20</b>	Number	239	19								258
	Salary	8,048,569	831,095								8,879,664
<b>25</b>	Number	1,897	1,338	13							3,248
	Salary	68,191,995	63,595,321	654,191							132,441,507
<b>30</b>	Number	1,726	4,654	1,809	60						8,249
	Salary	64,252,098	248,100,245	106,734,028	3,711,432						422,797,803
<b>35</b>	Number	710	2,764	3,739	2,437	47					9,697
	Salary	26,742,434	150,457,289	231,190,469	159,492,650	3,046,885					570,929,727
<b>40</b>	Number	81	1,053	1,757	3,483	1,406	27				7,807
	Salary	3,388,141	58,274,193	107,172,954	231,711,028	100,303,582	2,061,784				502,911,682
<b>45</b>	Number	6	274	737	1,812	2,610	1,091	15			6,545
	Salary	214,163	14,491,769	43,491,269	118,152,460	191,941,219	85,254,255	1,171,963			454,717,098
<b>50</b>	Number	1	109	279	793	1,213	1,453	401	3		4,252
	Salary	43,642	5,447,627	15,917,409	49,405,884	86,540,342	116,143,947	34,843,400	241,940		308,584,191
<b>55</b>	Number	3	65	110	315	471	523	536	93		2,116
	Salary	138,820	3,309,653	5,917,939	18,780,493	31,836,035	40,197,406	46,089,315	8,602,731		154,872,392
<b>60</b>	Number		25	47	123	98	124	141	150	21	729
	Salary		1,369,619	2,503,359	7,199,773	6,045,747	8,856,745	11,559,702	14,456,541	2,165,223	54,156,709
<b>63</b>	Number		4	8	16	20	17	15	20	16	116
	Salary		177,067	409,672	864,365	1,219,051	1,101,953	1,235,438	1,862,342	1,507,507	8,377,395
<b>66 and over</b>	Number			1	1						2
	Salary			3,700	29,216						32,916
<b>TOTAL</b>	Number	<b>4,663</b>	<b>10,305</b>	<b>8,500</b>	<b>9,040</b>	<b>5,865</b>	<b>3,235</b>	<b>1,108</b>	<b>266</b>	<b>37</b>	<b>43,019</b>
	Salary	<b>171,019,862</b>	<b>546,053,878</b>	<b>513,994,990</b>	<b>589,347,301</b>	<b>420,932,861</b>	<b>253,616,090</b>	<b>94,899,818</b>	<b>25,163,554</b>	<b>3,672,730</b>	<b>2,618,701,084</b>

Average Age:39.1 years  
 Average Service:12.5 years  
 Average Salary:\$60,873  
 Number Vested:25,383  
 Number Non Vested:17,636

**Active Member Fifth Age and Service Distribution (continued)**

**STATE LOCATIONS**

<b>AGE</b>	<b>SERVICE</b>	<b>1</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>TOTAL</b>
<b>20</b>	Number	58	10								<b>68</b>
	Salary	2,229,229	441,019								<b>2,670,248</b>
<b>25</b>	Number	386	249	1							<b>636</b>
	Salary	14,761,651	10,885,236	42,611							<b>25,689,498</b>
<b>30</b>	Number	391	685	259	3						<b>1,338</b>
	Salary	15,358,287	31,843,350	13,706,871	175,264						<b>61,083,772</b>
<b>35</b>	Number	164	503	606	414	14					<b>1,701</b>
	Salary	6,480,214	23,901,166	33,385,932	23,831,696	791,105					<b>88,390,113</b>
<b>40</b>	Number	13	194	341	698	217					<b>1,463</b>
	Salary	535,583	9,361,868	19,064,513	40,381,079	12,956,426					<b>82,299,469</b>
<b>45</b>	Number	3	96	192	439	334	129	1			<b>1,194</b>
	Salary	98,543	4,663,993	10,636,326	25,428,108	20,589,930	8,477,170	59,383			<b>69,953,453</b>
<b>50</b>	Number	1	57	141	274	174	129	17			<b>793</b>
	Salary	43,642	2,805,617	7,865,265	15,910,634	10,820,627	8,224,701	1,102,577			<b>46,773,063</b>
<b>55</b>	Number	2	33	52	136	103	71	19	4		<b>420</b>
	Salary	58,876	1,599,941	2,877,534	7,940,022	6,268,720	4,608,560	1,242,113	232,791		<b>24,828,557</b>
<b>60</b>	Number		13	25	73	34	26	7	4	1	<b>183</b>
	Salary		691,339	1,392,935	4,219,865	2,065,783	1,544,661	444,446	238,710	78,963	<b>10,676,702</b>
<b>63</b>	Number		3	5	9	12	8			2	<b>39</b>
	Salary		145,375	270,632	506,133	702,887	497,029			156,511	<b>2,278,567</b>
<b>66 and over</b>	Number										
	Salary										
<b>TOTAL</b>	Number	<b>1,018</b>	<b>1,843</b>	<b>1,622</b>	<b>2,046</b>	<b>888</b>	<b>363</b>	<b>44</b>	<b>8</b>	<b>3</b>	<b>7,835</b>
	Salary	<b>39,566,025</b>	<b>86,338,904</b>	<b>89,242,619</b>	<b>118,392,801</b>	<b>54,195,478</b>	<b>23,352,121</b>	<b>2,848,519</b>	<b>471,501</b>	<b>235,474</b>	<b>414,643,442</b>

Average Age:39.5 years  
Average Service: 11.3 years  
Average Salary:\$52,922  
Number Vested: 4,616  
Number Non Vested: 3,219

**Active Member Fifth Age and Service Distribution (continued)**

**MUNICIPALITIES AND LOCAL GROUPS**

<b>AGE</b>	<b>SERVICE</b>	<b>1</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>TOTAL</b>
<b>20</b>	Number	181	9								<b>190</b>
	Salary	5,819,340	390,076								<b>6,209,416</b>
<b>25</b>	Number	1,511	1,089	12							<b>2,612</b>
	Salary	53,430,344	52,710,085	611,580							<b>106,752,009</b>
<b>30</b>	Number	1,335	3,969	1,550	57						<b>6,911</b>
	Salary	48,893,811	216,256,895	93,027,157	3,536,168						<b>361,714,031</b>
<b>35</b>	Number	546	2,261	3,133	2,023	33					<b>7,996</b>
	Salary	20,262,220	126,556,123	197,804,537	135,660,954	2,255,780					<b>482,539,614</b>
<b>40</b>	Number	68	859	1,416	2,785	1,189	27				<b>6,344</b>
	Salary	2,852,558	48,912,325	88,108,441	191,329,949	87,347,156	2,061,784				<b>420,612,213</b>
<b>45</b>	Number	3	178	545	1,373	2,276	962	14			<b>5,351</b>
	Salary	115,620	9,827,776	32,854,943	92,724,352	171,351,289	76,777,085	1,112,580			<b>384,763,645</b>
<b>50</b>	Number		52	138	519	1,039	1,324	384	3		<b>3,459</b>
	Salary		2,642,010	8,052,144	33,495,250	75,719,715	107,919,246	33,740,823	241,940		<b>261,811,128</b>
<b>55</b>	Number	1	32	58	179	368	452	517	89		<b>1,696</b>
	Salary	79,944	1,709,712	3,040,405	10,840,471	25,567,315	35,588,846	44,847,202	8,369,940		<b>130,043,835</b>
<b>60</b>	Number		12	22	50	64	98	134	146	20	<b>546</b>
	Salary		678,280	1,110,424	2,979,908	3,979,964	7,312,084	11,115,256	14,217,831	2,086,260	<b>43,480,007</b>
<b>63</b>	Number		1	3	7	8	9	15	20	14	<b>77</b>
	Salary		31,692	139,040	358,232	516,164	604,924	1,235,438	1,862,342	1,350,996	<b>6,098,828</b>
<b>66 and over</b>	Number			1	1						<b>2</b>
	Salary			3,700	29,216						<b>32,916</b>
<b>TOTAL</b>	Number	<b>3,645</b>	<b>8,462</b>	<b>6,878</b>	<b>6,994</b>	<b>4,977</b>	<b>2,872</b>	<b>1,064</b>	<b>258</b>	<b>34</b>	<b>35,184</b>
	Salary	<b>131,453,837</b>	<b>459,714,974</b>	<b>424,752,371</b>	<b>470,954,500</b>	<b>366,737,383</b>	<b>230,263,969</b>	<b>92,051,299</b>	<b>24,692,053</b>	<b>3,437,256</b>	<b>2,204,057,642</b>

Average Age:39.0 years  
 Average Service:12.8 years  
 Average Salary:\$62,644  
 Number Vested:20,767  
 Number Non Vested:14,417

ADDITIONAL INFORMATION PROVIDED FOR ITEM 1.All Healthy Retirees as of July 1, 2001

<u>Sex</u>	<u>Police or Firemen</u>	<u>Type of Retirement</u>	<u>Counts</u>	<u>Average Years of Service</u>	<u>Average Age at Retirement</u>	<u>Average Annual Benefit</u>	<u>Average Current Age</u>
M	Police	Service	397	18.0	59.3	\$ 20,125	65.8
M	Police	Special	9,694	27.9	53.5	42,498	60.5
M	Police	Deferred	68	16.7	55.0	10,924	61.8
M	Firemen	Service	51	25.1	58.3	27,851	68.9
M	Firemen	Special	3,402	28.9	54.9	41,122	63.5
M	Firemen	Deferred	43	16.6	55.0	8,944	61.1
M	Unknown	Service	879	26.5	55.4	19,199	79.6
M	Unknown	Special	2,040	28.4	56.2	24,738	75.2
M	Unknown	Deferred	23	18.8	55.0	8,385	74.4
F	Police	Service	57	16.6	60.3	16,973	65.3
F	Police	Special	101	26.7	55.6	38,759	60.5
F	Police	Deferred	1	16.3	55.0	28,528	56.0
F	Firemen	Service	1	13.3	62.0	10,330	73.0
F	Unknown	Service	10	20.0	59.9	11,864	80.9
F	Unknown	Special	4	28.5	59.8	20,085	81.0

New Healthy Retirees as of July 1, 2001

<u>Sex</u>	<u>Police or Firemen</u>	<u>Type of Retirement</u>	<u>Counts</u>	<u>Average Years of Service</u>	<u>Average Age at Retirement</u>	<u>Average Annual Benefit</u>	<u>Average Current Age</u>
M	Police	Service	94	20.1	53.9	\$ 28,253	54.7
M	Police	Special	772	27.6	52.9	50,704	53.5
M	Police	Deferred	7	17.8	50.9	19,157	51.4
M	Firemen	Service	9	24.9	55.8	39,139	56.9
M	Firemen	Special	150	28.7	54.8	54,676	55.5
M	Firemen	Deferred	1	15.0	55.0	7,852	56.0
F	Police	Service	13	18.1	55.5	24,716	56.2
F	Police	Special	21	26.3	54.9	43,258	55.6
F	Police	Deferred	1	16.3	55.0	28,528	56.0

ADDITIONAL INFORMATION PROVIDED FOR ITEMS 5. & 6.All Disabilities as of July 1, 2001

<u>Sex</u>	<u>Police or Firemen</u>	<u>Type of Retirement</u>	<u>Counts</u>	<u>Average Years of Service</u>	<u>Average Age at Retirement</u>	<u>Average Annual Benefit</u>	<u>Average Current Age</u>
M	Police	Ordinary	1,176	12.9	41.7	\$17,227	51.4
M	Police	Accidental	821	11.7	38.5	27,583	50.4
M	Firemen	Ordinary	190	12.9	40.4	15,975	52.6
M	Firemen	Accidental	112	13.4	40.6	25,328	55.5
M	Unknown	Ordinary	195	15.3	43.9	11,148	70.2
M	Unknown	Accidental	275	14.7	42.5	17,492	71.8
F	Police	Ordinary	134	11.2	42.1	19,673	46.6
F	Police	Accidental	43	9.6	38.4	31,599	44.2
F	Unknown	Ordinary	1	17.3	54.0	12,093	70.0
F	Unknown	Accidental	2	11.0	48.5	14,972	76.0

New Disabilities as of July 1, 2001

<u>Sex</u>	<u>Police or Firemen</u>	<u>Type of Retirement</u>	<u>Counts</u>	<u>Average Years of Service</u>	<u>Average Age at Retirement</u>	<u>Average Annual Benefit</u>	<u>Average Current Age</u>
M	Police	Ordinary	166	13.9	44.4	\$ 20,042	45.3
M	Police	Accidental	65	12.1	39.5	39,523	40.2
M	Firemen	Ordinary	11	14.8	44.3	22,612	45.5
M	Firemen	Accidental	4	17.3	43.5	39,610	43.8
F	Police	Ordinary	31	13.1	43.9	23,254	44.8
F	Police	Accidental	6	11.3	39.3	37,518	39.8



APPENDIX E

TABULATIONS USED AS A BASIS FOR THE 2001 VALUATION

The following tables give the distribution of the number and salaries of members by age and length of service as of July 1, 2001. Tables are also given showing the number and retirement allowances of beneficiaries classified by age as of July 1, 2001.

**TABLE 1**  
**THE NUMBER AND ANNUAL COMPENSATION OF**  
**CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY AGE**  
**AS OF JUNE 30, 2001**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
20	3	\$ 116,201		
21	37	1,177,188	8	\$ 236,460
22	95	3,240,982	14	453,099
23	198	6,955,170	26	993,706
24	328	11,914,855	51	1,742,838
25	463	17,754,835	74	2,784,020
26	616	24,860,305	75	2,959,849
27	813	36,011,083	92	3,910,207
28	941	43,111,593	127	5,529,037
29	1,189	57,873,878	129	6,011,155
30	1,428	70,653,845	160	7,644,508
31	1,602	83,972,149	163	8,061,065
32	1,728	94,675,732	149	7,582,324
33	1,717	96,289,941	146	7,788,436
34	1,657	94,504,289	188	9,507,833
35	1,736	102,961,442	179	9,691,660
36	1,741	105,263,806	165	9,005,757
37	1,793	110,991,809	152	8,627,597
38	1,564	98,095,575	147	8,484,158
39	1,434	90,784,766	137	7,684,598
40	1,464	95,382,908	117	6,954,665
41	1,407	91,893,298	113	6,673,433
42	1,336	89,457,168	117	7,248,597
43	1,231	84,499,783	99	6,144,212
44	1,275	88,321,088	102	6,260,907
45	1,224	86,037,831	75	4,643,773
46	1,251	88,709,126	85	5,246,224
47	1,113	79,392,525	80	4,827,192
48	947	68,584,355	69	4,203,188
49	879	64,485,276	43	2,522,503
50	829	60,303,034	54	3,200,412
51	726	54,072,003	44	2,813,768
52	683	50,834,672	26	1,554,407
53	650	48,906,048	27	1,579,599
54	545	40,783,082	39	2,452,348
55	442	33,279,048	20	1,130,577
56	287	21,389,313	18	1,003,072
57	229	16,856,372	17	1,029,486
58	250	19,142,929	9	535,607
59	188	14,343,907	10	624,680
60	133	10,055,460	14	800,948
61	95	7,170,232	6	375,110

**TABLE 1**  
**THE NUMBER AND ANNUAL COMPENSATION OF**  
**CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY AGE**  
**AS OF JUNE 30, 2001**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
62	96	\$ 7,177,371	4	\$ 256,108
63	57	4,122,605	5	307,916
64	47	3,764,263	8	448,259
65	20	1,383,200		
TOTAL	38,487	\$2,381,556,341	3,383	\$ 181,535,298

The 41,870 total active contributing participants included in the June 30, 2001 valuation data consist of 35,488 policemen and 6,382 firemen.

**TABLE 2**  
**THE NUMBER AND ANNUAL COMPENSATION OF**  
**CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY SERVICE**  
**AS OF JUNE 30, 2001**

YEARS OF SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	194	\$ 6,306,532	42	\$ 1,413,562
1	1,524	51,207,774	230	7,623,627
2	1,503	58,490,923	184	7,038,165
3	1,613	70,047,870	196	8,373,765
4	1,740	81,337,666	220	10,029,879
5	1,471	77,179,027	205	10,661,077
6	1,829	104,531,359	222	11,825,771
7	2,156	124,884,669	188	10,342,697
8	1,513	89,091,456	129	7,101,574
9	1,218	73,292,645	118	6,550,533
10	1,165	70,406,241	138	7,587,036
11	1,844	112,040,900	222	12,685,304
12	1,640	102,507,875	192	11,536,693
13	1,952	123,626,952	165	9,795,531
14	1,714	110,473,611	171	10,177,725
15	1,642	108,251,378	131	7,845,726
16	1,718	115,246,238	131	8,016,770
17	1,383	93,972,209	99	6,049,069
18	1,199	80,658,030	68	4,381,648
19	1,196	82,976,996	60	3,908,857
20	1,184	84,953,393	75	5,038,541
21	977	72,117,145	46	3,070,487
22	1,104	83,819,888	51	3,532,417
23	961	71,837,523	34	2,430,813
24	862	65,851,952	25	1,757,794
25	631	49,139,101	22	1,513,102
26	380	30,316,361	3	197,524
27	525	43,197,166	8	572,544
28	486	40,390,799	4	227,971
29	297	25,304,568	2	136,336
30	215	18,758,949	1	56,380
31	182	15,954,947		
32	120	10,175,783		
33	102	9,498,810	1	56,380
34	66	6,154,994		
35	55	4,982,456		
36	55	5,452,858		
37	25	2,438,871		
38	15	1,622,040		
39	16	1,500,391		
40	10	1,029,022		

**TABLE 2**  
**THE NUMBER AND ANNUAL COMPENSATION OF**  
**CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY SERVICE**  
**AS OF JUNE 30, 2001**

(CONTINUED)

YEARS OF SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
41	2	\$ 231,720		
42	2	210,312		
43	1	86,941		
TOTAL	38,487	\$2,381,556,341	3,383	\$ 181,535,298

The 41,870 total active contributing participants included in the June 30, 2001 valuation data consist of 35,488 policemen and 6,382 firemen.

TABLE 3

**THE NUMBER AND ANNUAL COMPENSATION OF  
NON-CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2001**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
22	1	\$ 20,124	1	\$ 22,500
23	6	200,476	3	88,272
24	11	347,513	3	86,934
25	16	461,497	1	33,088
26	17	552,118	1	26,472
27	23	851,947	7	224,584
28	22	834,799	3	160,558
29	30	1,087,707	4	156,738
30	34	1,375,494	9	358,452
31	51	2,195,135	6	227,063
32	37	1,718,082	11	542,097
33	47	2,313,166	11	501,173
34	29	1,252,403	4	218,501
35	58	2,853,385	11	416,522
36	39	1,679,235	9	453,228
37	31	1,577,943	14	679,721
38	31	1,593,291	10	470,158
39	31	1,709,135	8	490,198
40	30	1,684,192	16	742,254
41	33	1,768,953	7	366,000
42	27	1,391,659	7	410,756
43	31	1,618,519	7	381,001
44	39	2,024,140	4	210,230
45	33	1,806,300	3	178,957
46	20	1,016,177	6	249,886
47	22	1,294,257	1	63,324
48	24	1,502,931	2	76,812
49	18	1,083,937	3	163,145
50	14	759,962	3	135,720
51	23	1,262,866		
52	17	922,857	2	111,520
53	23	1,284,365	2	81,264
54	23	1,187,877	2	116,455
55	17	800,440	1	51,411
56	12	648,011		
57	3	149,665	1	52,127
58	9	493,730	1	52,127
59	6	316,510		
60	6	317,827	1	56,380
61	3	113,737		
62	3	190,692	1	41,141

TABLE 3

**THE NUMBER AND ANNUAL COMPENSATION OF  
NON-CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2001**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
63	4	\$ 200,743		
64	1	55,296		
65	5	291,823		
66	1	68,844		
68	1	3,700		
71	1	29,216		
<b>TOTAL</b>	<b>963</b>	<b>\$ 46,912,676</b>	<b>186</b>	<b>\$ 8,696,769</b>

The 1,149 total active non-contributing participants included in the June 30, 2001 valuation data consist of 1,075 policemen and 74 firemen.

TABLE 4

**THE NUMBER AND ANNUAL COMPENSATION OF  
NON-CONTRIBUTING ACTIVE MEMBERS DISTRIBUTED BY SERVICE  
AS OF JUNE 30, 2001**

YEARS OF SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	25	\$ 716,626	5	\$ 136,234
1	88	2,756,852	20	609,237
2	40	1,381,778	15	548,741
3	54	2,031,305	11	395,235
4	48	1,983,960	17	796,700
5	49	2,334,790	9	416,532
6	49	2,294,774	9	407,782
7	46	2,328,538	12	621,587
8	17	892,581	7	349,631
9	34	1,672,564	8	454,640
10	50	2,555,019	20	1,048,661
11	70	3,561,994	11	632,413
12	59	3,036,580	9	502,850
13	55	2,811,856	10	543,621
14	48	2,631,549	8	391,366
15	40	2,199,955	4	221,742
16	39	2,093,417		
17	25	1,480,849	4	227,185
18	23	1,397,204	3	146,454
19	29	1,604,476		
20	19	1,137,892	2	115,768
21	8	396,375	2	130,390
22	8	584,894		
23	6	357,349		
24	5	339,108		
25	6	438,398		
26	6	485,266		
27	1	89,411		
28	3	252,888		
29	7	604,592		
31	2	152,304		
33	1	80,196		
35	1	52,808		
36	2	174,528		
<b>TOTAL</b>	<b>963</b>	<b>\$ 46,912,676</b>	<b>186</b>	<b>\$ 8,696,769</b>

The 1,149 total active non-contributing participants included in the June 30, 2001 valuation data consist of 1,075 policemen and 74 firemen.



**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**SERVICE RETIREMENTS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
40	2	\$ 62,940		
41	4	138,286		
42	2	78,127	1	\$ 26,919
43	4	122,938		
44	3	106,977	1	34,333
45	2	73,746	1	33,986
46	8	237,692	1	26,056
47	5	161,596		
48	8	267,141		
49	2	63,863		
50	2	61,174	1	33,556
51	3	52,655		
52	5	154,930		
53	9	243,221	1	28,954
54	5	171,183		
55	6	88,384		
56	7	137,087	2	44,207
57	15	233,031	1	20,276
58	19	291,300	2	52,050
59	20	327,378	3	62,240
60	16	175,752		
61	20	313,720		
62	23	300,842	4	63,214
63	36	650,910	7	107,366
64	25	613,602		
65	24	549,733	1	21,393
66	30	669,298	1	17,792
67	25	447,939	6	81,526
68	29	410,800	4	62,170
69	28	359,694	3	43,261
70	22	261,144	3	42,942
71	31	474,659	1	12,213
72	40	784,356	3	42,654
73	40	667,029	3	42,174
74	59	1,089,914	1	9,177
75	79	1,507,495	4	38,898
76	79	1,483,490		
77	87	1,624,964	2	23,127
78	83	1,643,290	6	83,553
79	83	1,596,225		
80	98	1,916,244		
81	81	1,555,387	2	25,011
82	74	1,316,407	1	16,686
83	54	965,749		

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**SERVICE RETIREMENTS**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
84	49	\$ 923,884		
85	41	851,438		
86	30	582,274	2	\$ 20,701
87	14	267,736		
88	12	214,451		
89	10	145,050		
90	3	58,554	1	8,537
91	3	67,190		
92	1	21,865		
95	1	21,271		
<b>Total</b>	1,461	\$ 27,606,009	69	\$ 1,124,970

The 1,530 total service retirements consists of 523 policemen, 95 firemen and 912 retirees for whom the information was not reported.

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**SPECIAL RETIREMENTS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
42	2	\$ 81,291		
44	2	95,667		
45	10	401,758		
46	47	2,087,998	1	\$ 36,230
47	79	3,732,605	3	136,534
48	154	7,378,968		
49	163	7,561,021	3	118,086
50	243	11,719,818	5	236,689
51	317	14,858,886	3	121,792
52	439	20,743,216	7	294,991
53	450	21,182,333	2	92,360
54	708	31,787,568	2	86,648
55	721	32,282,387	4	165,058
56	569	25,399,412	4	185,818
57	616	27,447,294	1	45,993
58	752	32,801,329	8	313,941
59	795	34,217,734	6	216,975
60	629	27,568,727	3	123,101
61	619	26,032,679	5	181,927
62	591	25,095,788	3	112,031
63	587	24,299,670	3	41,635
64	516	21,063,647	5	212,836
65	512	20,399,669	6	215,046
66	475	18,262,094	4	163,865
67	418	15,433,718	6	204,839
68	420	15,138,712	2	90,127
69	438	15,521,939		
70	421	14,519,426	3	112,013
71	437	14,489,329	1	41,537
72	375	12,017,001	4	144,693
73	316	9,975,865		
74	328	10,320,955	1	39,154
75	367	11,223,097	2	67,808
76	320	9,570,840	2	54,657
77	308	9,334,824	1	24,628
78	262	7,618,993	1	29,204
79	206	5,909,158		
80	155	4,662,344	1	20,016
81	117	3,392,302	1	22,740
82	100	2,779,985		

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**SPECIAL RETIREMENTS**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
83	65	\$ 1,818,403		
84	47	1,157,697	1	\$ 18,185
85	25	618,560	1	23,806
86	12	265,346		
87	3	68,253		
<b>TOTAL</b>	15,136	\$ 602,338,307	105	\$ 3,994,963

The 15,241 total special retirements consists of 9,795 policemen, 3,402 firemen and 2,044 retirees for whom the information was not reported.

TABLE 7

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**DISABILITY RETIREMENTS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
27	1	\$ 32,960		
28	2	39,659		
29	5	144,818		
30	5	105,717	2	\$ 65,040
31	15	384,856	3	65,616
32	12	289,847	5	154,784
33	18	445,110	7	179,620
34	26	769,201	2	46,007
35	30	830,024	6	179,625
36	33	871,522	4	62,937
37	45	1,200,090	5	116,864
38	42	1,223,832	10	216,349
39	62	1,592,364	5	114,356
40	47	1,151,549	4	112,957
41	53	1,352,358	7	166,045
42	44	1,061,453	6	129,632
43	36	929,886	12	267,987
44	68	1,730,984	5	85,759
45	58	1,374,312	13	304,194
46	83	2,072,270	4	91,420
47	87	2,001,903	7	164,263
48	82	1,870,562	8	190,520
49	64	1,437,544	2	42,369
50	101	2,264,530	3	69,855
51	77	1,722,394	7	161,875
52	101	1,978,646	10	202,801
53	119	2,306,932	6	131,190
54	118	2,142,983	1	28,553
55	105	2,022,273	3	85,036
56	86	1,651,946	4	59,051
57	79	1,349,782	4	73,184
58	96	1,767,973	3	68,103
59	76	1,330,434	3	50,973
60	97	1,593,930		
61	69	1,183,510	2	41,450
62	62	921,955	2	26,407
63	50	904,296	2	50,337
64	53	933,481	2	37,471
65	48	798,263		

TABLE 7

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**DISABILITY RETIREMENTS**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
66	49	\$ 846,743	3	\$ 52,918
67	56	955,285	2	47,942
68	44	678,660	1	19,577
69	34	511,305	1	15,832
70	38	627,273	1	12,093
71	24	333,815	1	16,079
72	34	545,748		
73	19	289,296	1	19,068
74	27	359,165		
75	34	516,652		
76	29	452,734		
77	33	489,615		
78	30	404,050		
79	18	283,848	1	10,876
80	12	209,240		
81	7	74,554		
82	9	135,208		
83	8	121,565		
84	3	39,030		
85				
86	2	36,031		
87				
88	2	37,877		
89	1	14,559		
90	1	12,353		
<b>TOTAL</b>	<b>2,769</b>	<b>\$ 55,760,755</b>	<b>180</b>	<b>\$ 4,037,016</b>

The 2,949 total disability retirees consists of 2,174 policemen, 302 firemen and 473 retirees for whom the information was not reported.

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**ACTIVE MEMBERS' DEATH BENEFITS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
2	1	\$ 10,914		
4	1	12,288		
5			1	\$ 8,746
6	2	16,847		
13			2	19,614
15	1	9,934		
19	1	10,353		
22			1	8,487
25			1	24,370
29			1	31,323
30			1	5,656
31			2	54,961
32			1	17,638
33			4	114,383
34			1	34,483
35			2	60,548
36			4	106,476
37			1	30,559
38			1	11,280
39			8	248,191
40			2	59,012
41			4	148,765
42			2	50,367
43			4	132,761
44			5	171,198
45			4	173,106
46			1	31,302
48			2	79,692
49			3	116,850
50			7	208,006
51			1	26,615
52			2	73,486
53			3	95,354
54			3	93,916
55			5	122,541
56			7	141,142
57			5	114,275
58			3	65,495
59			7	226,938
60			3	64,938
61			2	42,262
63			2	83,071
64			4	96,152

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**ACTIVE MEMBERS' DEATH BENEFITS**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
65			1	\$ 19,950
66			2	65,398
67			2	45,715
68			2	40,368
69			2	45,303
70			2	41,346
71			3	54,112
72			5	52,358
73			5	101,541
74			3	41,755
75			5	99,094
76			6	84,716
77			2	35,492
78			8	109,499
79			3	48,445
80			2	19,488
81			4	50,206
82			4	46,363
83			2	23,232
84			1	6,435
85			1	17,508
86			2	19,808
92			1	9,434
<b>TOTAL</b>	<b>6</b>	<b>\$ 60,337</b>	<b>180</b>	<b>\$ 4,271,523</b>

The 186 beneficiaries are receiving active member's death benefits on behalf of 1 deceased fireman and 185 deceased actives for whom the information was not reported.



**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**RETIRED MEMBERS' DEATH BENEFITS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
3			1	\$ 5,109
4	1	\$ 8,732		
5	2	14,090		
7	1	7,087	1	8,144
8	3	15,573	2	7,872
9			1	6,519
10	2	11,052	3	18,102
11	3	27,366	2	16,686
12	4	30,284	5	41,348
13	9	61,760	3	15,580
14	4	39,903	6	40,968
15	10	82,321	14	91,155
16	8	49,970	11	71,406
17	7	55,107	14	107,441
18	8	63,014	7	48,639
19	11	83,488	11	87,390
20	2	20,320	3	26,551
21	1	7,213		
23			1	6,153
24			2	14,150
25			1	20,253
30			1	4,680
31	1	6,018	1	26,586
32			1	8,840
33			3	44,131
34			1	9,724
35			2	10,681
36	3	30,317	6	99,373
37			7	61,277
38	1	2,084	11	171,122
39	2	18,983	13	172,433
40			5	84,800
41	1	7,679	14	279,319
42	2	11,069	10	94,189
43	2	22,720	18	264,121
44	1	6,312	26	481,417
45			35	675,863
46			24	378,123
47			24	369,169
48	1	4,100	34	470,300
49	1	6,214	41	617,155
50			56	992,613
51			70	1,087,185
52			58	838,635
53	1	12,859	67	1,106,556
54			82	1,620,343
55	1	3,743	62	1,122,392
56	1	13,435	67	1,327,650

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**RETIRED MEMBERS' DEATH BENEFITS**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
57			81	\$ 1,598,057
58			94	1,824,342
59			92	1,757,020
60			83	1,686,615
61	1	\$ 6,540	90	1,918,150
62	1	14,463	77	1,461,054
63			80	1,609,761
64			103	2,027,890
65			108	2,149,172
66			94	1,873,927
67			95	1,866,010
68	1	15,645	108	2,068,751
69	1	16,831	147	2,901,154
70	1	27,134	109	2,085,639
71			145	2,777,241
72			144	2,747,931
73	1	23,359	179	3,274,953
74	1	24,201	191	3,446,760
75			174	3,107,589
76	1	29,722	186	3,262,050
77	1	20,808	195	3,303,746
78			155	2,696,832
79			121	2,002,891
80			144	2,442,240
81			141	2,384,472
82			104	1,729,257
83			67	1,117,326
84			63	1,039,955
85			36	608,595
86			30	484,117
87			15	241,511
88			12	194,856
89			7	108,232
90			3	49,017
91			1	16,330
92			4	61,442
94			2	34,499
95			1	12,295
97			1	5,043
99			1	10,902
<b>TOTAL</b>	103	\$ 901,518	4,310	\$ 77,039,768

The 4,413 beneficiaries are receiving retired member's death benefits on behalf of 15 deceased policemen, 5 deceased firemen and 4,393 deceased retirees for whom the information was not reported.

TABLE 10

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2001**

**DEFERRED TERMINATED VESTEDS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
35	3	\$ 34,140		
37			1	\$ 17,412
38	2	28,668		
39	1	11,964		
40			1	12,084
41	3	56,976		
42			2	20,400
43	3	28,296		
44	2	22,296	1	12,048
45	6	73,932	1	4,860
46	2	17,844	1	17,892
47	2	17,112		
48	2	13,980		
49	3	35,880	1	26,952
50	1	8,808		
51	2	18,288		
52	5	50,364		
53	3	34,512		
54	7	66,252		
55	4	54,240		
60				
61	1	8,388		
TOTAL	52	\$ 581,940	8	\$ 111,648

The 60 deferred terminated vested members consists of 50 policemen, 8 firemen and 2 deferred terminated vested members for whom information was not reported.