

REPORT ON THE
ACTUARIAL VALUATION
OF THE VERMONT MUNICIPAL EMPLOYEES'
RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 2002

OCTOBER 25, 2002

October 25, 2002

Board of Trustees
Vermont Municipal Employees' Retirement System
Montpelier, Vermont 05633

Dear Board Members:

Section 5062, of Title 24, Chapter 125, Vermont Statutes Annotated, relating to the Vermont Municipal Employees' Retirement System, provides in part that the actuary shall make annual valuations of the System.

The actuarial valuation of the System, prepared as of July 1, 2002, has now been completed and the results are presented in this report, together with our recommendations with regard to contributions.

The Table of Contents, which immediately follows, outlines the material contained in this report.

Respectfully submitted,

David L. Driscoll, F.S.A., E.A.
Associate Principal and Consulting Actuary

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REPORT ON THE ACTUARIAL VALUATION OF THE
VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 2002

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the July 1, 2002 valuation are summarized below:

Item	Group A	Group B	Group C	Group D	TOTAL
Active members					
Vested	1,008	1,067	127	0	2,202
Not vested	1,387	1,240	90	5	2,722
Total	2,395	2,307	217	5	4,924
Compensation in FY 2002	\$41,697,629	\$50,001,133	\$7,426,466	\$104,542	\$99,229,770
Average age	45.24	45.81	45.95	42.80	45.54
Average service	5.23	5.79	8.57	1.20	5.63
Average FY 2002 compensation	17,410	21,674	34,223	20,908	20,152
Retired members and beneficiaries					
Number	508	333	62	0	903
Annual benefits	\$1,553,475	\$1,892,125	\$494,427	0	\$3,940,027
Terminated vested members	100	61	7	0	168
Inactive members	471	386	12	1	870
Adjusted assets for valuation purposes	\$66,440,219	\$101,598,377	\$25,192,524	\$46,570	\$193,277,690
Unfunded accrued liability (UAL)	(\$6,308,403)	(\$6,188,314)	(\$4,668,829)	(3,361)	(\$17,168,907)
Employer normal contribution rate	3.51%	5.04%	6.09%	8.69%	4.44%
Current funding policy rate	4.00%	5.00%	6.00%	9.00%	4.63%

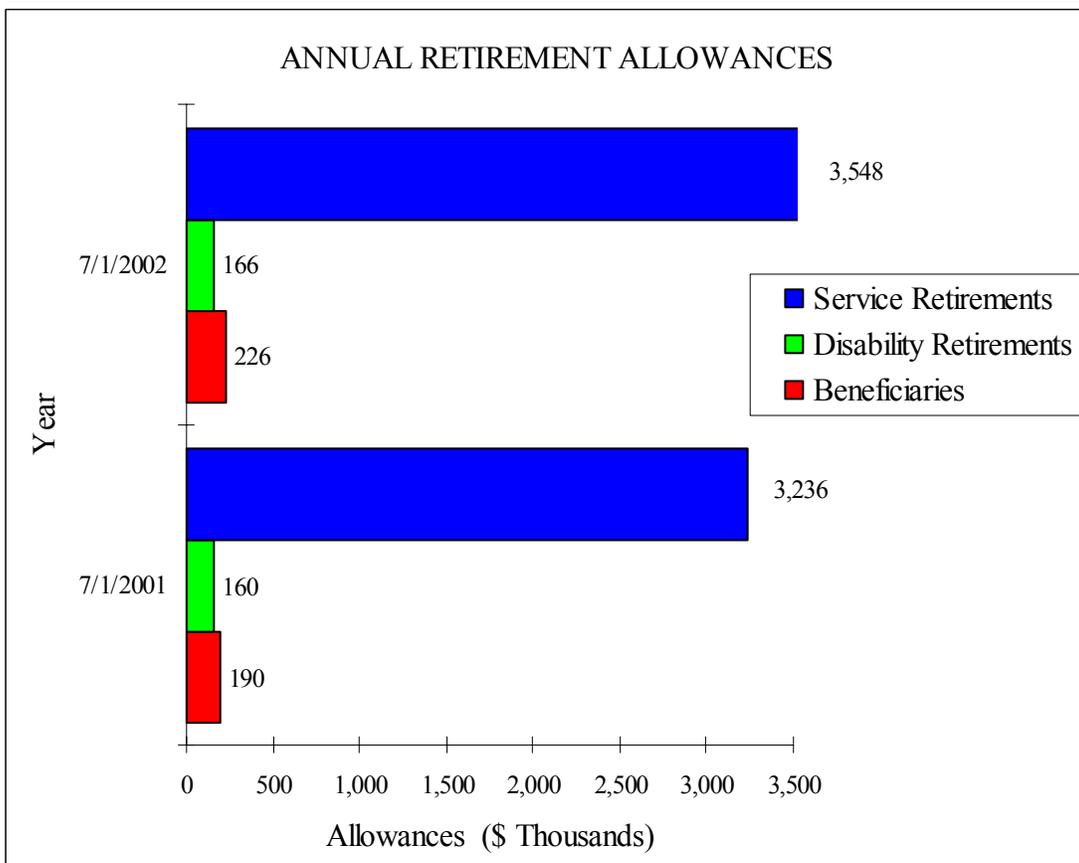
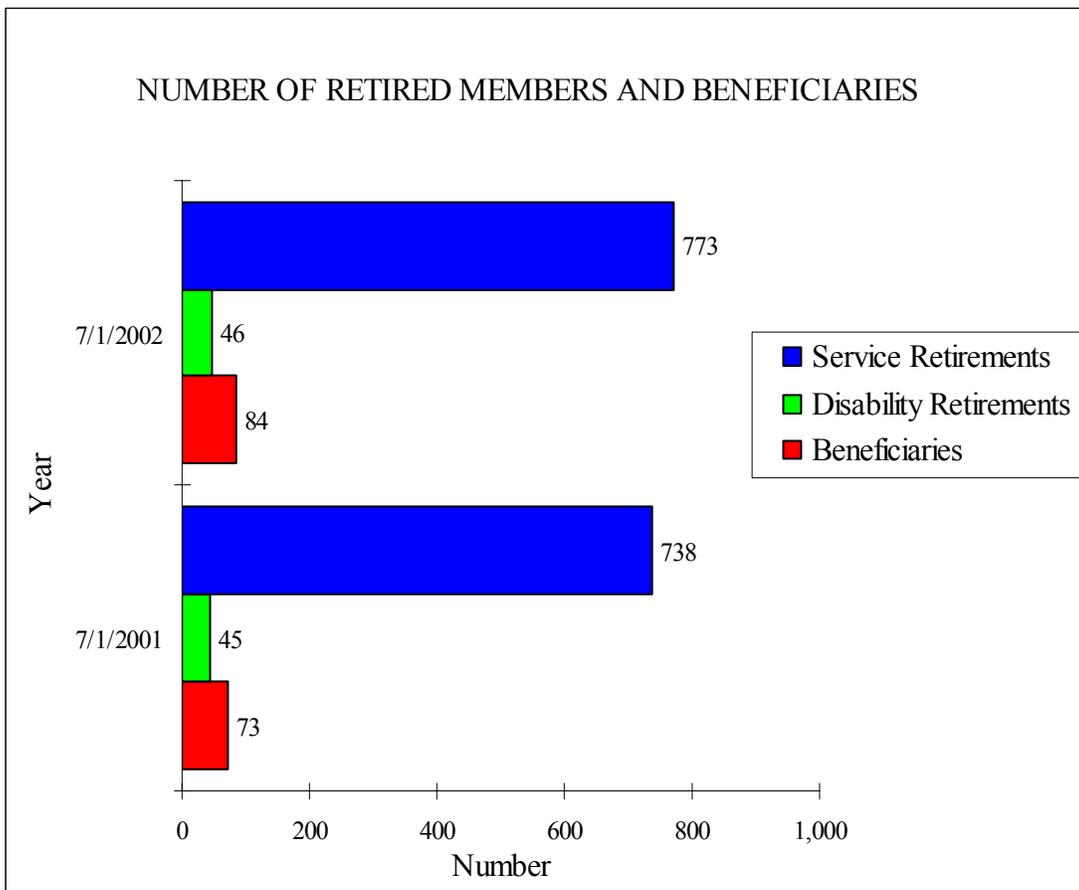
2. Comments on the results of the valuation are given in Section IV and further discussion of the contribution levels is set out in Section V.
3. Schedule B outlines the full set of actuarial assumptions and methods used in the valuation.
4. Schedule C outlines the benefit provisions that were taken into account in the valuation. This valuation reflects the increase for active participants in the annual rate of benefit accrual for Group A service rendered prior to July 1, 1987 to 1.4% of average final compensation. A parallel increase for retired participants with pre-July 1, 1987 contributory Group A service, is to be implemented as of January 1, 2003 and is not reflected in this valuation.

SECTION II - MEMBER DATA

1. Member data were furnished by the Retirement Division of the State Treasurer's Office.
2. Schedule D presents tables that summarize member data. Tables 1 through 4 summarize active member data by age and service. Tables 5 through 9 summarize service pensioners, disability pensioners and beneficiaries by age.
3. The following tables show a summary of membership data for retirees and beneficiaries:

THE NUMBER AND ANNUAL ALLOWANCES OF RETIRED MEMBERS
AND BENEFICIARIES AS OF JULY 1, 2002

GROUP	NUMBER	ANNUAL ALLOWANCES
Service Retirements	773	\$3,548,323
Disability Retirements	46	\$166,043
Beneficiaries of Deceased Members	84	\$225,661
GRAND TOTAL	903	\$3,940,027



SECTION III - ASSETS

1. The amount of assets taken into account in the valuation is based principally on information supplied by the Retirement Division of the State Treasurer's Office.
2. For actuarial purposes, the assets are valued using a method that reflects the market value of assets through recognition of any difference in return on assets from its expected level over 5 years, provided the adjusted asset value is within 20% of the market value.

Development of the valuation assets

Market value as of June 30, 2002 \$172,532,507 (A)

Adjustment to recognize asset gains (losses) over 5 years:

Year Ending	Asset gain (loss)	x	Adjustment Factor	= Adjustment	
June 30, 2002	(\$16,746,343)		0.80	(\$13,397,074)	
June 30, 2001	(12,500,442)		0.60	(7,500,265)	
June 30, 2000	(3,858,145)		0.40	(1,543,258)	
June 30, 1999	8,477,072		0.20	<u>1,695,414</u>	
			TOTAL	(\$20,745,183)	(B)

Actuarial value of assets as of June 30, 2002 [(A) – (B)] \$193,277,690

Asset gain during fiscal year ending June 30, 2002:

Actual return on market value

Interest and dividends	\$6,600,013
Realized and unrealized gains	(8,653,915)
Investment expenses	<u>(836,077)</u>
Total	(\$2,889,979) (C)

Expected 8% return on market value and cash flow \$13,856,364 (D)

Asset loss (D) - (C) \$16,746,343

3. The assets for valuation purposes are 112.02% of market value.
4. The investment rate of return for the year ending July 1, 2002, is 6.42%, based on the valuation assets.

5. The following table presents an allocation of total valuation assets to Groups A, B, C and D:

Item	Group A	Group B	Group C	Group D	Total
Valuation assets, July 1, 2001	\$ 61,632,814	\$ 93,101,500	\$ 23,193,267	\$ -	\$ 177,927,581
Contributions	2,995,968	5,206,504	1,202,791	46,091	9,451,354
Income*	4,342,557	6,601,666	1,640,611	1,579	12,586,413
Benefit payments	(1,875,343)	(2,284,160)	(596,868)	(35,110)	(4,791,481)
Expenses	(359,172)	(542,560)	(135,161)	-	(1,036,893)
Transfers	(296,605)	(484,573)	(112,116)	34,010	(859,284)
Valuation assets, July 1, 2002	\$ 66,440,219	\$ 101,598,377	\$ 25,192,524	\$ 46,570	\$ 193,277,690

*includes adjustment in valuation assets amount

SECTION IV - COMMENTS ON VALUATION

1. Schedule A of the report contains a valuation balance sheet, which shows total present and prospective assets and liabilities as of July 1, 2002.
2. The adjusted assets of the system amount to \$ 193,277,690.
3. The total present value of prospective allowances to be paid to current retired members and beneficiaries as well as terminated vested members amounts to \$44,502,672. The present value of prospective benefits accrued by current active and inactive members through June 30, 2002, amounts to \$211,889,158, for total accrued liabilities of \$256,391,830. After subtracting assets of \$193,277,690, the amount to be provided through prospective contributions is \$63,114,140. Prospective member contributions have a value of \$37,659,072, which leaves \$26,455,068 to be met by employers.
4. The employers' contributions consist of a normal contribution and an accrued liability contribution. Future normal contributions represent the contributions needed to provide benefits for the average new member. The accrued liability contribution represents the balance of contributions necessary to fund the system.
5. The value of future employer normal contributions as of July 1, 2002, is \$42,623,975. Subtracting this from the total amount to be paid by employers leaves \$17,168,907 as the actuarial surplus.

SECTION V - CONTRIBUTIONS PAYABLE UNDER THE SYSTEM

1. Employer contributions consist of a normal contribution and an accrued liability contribution. The normal contribution is the expected cost of benefits earned during the year following the valuation date. The accrued liability contribution represents a credit that reflects the amortization of the assets in excess of the accrued liability through June 30, 2018.

Item	Group				
	A	B	C	D	Total
1. Normal contributions					
Employee	2.50%	4.50%	9.00%	11.00%	3.99%
Employer	<u>3.51%</u>	<u>5.04%</u>	<u>6.09%</u>	<u>8.69%</u>	<u>4.47%</u>
Total	6.01%	9.54%	15.09%	19.69%	8.46%
2. Amortization credit through 6/30/2018	0.99%	0.82%	4.30%	0.14%	1.14%
3. Net employer contribution rates, July 1, 2002					
Amortization through 6/30/2018	2.52%	4.22%	1.79%	8.55%	3.33%
Current funding policy rates	4.00%	5.00%	6.00%	9.00%	4.65%
4. Net employer contribution rates, July 1, 2001					
Amortization through 6/30/2018	2.52%	3.94%	0.39%	N/A	3.11%
Funding policy rates	4.00%	5.00%	6.00%	N/A	4.64%

2. The current funding policy rates payable by the employers and the calculated rates reflecting amortization of the assets in excess of accrued liability are shown below:

<u>Group</u>	<u>Funding Policy Rate</u>	<u>Rate With Full Amortization</u>
A	4.00%	2.52%
B	5.00%	4.22%
C	6.00%	1.79%
D	9.00%	8.55%

We recommend that the Board set future contribution rates within the ranges shown above. Since the funding policy rate is close to the calculated employer normal rate (shown in item 1 above), continuation of these rates would maintain current surplus assets indefinitely, assuming no future gains or losses. Payment of the rates with full amortization of surplus would result in a gradual reduction of surplus through 2018, at which point the full normal cost rate would be payable.

The difference between the current funding policy rates and the employer normal cost rates is 0.18% of payroll in the aggregate. Annualized payroll in fiscal year 2002 for active participants amounted to \$106,985,583, and application of the salary scale to this figure produces a projected fiscal year 2003 compensation for active participants of \$112,976,776. The product of 0.18% and this figure, \$203,358, slightly exceeds non-investment expenses of the System in fiscal year 2002, \$200,816.

SECTION VI - EXPERIENCE

1. Records are maintained whereby the actual experience of the system may be compared with the expected experience based on the tables adopted by the Board of Trustees. This experience will be reviewed annually and any change suggested by the cumulative experience of the system will be brought to the Board's attention.

SECTION VII - ACCOUNTING INFORMATION

1. Based on our interpretation of Statement No. 25 of the Governmental Accounting Standards Board, we are providing the following Schedule of Funding Progress for accounting purposes:

SCHEDULE OF FUNDING PROGRESS

(dollar amounts in thousands)

Year Ended June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2002	\$193,278	\$176,109	(\$17,169)	109.7%	\$106,986	-16.0%
2001	177,928	158,786	(19,142)	112.1%	101,873	-18.8%
2000	161,900	138,697	(23,203)	116.7%	87,147	-26.6%
1999	137,454	114,481	(22,973)	124.6%	70,808	- 32.4%
1998	113,678	102,005	(11,673)	111.4%	87,328	- 17.3%
1997	96,196	85,686	(10,510)	112.3%	70,800	-14.8%
1996	81,396	73,401	(7,995)	110.9%	68,700	-11.6%
1995	70,082	67,039	(3,043)	104.5%	79,056	-4.9%

2. GASB Statement No. 27 requires the development of Annual Pension Cost and Net Pension Obligation (NPO). This development is shown in the following table.

DEVELOPMENT OF PENSION COST AND NET PENSION OBLIGATION (NPO)

Year Ended June 30	Annual Required Contribution (1)	Interest on NPO (2)	Amortization of NPO (3)	Pension Cost (1)+(2)-(3) (4)	Actual Contribution (5)	Change in NPO (4)-(5) (6)	NPO Balance (7)
1991	\$2,217,796	- \$ 0 -	- \$ 0 -	\$ 2,217,796	\$ 2,217,796	- \$ 0 -	- \$ 0 -
1992	2,496,559	- 0 -	- 0 -	2,496,559	2,496,559	- 0 -	- 0 -
1993	2,692,159	- 0 -	- 0 -	2,692,159	2,692,159	- 0 -	- 0 -
1994	3,003,674	- 0 -	- 0 -	3,003,674	3,003,674	- 0 -	- 0 -
1995	3,045,585	- 0 -	- 0 -	3,045,585	3,045,585	- 0 -	- 0 -
1996	3,365,821	- 0 -	- 0 -	3,365,821	3,365,821	- 0 -	- 0 -
1997	3,541,693	- 0 -	- 0 -	3,541,693	3,541,693	- 0 -	- 0 -
1998	3,665,833	- 0 -	- 0 -	3,665,833	3,665,833	- 0 -	- 0 -
1999	4,233,559	- 0 -	- 0 -	4,233,559	4,233,559	- 0 -	- 0 -
2000	4,788,671	- 0 -	- 0 -	4,788,671	4,788,671	- 0 -	- 0 -
2001	4,571,993	- 0 -	- 0 -	4,571,993	4,571,993	- 0 -	- 0 -
2002	4,984,484	- 0 -	- 0 -	4,984,484	4,984,484	- 0 -	- 0 -

SCHEDULE A

VALUATION BALANCE SHEET
SHOWING THE ASSETS AND LIABILITIES OF THE
VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 2002

VALUATION BALANCE SHEET
 SHOWING THE ASSETS AND ACCRUED LIABILITIES OF THE
 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
 PREPARED AS OF JULY 1, 2002

ASSETS

Adjusted assets of the system		\$ 193,277,690
Present value of prospective contributions		
Members	\$37,659,072	
State		
Accrued liability contributions	(17,168,907)	
Normal contributions	<u>42,623,975</u>	
Total prospective contributions		<u>\$63,114,140</u>
Total assets		<u>\$256,391,830</u>

LIABILITIES

Actuarial present value of benefits payable on account of present retired members, terminated vested members and beneficiaries		\$ 44,502,672
Actuarial present value of benefits expected to become payable on account of active and inactive members		<u>211,889,158</u>
Total liabilities		<u>\$256,391,830</u>

SCHEDULE B

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

INTEREST RATE: 8% per annum, compounded annually.

SEPARATIONS FROM SERVICE: Representative values of the assumed annual rates of withdrawal, and disability and death are as follows:

Withdrawal			Disability		
Age	Males %	Females %	Age	Males %	Females %
25	14.86%	22.31%	25	0.04%	0.05%
30	10.33	14.82	30	0.05	0.08
35	7.29	10.25	35	0.07	0.14
40	4.20	7.16	40	0.12	0.21
45	2.52	4.01	45	0.20	0.32
50	0.69	2.22	50	0.36	2.53
55	0.00	0.13	55	0.72	0.95
60	0.00	0.00	60	1.26	1.16

Retirement							
Age	Group A	Group B	Groups C and D	Age	Group A	Group B	Groups C and D
55	2.0%	2.0%	15.0%	63	20.0%	25.0%	75.0%
56	2.0	2.0	10.0	64	20.0	25.0	75.0
57	2.0	2.0	10.0	65	75.0	50.0	100.0
58	2.0	2.0	10.0	66	75.0	75.0	100.0
59	2.0	2.0	10.0	67	75.0	75.0	100.0
60	5.0	5.0	15.0	68	75.0	75.0	100.0
61	5.0	5.0	10.0	69	75.0	75.0	100.0
62	20.0	50.0	50.0	70	100.0	100.0	100.0

SALARY INCREASES: 5.6% per year.

DEATHS: According to the 1983 Group Annuity Mortality Table.

FUTURE EXPENSES: Expense adjustment based on actual expenses for previous year and added to normal cost of each Group.

ACTUARIAL COST METHOD: Projected benefit cost method. The unfunded accrued liability is amortized with payments that are assumed to increase by 5.6% per year.

SPOUSE'S AGE: Husbands are assumed to be 3 years older than their wives.

PERCENT MARRIED: 85% of male members and 50% of female members are assumed to be married.

COST-OF-LIVING ADJUSTMENTS TO BENEFITS OF TERMINATED VESTED AND RETIRED PARTICIPANTS: Assumed to occur at the rate of 2% per annum for Group A members and 2.3% per annum for members of Groups B, C, and D

ASSET VALUATION METHOD: A smoothing method is used, under which the value assets for actuarial purposes equals market value less a five-year phase-in of the differences between actual and assumed investment return.

INACTIVE MEMBERS: A liability of 150% of accumulated contributions with interest is maintained for inactive participants.

SCHEDULE C

BRIEF SUMMARY OF PRINCIPAL PLAN PROVISIONS
AS INTERPRETED FOR VALUATION PURPOSES

SUMMARY OF BENEFIT PROVISIONS
AS INTERPRETED FOR VALUATION PURPOSES

Effective Date	July 1, 1975
Creditable Service	Service as a member plus purchased service.
Membership	Full time employees of participating municipalities. Municipality elects coverage under Groups A, B or C provisions.
Average Final Compensation (AFC)	<p>Groups A - average annual compensation during highest 5 consecutive years.</p> <p>Groups B and C - average annual compensation during highest 3 consecutive years.</p> <p>Group D - average annual compensation during highest 2 consecutive years.</p>
Service Retirement Allowance	
Eligibility	<p>Group A – The earlier of age 65 with 5 years of service or age 55 with 35 years of service.</p> <p>Group B – The earlier of age 62 with 5 years of service or age 55 with 30 years of service.</p> <p>Groups C and D - Age 55 with 5 years of service.</p>
Amount	<p>Group A - 1.4% of AFC times service.</p> <p>Group B - 1.7% of AFC times service as Group B member plus percentage earned as Group A member times AFC.</p> <p>Group C - 2.5% of AFC times service as a Group C member plus percentage earned as a Group A or B member times AFC.</p> <p>Group D - 2.5% of AFC times service as a Group D member plus percentage earned as a Group A, B or C member times AFC.</p>

Maximum benefit is 60% of AFC for Groups A and B and 50% of AFC for Groups C and D. The above amounts include the portion of the allowance provided by member contributions.

Early Retirement Allowance

Eligibility Age 55 with 5 years of service for Groups A and B; age 50 with 20 years of service for Group D.

Amount Normal allowance based on service and AFC at early retirement, reduced by 6% for each year commencement precedes Normal Retirement Age for Group A and B members, and payable without reduction to Group D members

Vested Retirement Allowance

Eligibility 5 years of service.

Amount Allowance beginning at normal retirement age based on AFC and service at termination. The AFC is to be adjusted annually by one-half of the percentage change in the Consumer Price Index, subject to the limits on "Post-Retirement Adjustments" described below.

Disability Retirement Allowance

Eligibility 5 years of service and disability as determined by Retirement Board.

Amount Immediate allowance based on AFC and service to date of disability; children's benefit of 10% of AFC payable to up to three minor children (or children up to age 23 if enrolled in full-time studies) of a disabled Group D member.

Death Benefit

Eligibility Death after 5 years of service.

Amount For Groups A, B and C, reduced early retirement allowance under 100% survivor option commencing immediately or, if greater, survivor's benefit under disability annuity computed as of date of death. For Group D, 70% of the unreduced accrued benefit plus children's benefit.

Optional Benefit and Death after Retirement

For Groups A, B and C, lifetime allowance or actuarially equivalent 50% or 100% joint and survivor allowance with refund of contribution guarantee. For Group D, lifetime allowance or 70% contingent annuitant option with no reduction.

Refund of Contribution

Upon termination, if the member so elects or if no other benefit is payable, the member's accumulated contributions are refunded.

Post-Retirement Adjustments

Allowances in payment for at least one year increased on each January 1 by one-half of the percentage increase in consumer price index but not more than 2% for Group A and 3% for Groups B, C and D.

Member Contributions

Group A – 2.5% (reduced from 3.0% effective July 1, 2000).

Group B - 4.5% (reduced from 5.0% effective July 1, 2000).

Group C – 9.0% (reduced from 11.0% effective July 1, 2000).

Group D - 11.0%

SCHEDULE D

SUMMARY TABLES OF MEMBER DATA AS OF JULY 1, 2002

TABLE 1
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2002

AGE	0 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	42	448,469	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	42	448,469
20 to 24	189	2,521,480	1	8,990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	190	2,530,471
25 to 29	255	4,339,480	32	875,694	2	58,444	0	0	0	0	0	0	0	0	0	0	0	0	289	5,273,618
30 to 34	327	5,336,136	69	1,942,093	25	831,569	4	97,486	0	0	0	0	0	0	0	0	0	0	425	8,207,284
35 to 39	454	6,840,862	121	2,639,263	54	1,634,579	24	861,597	4	122,632	0	0	0	0	0	0	0	0	657	12,098,933
40 to 44	530	8,243,707	176	3,575,214	94	2,339,931	48	1,570,027	25	875,754	7	201,172	0	0	0	0	0	0	880	16,805,804
45 to 49	380	6,484,808	194	4,055,031	158	3,950,092	59	1,842,546	32	1,180,523	20	750,266	4	146,664	0	0	0	0	847	18,409,930
50 to 54	276	4,760,107	176	3,869,593	142	3,016,543	79	2,233,497	23	815,171	17	670,555	9	374,142	2	51,702	0	0	724	15,791,309
55 to 59	163	2,868,143	111	2,653,644	122	2,793,873	65	1,541,161	34	1,038,984	21	761,788	9	288,240	5	181,544	0	0	530	12,127,377
60 to 64	69	1,128,621	51	1,151,202	47	1,151,887	42	1,129,375	27	766,174	10	345,930	6	234,825	1	21,586	1	38,020	254	5,967,620
65 to 69	17	238,321	9	161,655	10	198,233	5	140,175	6	187,352	2	53,127	4	97,054	0	0	0	0	53	1,075,917
70 & up	20	259,728	3	43,808	6	115,654	1	16,263	2	41,792	0	0	1	15,795	0	0	0	0	33	493,039
TOTAL	2,722	43,469,861	943	20,976,188	660	16,090,804	327	9,432,128	153	5,028,381	77	2,782,839	33	1,156,719	8	254,831	1	38,020	4,924	99,229,770

TABLE 2
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2002

GROUP A

AGE	0 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	23	205,879	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23	205,879
20 to 24	112	1,323,996	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	112	1,323,996
25 to 29	131	1,905,227	12	245,643	1	25,688	0	0	0	0	0	0	0	0	0	0	0	0	144	2,176,558
30 to 34	164	2,313,935	25	620,958	8	189,385	2	38,564	0	0	0	0	0	0	0	0	0	0	199	3,162,842
35 to 39	230	3,307,465	61	1,097,373	22	516,291	9	294,738	3	88,681	0	0	0	0	0	0	0	0	325	5,304,549
40 to 44	248	3,543,216	89	1,655,099	48	917,460	19	540,358	8	208,162	3	80,857	0	0	0	0	0	0	415	6,945,151
45 to 49	199	3,270,264	87	1,514,596	79	1,698,290	32	896,501	11	339,668	7	274,648	2	78,199	0	0	0	0	417	8,072,167
50 to 54	152	2,572,936	78	1,516,263	75	1,262,320	40	977,974	7	191,065	2	57,315	2	96,097	1	24,220	0	0	357	6,698,189
55 to 59	76	1,208,934	44	964,347	63	1,194,732	34	719,608	16	455,630	6	188,416	3	90,346	1	38,302	0	0	243	4,860,314
60 to 64	30	441,019	24	479,660	22	372,632	16	361,899	12	257,063	0	0	3	108,326	1	21,586	0	0	108	2,042,183
65 to 69	9	111,503	4	58,174	6	130,589	4	110,275	3	85,461	2	53,127	2	46,654	0	0	0	0	30	595,783
70 & up	13	152,725	2	33,325	4	65,913	1	16,263	2	41,792	0	0	0	0	0	0	0	0	22	310,018
TOTAL	1,387	20,357,097	426	8,185,438	328	6,373,300	157	3,956,179	62	1,667,523	20	654,363	12	419,622	3	84,108	0	0	2,395	41,697,629

TABLE 3
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2002

GROUP B

AGE	0 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	17	188,457	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17	188,457
20 to 24	70	1,017,312	1	8,990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	71	1,026,302
25 to 29	108	1,999,857	18	547,854	1	32,756	0	0	0	0	0	0	0	0	0	0	0	0	127	2,580,467
30 to 34	145	2,510,893	40	1,170,032	15	560,614	2	58,922	0	0	0	0	0	0	0	0	0	0	202	4,300,462
35 to 39	215	3,351,789	54	1,335,269	29	1,002,686	13	448,664	1	33,950	0	0	0	0	0	0	0	0	312	6,172,359
40 to 44	264	4,111,149	82	1,710,064	42	1,277,453	26	896,556	13	488,983	4	120,315	0	0	0	0	0	0	431	8,604,520
45 to 49	171	2,916,603	100	2,305,627	72	1,977,790	22	744,547	18	699,804	11	401,210	2	68,464	0	0	0	0	396	9,114,045
50 to 54	118	2,047,867	90	2,111,275	57	1,347,708	34	1,067,932	14	531,038	13	514,652	6	242,654	1	27,481	0	0	333	7,890,608
55 to 59	81	1,511,095	63	1,568,074	48	1,231,839	28	737,615	15	473,707	14	526,030	2	59,750	3	105,172	0	0	254	6,213,283
60 to 64	36	589,648	25	596,947	23	691,660	23	632,740	13	418,275	7	198,343	3	126,499	0	0	1	38,020	131	3,292,131
65 to 69	8	126,818	4	58,825	4	67,644	1	29,901	3	101,891	0	0	2	50,400	0	0	0	0	22	435,478
70 & up	7	107,003	1	10,483	2	49,741	0	0	0	0	0	0	1	15,795	0	0	0	0	11	183,021
TOTAL	1,240	20,478,492	478	11,423,441	293	8,239,890	149	4,616,877	77	2,747,648	49	1,760,550	16	563,562	4	132,654	1	38,020	2,307	50,001,133

TABLE 4
 THE NUMBER AND ANNUAL COMPENSATION OF
 ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
 AS OF JULY 1, 2002

GROUP C

AGE	0 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	1	31,408	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	31,408
20 to 24	7	180,173	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	180,173
25 to 29	16	434,396	2	82,197	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18	516,593
30 to 34	18	511,308	4	151,103	2	81,570	0	0	0	0	0	0	0	0	0	0	0	0	24	743,980
35 to 39	9	181,608	6	206,621	3	115,602	2	118,195	0	0	0	0	0	0	0	0	0	0	20	622,026
40 to 44	16	513,353	5	210,051	4	145,018	3	133,113	4	178,609	0	0	0	0	0	0	0	0	32	1,180,144
45 to 49	9	297,456	7	234,808	7	274,012	5	201,498	3	141,051	2	74,408	0	0	0	0	0	0	33	1,223,233
50 to 54	6	139,304	8	242,055	10	406,515	5	187,592	2	93,068	2	98,588	1	35,391	0	0	0	0	34	1,202,512
55 to 59	5	142,770	4	121,223	11	367,302	3	83,938	3	109,646	1	47,343	4	138,144	1	38,070	0	0	32	1,048,437
60 to 64	3	97,954	2	74,595	2	87,596	3	134,737	2	90,836	3	147,588	0	0	0	0	0	0	15	633,305
65 to 69	0	0	1	44,656	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	44,656
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	90	2,529,729	39	1,367,309	39	1,477,614	21	859,073	14	613,210	8	367,926	5	173,535	1	38,070	0	0	217	7,426,466

TABLE 3
 THE NUMBER AND ANNUAL COMPENSATION OF
 ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
 AS OF JULY 1, 2002

GROUP D

AGE	0 to 4		5 to 9		10 to 14		15 to 19		20 to 24		25 to 29		30 to 34		35 to 39		40 & up		Total	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	1	22,725	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	22,725
20 to 24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25 to 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 to 34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35 to 39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40 to 44	2	75,988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	75,988
45 to 49	1	485	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	485
50 to 54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55 to 59	1	5,344	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	5,344
60 to 64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
65 to 69	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	5	104,542	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5	104,542

TABLE 5

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2002

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	2	\$ 3,044
36	-	-	1	1,622	-	-
40	-	-	-	-	1	2,368
45	1	6,000	1	3,740	1	12,064
48	-	-	1	5,623	1	2,591
49	-	-	-	-	1	1,074
50	-	-	1	4,128	-	-
51	-	-	1	4,738	2	4,552
52	-	-	2	6,379	-	-
53	-	-	-	-	1	4,906
54	-	-	-	-	2	5,606
55	2	7,242	1	1,639	1	3,794
56	3	6,891	2	4,779	3	15,564
57	7	59,467	2	6,972	2	2,403
58	8	53,872	3	13,418	-	-
59	10	31,723	1	5,879	1	1,429
60	10	45,297	3	10,786	1	1,001
61	13	93,249	1	1,795	3	6,788
62	19	135,758	3	10,733	2	5,458
63	33	182,148	2	9,274	2	8,012
64	40	222,659	3	10,994	3	5,884
65	32	173,330	4	14,680	-	-
66	45	241,484	2	12,134	1	3,137
67	52	288,855	3	7,932	3	11,029
68	38	192,577	1	1,668	2	18,209
69	43	203,085	-	-	3	4,470
70	38	184,623	2	7,538	3	6,868
71	53	224,903	1	3,687	5	16,456
72	50	211,150	2	3,295	3	13,067
73	35	160,988	1	6,003	2	3,690
74	34	146,518	-	-	4	6,722
75	23	99,594	-	-	5	12,428
76	25	82,460	-	-	-	-
77	28	131,825	-	-	4	6,643
78	17	61,911	-	-	3	5,872
79	15	40,886	-	-	2	3,281
80	18	50,550	-	-	2	5,801
81	11	31,292	-	-	4	9,853
82	15	44,326	1	1,403	1	1,462
83	13	37,983	-	-	-	-
84	9	28,639	-	-	1	1,413
85	6	10,816	-	-	4	6,224
86	6	17,948	1	5,204	-	-

TABLE 5, continued

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2002

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
87	5	9,666	-	-	1	1,126
88	6	9,058	-	-	1	692
89	3	3,058	-	-	-	-
90	4	12,024	-	-	-	-
91	-	-	-	-	1	680
92	1	1,536	-	-	-	-
95	1	635	-	-	-	-
98	1	2,297	-	-	-	-
Total	773	3,548,323	46	166,043	84	225,661

TABLE 6

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2002

GROUP A

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	1	\$ 1,469
36	-	-	1	1,622	-	-
40	-	-	-	-	1	2,368
48	-	-	-	-	1	2,591
49	-	-	-	-	1	1,074
51	-	-	1	4,738	1	2,629
52	-	-	2	6,379	-	-
54	-	-	-	-	1	2,200
55	-	-	1	1,639	1	3,794
56	1	1,252	2	4,779	2	7,433
57	3	7,419	2	6,972	1	546
58	2	5,574	1	4,376	-	-
59	7	21,520	1	5,879	1	1,429
60	2	4,442	1	4,056	1	1,001
61	2	4,681	-	-	1	3,338
62	4	29,016	1	2,471	2	5,458
63	10	44,828	-	-	-	-
64	14	48,753	1	2,433	3	5,884
65	10	30,933	3	12,532	-	-
66	14	26,965	2	12,134	-	-
67	29	103,807	3	7,932	2	4,502
68	13	47,202	1	1,668	-	-
69	21	73,218	-	-	3	4,470
70	17	61,154	1	3,077	2	4,214
71	23	48,475	1	3,687	3	8,071
72	25	77,238	2	3,295	1	3,080
73	18	62,592	1	6,003	2	3,690
74	19	75,923	-	-	4	6,722
75	17	62,611	-	-	5	12,428
76	17	52,507	-	-	-	-
77	20	95,302	-	-	4	6,643
78	15	48,905	-	-	3	5,872
79	15	40,886	-	-	2	3,281
80	18	50,550	-	-	1	1,291
81	10	28,986	-	-	4	9,853
82	15	44,326	1	1,403	1	1,462
83	13	37,983	-	-	-	-
84	9	28,639	-	-	1	1,413
85	6	10,816	-	-	4	6,224
86	6	17,948	1	5,204	-	-
87	5	9,666	-	-	1	1,126
88	6	9,058	-	-	1	692
89	3	3,058	-	-	-	-

TABLE 6, continued

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2002

GROUP A

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
90	3	3,567	-	-	-	-
91	-	-	-	-	1	680
92	1	1,536	-	-	-	-
95	1	635	-	-	-	-
98	1	2,297	-	-	-	-
Total	415	1,324,268	30	102,279	63	126,928

TABLE 7
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2002

GROUP B

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	1	\$ 1,575
45	1	6,000	1	3,740	-	-
48	-	-	1	5,623	-	-
50	-	-	1	4,128	-	-
51	-	-	-	-	1	1,923
54	-	-	-	-	1	3,406
55	1	5,277	-	-	-	-
56	2	5,639	-	-	1	8,131
57	1	11,657	-	-	1	1,857
58	2	13,484	2	9,042	-	-
60	6	31,423	2	6,730	-	-
61	9	74,896	1	1,795	2	3,450
62	11	75,908	2	8,262	-	-
63	17	95,326	2	9,274	1	4,803
64	23	156,655	2	8,561	-	-
65	16	101,367	1	2,148	-	-
66	26	160,446	-	-	-	-
67	18	109,468	-	-	1	6,527
68	21	104,847	-	-	2	18,209
69	20	109,997	-	-	-	-
70	20	118,515	1	4,461	1	2,654
71	28	169,733	-	-	2	8,385
72	22	119,512	-	-	1	5,774
73	17	98,396	-	-	-	-
74	15	70,595	-	-	-	-
75	5	27,771	-	-	-	-
76	8	29,953	-	-	-	-
77	8	36,523	-	-	-	-
78	2	13,006	-	-	-	-
80	-	-	-	-	1	4,510
81	1	2,306	-	-	-	-
90	1	8,457	-	-	-	-
Total	301	1,757,157	16	63,764	16	71,204

TABLE 8
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2002

GROUP C

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	-	\$ -
53	-	-	-	-	1	4,906
55	1	1,965	-	-	-	-
57	3	40,391	-	-	-	-
58	4	34,814	-	-	-	-
59	3	10,203	-	-	-	-
60	2	9,432	-	-	-	-
61	2	13,672	-	-	-	-
62	4	30,834	-	-	-	-
63	6	41,994	-	-	1	3,209
64	3	17,251	-	-	-	-
65	6	41,030	-	-	-	-
66	5	54,073	-	-	1	3,137
67	5	75,580	-	-	-	-
68	4	40,528	-	-	-	-
69	2	19,870	-	-	-	-
70	1	4,954	-	-	-	-
71	2	6,695	-	-	-	-
72	3	14,400	-	-	1	4,213
75	1	9,212	-	-	-	-
Total	57	466,898	-	-	5	27,529

TABLE 9
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY YEAR OF RETIREMENT

Year of Retirement	Number	Annual Allowance	Average Allowance
1975	-	\$ -	
1977	3	3,253	1,084
1978	4	5,140	1,285
1979	2	3,829	1,915
1980	13	32,203	2,477
1981	14	25,786	1,842
1982	15	29,188	1,946
1983	10	16,497	1,650
1984	11	26,373	2,398
1985	13	28,638	2,203
1986	18	45,200	2,511
1987	11	26,167	2,379
1988	30	99,681	3,323
1989	30	113,607	3,787
1990	27	115,028	4,260
1991	41	146,820	3,581
1992	39	142,905	3,664
1993	49	212,551	4,338
1994	69	324,317	4,700
1995	80	375,365	4,692
1996	60	255,298	4,255
1997	72	329,668	4,579
1998	68	334,888	4,925
1999	69	376,030	5,450
2000	62	335,898	5,418
2001	69	390,129	5,654
2002	23	144,032	6,262
Total	903	3,940,027	4,363