

REPORT ON THE
ACTUARIAL VALUATION
OF THE VERMONT MUNICIPAL EMPLOYEES'
RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 2003

OCTOBER 27, 2003



October 27, 2003

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, 2003, 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, 2003

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the July 1, 2003 valuation are summarized below:

Item	Group A	Group B	Group C	Group D	TOTAL
Active members					
Vested	1,041	1,242	210	1	2,494
Not vested	1,556	1,286	119	5	2,966
Total	2,597	2,528	329	6	5,460
Compensation in FY 2003	\$45,892,277	\$58,155,343	\$10,306,143	\$116,268	\$114,470,031
Average age	45.48	46.16	45.69	33.17	45.79
Average service	5.64	6.22	6.10	1.17	5.93
Average FY 2002 compensation	17,671	23,004	31,326	19,378	20,965
Retired members and beneficiaries					
Number	517	441	70	0	1,028
Annual benefits	\$1,702,794	\$2,704,985	\$580,274	0	\$4,988,053
Terminated vested members	137	82	5	0	224
Inactive members	1,331	975	31	5	2,342
Adjusted assets for valuation purposes	\$69,933,149	\$120,181,345	\$32,661,364	\$78,227	\$222,854,085
Unfunded accrued liability (UAL)	(\$3,178,241)	\$2,367,415	(\$3,434,476)	(\$75,984)	(\$4,321,286)
Employer normal contribution rate	3.51%	5.04%	6.09%	8.69%	4.54%
Current funding policy rate	4.00%	5.00%	6.00%	9.00%	4.71%

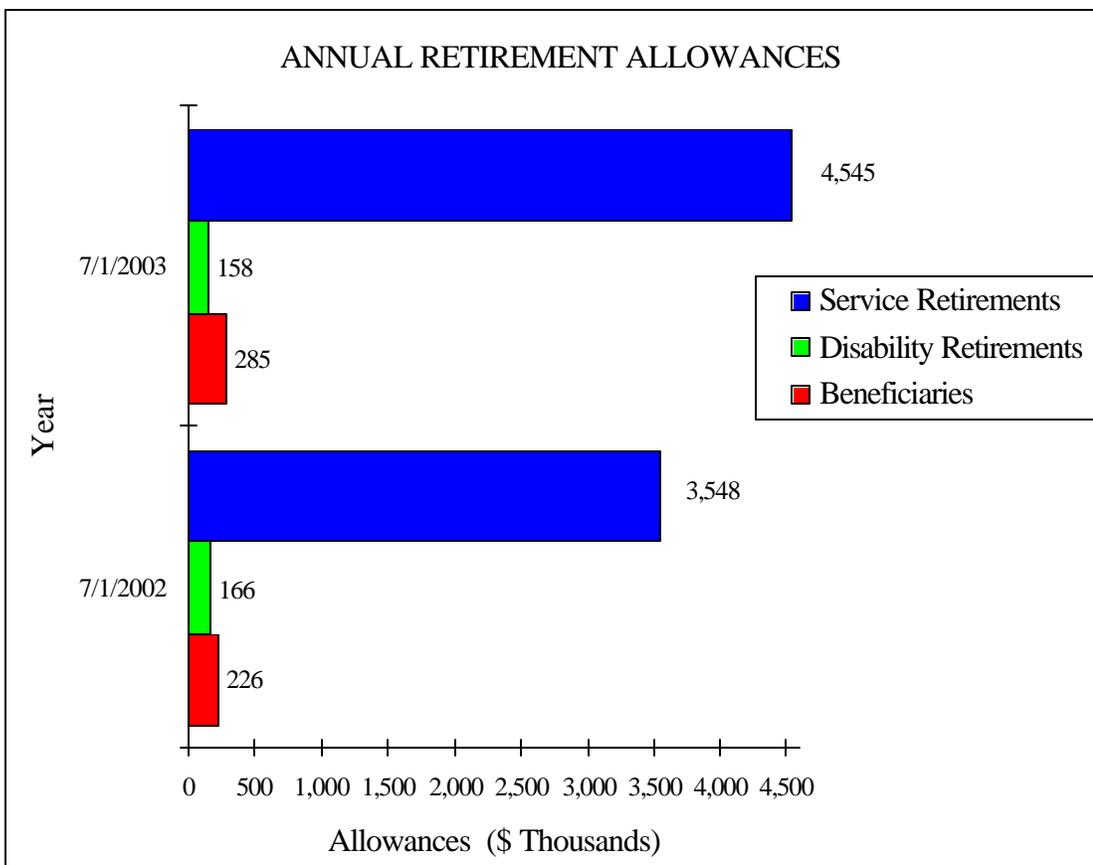
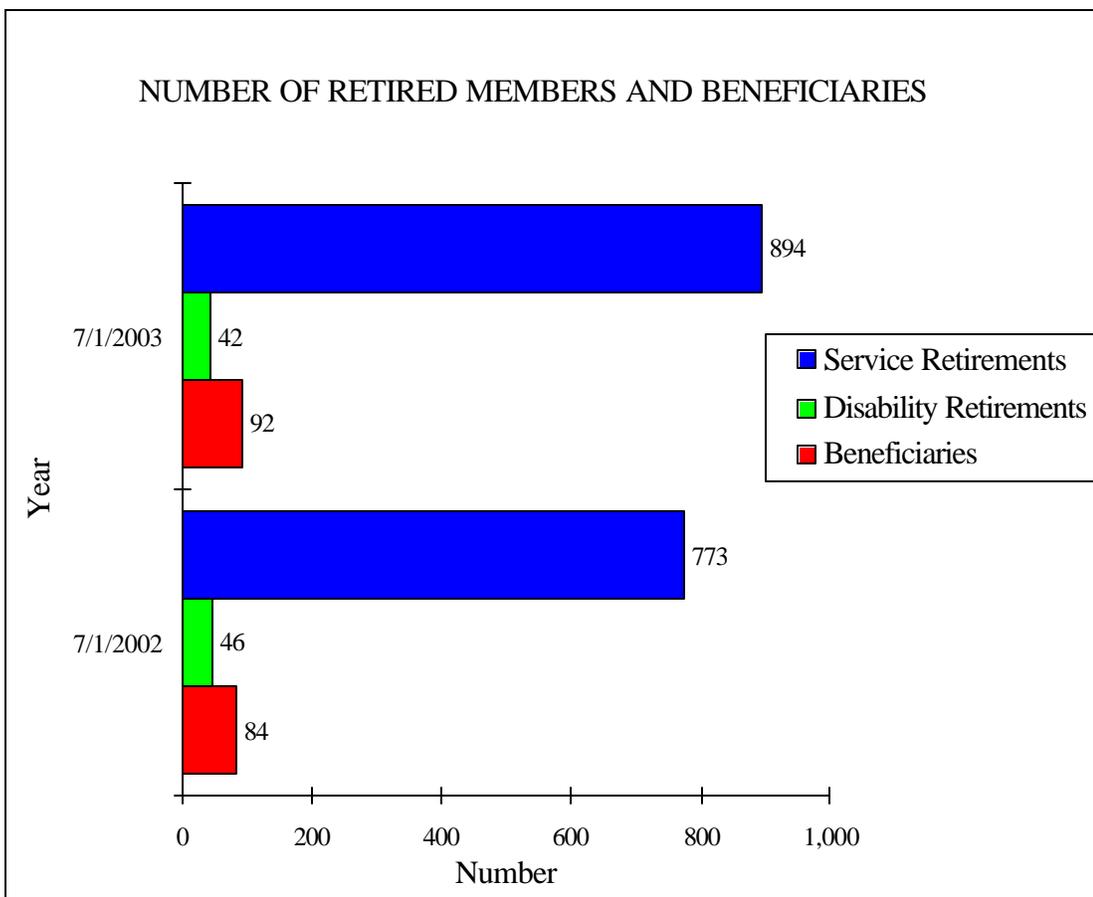
2. Comments on the results of the valuation are given in Section IV and further discussion of the contribution levels is set out in Section V.
3. Schedule B outlines the full set of actuarial assumptions and methods used in the valuation.
4. Schedule C outlines the benefit provisions that were taken into account in the valuation.

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 5 summarize active member data by age and service. Tables 6 through 10 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, 2003

GROUP	NUMBER	ANNUAL ALLOWANCES
Service Retirements	894	\$4,544,969
Disability Retirements	42	\$157,733
Beneficiaries of Deceased Members	92	\$285,351
GRAND TOTAL	1,028	\$4,988,053



SECTION III - ASSETS

1. The amount of assets taken into account in the valuation is based on information supplied by 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, 2003 \$197,420,510 (A)

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

Year Ending	Asset gain (loss)	x	Adjustment Factor	= Adjustment	
June 30, 2003	(\$12,017,454)		0.80	(\$9,613,963)	
June 30, 2002	(16,746,343)		0.60	(10,047,806)	
June 30, 2001	(12,500,442)		0.40	(5,000,177)	
June 30, 2000	(3,858,145)		0.20	<u>(771,629)</u>	
			TOTAL	(\$25,433,575)	(B)

Actuarial value of assets as of June 30, 2003 [(A) – (B)] \$222,854,085

Asset gain during fiscal year ending June 30, 2003:

Actual return on market value

Interest and dividends	\$4,176,771
Realized and unrealized gains	(413,951)
Investment expenses	<u>(1,132,573)</u>
Total	2,630,247 (C)

Expected 8% return on market value and cash flow \$14,647,701 (D)

Asset loss (D) - (C) \$12,017,454

3. The assets for valuation purposes are 112.88% of market value.
4. The investment rate of return for the year ending July 1, 2003, is 3.49%, 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, 2002	\$ 66,440,219	\$ 101,598,377	\$ 25,192,524	\$ 46,570	\$ 193,277,690
Contributions	3,250,471	18,078,576	7,204,113	29,955	28,563,115
Income*	2,770,364	4,505,355	1,175,276	2,535	8,453,530
Benefit payments	(1,884,579)	(3,017,208)	(666,615)	(514)	(5,568,916)
Expenses	(455,352)	(696,311)	(172,658)	(319)	(1,324,640)
Transfers	(187,974)	(287,444)	(71,276)	-	(546,694)
Valuation assets, July 1, 2003	\$ 69,933,149	\$ 120,181,345	\$ 32,661,364	\$ 78,227	\$ 222,854,085

*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, 2003.
2. The adjusted assets of the system amount to \$ 222,854,085.
3. The total present value of prospective allowances to be paid to current retired members, beneficiaries and terminated vested members amounts to \$55,681,259. The present value of prospective benefits accrued by current active and inactive members through June 30, 2003, amounts to \$258,945,420, bringing total liabilities for future benefits to \$314,626,679. After subtracting assets of \$222,854,085, the amount to be provided through prospective contributions is \$91,772,594. Prospective member contributions have a value of \$45,727,981, which leaves \$46,044,613 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 normal contribution rates use to calculate these are recalculated upon a change in benefit provisions or the actuarial assumptions used in the valuation. 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, 2003, is \$50,365,899. Subtracting this from the total amount to be paid by employers leaves \$4,321,286 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%	4.15%
Employer	<u>3.51%</u>	<u>5.04%</u>	<u>6.09%</u>	<u>8.69%</u>	<u>4.54%</u>
Total	6.01%	9.54%	15.09%	19.69%	8.69%
2. Amortization credit through 6/30/2018	0.50%	-0.30%	2.19%	3.18%	0.27%
3. Net employer contribution rates, July 1, 2003					
Amortization through 6/30/2018	3.01%	5.34%	3.90%	5.51%	4.27%
Current funding policy rates	4.00%	5.00%	6.00%	9.00%	4.71%
4. Net employer contribution rates, July 1, 2002					
Amortization through 6/30/2018	2.52%	4.22%	1.79%	8.55%	3.33%
Funding policy rates	4.00%	5.00%	6.00%	9.00%	4.65%

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%	3.01%
B	5.00%	5.34%
C	6.00%	3.90%
D	9.00%	5.51%

We recommend that the Board set future contribution rates in accordance with the figures shown on the preceding page. Payment of the rates developed 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.

For the first time in some years, the accrued liability for one group, Group B, exceeds the assets allocated to it. Consequently, the existing funding policy rate applicable to Group B, 5%, falls somewhat short of the sum of the employer normal cost rate and the amortization of the excess of accrued liability over assets. The Board may raise the rate payable by employers of Group B members to 5.34%, and such a change in the rate is consistent with the requirements of Section 5064(c), of Title 24, Chapter 125, Vermont Statutes Annotated.

In considering the situation of Group B, it should be remembered that the member contribution rate applicable to Group B was lowered from 5% of pay per year to 4.5% of pay per year effective July 1, 2000, for a period of five years. At the end of the five-year period, the Board intends to revisit the member contribution rates. The present values of member contributions used in this valuation were calculated under the assumption that the member contribution rates would remain unchanged from their present levels in future years. If the Board were to determine that the member contribution rate applicable to Group B would return to 5% as of July 1, 2005, the unfunded liability of Group B would fall, and the increase in the employer contribution rates applicable to Group B's would be lessened.

The difference between the current funding policy rates and the employer normal cost rates is 0.17% of payroll in the aggregate. Annualized payroll in fiscal year 2003 for active participants amounted to \$126,216,065, and application of the salary scale to this figure produces a projected fiscal year 2003 compensation for active participants of \$133,284,165. The product of 0.17% and this figure,

\$226,583, exceeds non-investment expenses incurred by the System in fiscal year 2003, \$192,066.

An increase in the funding policy rate applicable to Group B will, of course, increase this excess.

SECTION VI - EXPERIENCE

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 in periodic experience studies, and any change in assumptions suggested by the cumulative experience of the System will be brought to the Board's attention in reports on the results of these studies.

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)
2003	\$222,854	\$218,533	(4,321)	102.0%	\$126,216	-3.4%
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	Interest on NPO	Amortization of NPO	Pension Cost (1)+(2)-(3)	Actual Contribution	Change in NPO (4)-(5)	NPO Balance
	(1)	(2)	(3)	(4)	(5)	(6)	(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 -
2003	5,854,111	- 0 -	- 0 -	5,854,111	5,854,111	- 0 -	- 0 -

SCHEDULE A

VALUATION BALANCE SHEET
SHOWING THE ASSETS AND LIABILITIES OF THE
VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 2003

VALUATION BALANCE SHEET
 SHOWING THE ASSETS AND ACCRUED LIABILITIES OF THE
 VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
 PREPARED AS OF JULY 1, 2003

ASSETS

Adjusted assets of the system		\$ 222,854,085
Present value of prospective contributions		
Members	\$45,727,981	
State		
Accrued liability contributions	(4,321,286)	
Normal contributions	<u>50,365,899</u>	
Total prospective contributions		<u>\$91,772,594</u>
Total assets		<u><u>\$314,626,679</u></u>

LIABILITIES

Actuarial present value of benefits payable on account of present retired members, terminated vested members and beneficiaries		\$ 55,681,259
Actuarial present value of benefits expected to become payable on account of active and inactive members		<u>258,945,420</u>
Total liabilities		<u><u>\$314,626,679</u></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, 2003

TABLE 1
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2003

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 & up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	9	96,529	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	96,529
20 to 24	209	2,806,723	2	57,625	0	0	0	0	0	0	0	0	0	0	0	0	0	0	211	2,864,348
25 to 29	269	4,412,969	31	794,683	0	0	0	0	0	0	0	0	0	0	0	0	0	0	300	5,207,652
30 to 34	329	5,757,416	68	1,887,658	17	513,380	4	137,688	0	0	0	0	0	0	0	0	0	0	418	8,296,142
35 to 39	408	6,693,586	121	3,144,388	49	1,576,274	29	894,319	3	126,520	0	0	0	0	0	0	0	0	610	12,435,087
40 to 44	550	8,759,215	200	4,436,901	84	2,154,921	48	1,607,686	22	775,555	4	129,593	0	0	0	0	0	0	908	17,863,871
45 to 49	489	8,159,721	221	4,879,341	156	4,011,664	75	2,214,937	33	1,216,095	34	1,062,939	5	237,709	0	0	0	0	1,013	21,782,406
50 to 54	310	5,367,273	195	4,432,942	162	3,832,597	81	2,420,004	33	1,100,494	23	922,935	13	500,788	0	0	0	0	817	18,577,031
55 to 59	228	4,293,220	121	2,890,449	130	3,095,132	101	2,595,115	27	833,795	28	887,725	18	679,316	4	156,081	0	0	657	15,430,833
60 to 64	118	2,118,937	69	1,671,047	60	1,356,727	70	1,973,663	35	1,081,798	24	790,286	8	245,530	5	168,860	1	38,827	390	9,445,676
65 to 69	26	360,361	21	450,443	13	270,514	10	242,929	8	195,081	3	98,996	2	73,709	2	58,784	0	0	85	1,750,817
70 & up	21	262,713	5	111,177	7	147,907	2	39,659	3	64,345	2	58,841	2	34,997	0	0	0	0	42	719,639
TOTAL	2,966	49,088,661	1,054	24,756,655	678	16,959,116	420	12,125,999	164	5,393,683	118	3,951,316	48	1,772,050	11	383,725	1	38,827	5,460	114,470,031

TABLE 2
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2003

GROUP A

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 & up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	6	65,788	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	65,788
20 to 24	115	1,372,018	1	35,585	0	0	0	0	0	0	0	0	0	0	0	0	0	0	116	1,407,602
25 to 29	146	1,986,487	11	214,030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	157	2,200,517
30 to 34	163	2,348,176	21	479,927	7	189,771	1	26,223	0	0	0	0	0	0	0	0	0	0	192	3,044,097
35 to 39	205	2,914,791	42	939,008	15	358,587	11	304,632	1	32,171	0	0	0	0	0	0	0	0	274	4,549,188
40 to 44	286	4,300,325	91	1,752,392	46	947,148	18	538,510	8	243,725	0	0	0	0	0	0	0	0	449	7,782,101
45 to 49	256	3,831,521	96	1,984,874	71	1,484,576	32	888,568	9	311,309	9	306,169	4	177,871	0	0	0	0	477	8,984,889
50 to 54	161	2,466,951	83	1,582,866	80	1,496,653	38	943,442	12	324,450	3	102,525	0	0	0	0	0	0	377	6,916,886
55 to 59	134	2,354,149	50	993,984	63	1,177,800	49	1,142,219	9	248,812	9	285,447	1	49,883	2	84,364	0	0	317	6,336,658
60 to 64	52	839,286	27	642,353	26	535,468	32	708,205	13	353,520	4	115,551	3	105,133	3	93,313	0	0	160	3,392,829
65 to 69	15	182,498	9	165,802	5	118,290	8	181,734	4	85,686	1	24,600	1	20,921	1	26,830	0	0	44	806,359
70 & up	17	186,188	1	20,766	5	93,105	1	16,819	2	29,642	2	58,841	0	0	0	0	0	0	28	405,362
TOTAL	1,556	22,848,176	432	8,811,587	318	6,401,398	190	4,750,351	58	1,629,315	28	893,133	9	353,809	6	204,507	0	0	2,597	45,892,277

TABLE 3
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2003

GROUP B

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 & up</i>		<i>Total</i>	
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary
Under 20	3	30,741	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	30,741
20 to 24	79	1,050,439	1	22,041	0	0	0	0	0	0	0	0	0	0	0	0	0	0	80	1,072,480
25 to 29	99	1,872,462	15	421,409	0	0	0	0	0	0	0	0	0	0	0	0	0	0	114	2,293,871
30 to 34	149	2,891,859	41	1,189,074	10	323,609	3	111,465	0	0	0	0	0	0	0	0	0	0	203	4,516,007
35 to 39	189	3,477,556	70	1,890,253	27	959,027	15	525,741	2	94,349	0	0	0	0	0	0	0	0	303	6,946,926
40 to 44	246	4,079,280	96	2,159,205	34	1,069,673	21	752,737	12	467,414	3	81,523	0	0	0	0	0	0	412	8,609,833
45 to 49	218	3,926,877	117	2,589,131	70	2,013,971	32	996,926	18	687,768	15	479,523	1	59,838	0	0	0	0	471	10,754,035
50 to 54	139	2,589,870	106	2,656,104	73	1,948,887	34	1,123,142	16	556,985	15	688,418	11	443,309	0	0	0	0	394	10,006,716
55 to 59	88	1,766,366	66	1,741,324	58	1,590,999	45	1,249,649	14	510,690	13	431,008	12	486,640	2	71,717	0	0	298	7,848,391
60 to 64	62	1,145,592	38	906,509	29	701,265	29	902,857	19	616,110	15	457,058	3	75,320	1	36,460	1	38,827	197	4,879,997
65 to 69	10	162,367	11	237,749	8	152,224	2	61,195	4	109,396	2	74,396	1	52,788	1	31,954	0	0	39	882,069
70 & up	4	76,524	4	90,411	2	54,801	1	22,841	1	34,702	0	0	2	34,997	0	0	0	0	14	314,277
TOTAL	1,286	23,069,934	565	13,903,209	311	8,814,458	182	5,746,554	86	3,077,414	63	2,211,925	30	1,152,891	4	140,131	1	38,827	2,528	58,155,343

TABLE 4
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2003

GROUP C

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 & up</i>		<i>Total</i>		
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	14	364,465	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14	364,465	
25 to 29	22	539,994	5	159,244	0	0	0	0	0	0	0	0	0	0	0	0	0	0	27	699,238	
30 to 34	16	485,731	6	218,657	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22	704,387	
35 to 39	14	301,239	9	315,127	7	258,661	3	63,946	0	0	0	0	0	0	0	0	0	0	33	938,972	
40 to 44	17	375,566	12	478,558	4	138,100	9	316,438	2	64,415	1	48,070	0	0	0	0	0	0	45	1,421,147	
45 to 49	15	401,322	8	305,336	15	513,117	11	329,443	6	217,018	10	277,247	0	0	0	0	0	0	65	2,043,483	
50 to 54	10	310,451	6	193,972	9	387,057	9	353,419	5	219,059	5	131,992	2	57,479	0	0	0	0	46	1,653,429	
55 to 59	6	172,706	5	155,141	9	326,333	7	203,247	4	74,293	6	171,271	5	142,793	0	0	0	0	42	1,245,784	
60 to 64	4	134,059	4	122,185	5	119,994	9	362,601	3	112,168	5	217,678	2	65,077	1	39,087	0	0	33	1,172,849	
65 to 69	1	15,496	1	46,893	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	62,389	
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TOTAL	119	3,101,028	56	1,995,112	49	1,743,260	48	1,629,094	20	686,953	27	846,258	9	265,350	1	39,087	0	0	329	10,306,143	

TABLE 5
THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE AND SERVICE
AS OF JULY 1, 2003

GROUP D

AGE	<i>0 to 4</i>		<i>5 to 9</i>		<i>10 to 14</i>		<i>15 to 19</i>		<i>20 to 24</i>		<i>25 to 29</i>		<i>30 to 34</i>		<i>35 to 39</i>		<i>40 & up</i>		<i>Total</i>		
	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	No.	Salary	
Under 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 to 24	1	19,801	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	19,801
25 to 29	2	14,026	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	14,026
30 to 34	1	31,651	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	31,651
35 to 39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
40 to 44	1	4,045	1	46,746	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	50,791
45 to 49	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50 to 54	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55 to 59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
60 to 64	0	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	0
70 & up	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	5	69,522	1	46,746	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6	116,268

TABLE 6

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2003

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	2	\$ 3,052
38	-	-	1	1,631	-	-
42	-	-	-	-	1	2,648
45	-	-	-	-	1	912
46	-	-	-	-	1	12,393
47	-	-	1	3,761	-	-
49	-	-	1	5,967	1	2,605
50	-	-	-	-	2	6,692
52	-	-	-	-	2	5,188
53	-	-	2	8,667	-	-
54	-	-	1	2,662	1	1,478
55	2	24,361	-	-	1	4,906
56	6	33,137	-	-	2	6,378
57	5	32,087	2	5,383	3	11,332
58	9	46,682	3	8,357	4	14,898
59	9	63,098	2	8,601	1	7,808
60	16	108,549	1	5,406	2	2,300
61	16	112,507	3	12,996	-	-
62	19	162,289	2	6,047	3	4,370
63	24	158,814	1	5,251	2	6,384
64	33	247,591	4	15,721	2	6,013
65	43	210,993	2	5,877	3	9,959
66	49	292,494	1	7,510	3	7,549
67	45	275,138	4	17,092	2	8,953
68	64	371,229	2	6,449	2	8,965
69	46	264,695	-	-	2	11,098
70	40	211,124	1	1,808	6	36,927
71	43	226,098	-	-	2	5,939
72	51	232,382	2	8,055	4	12,170
73	52	245,548	2	5,981	6	21,952
74	52	224,855	2	7,867	3	7,341
75	39	208,200	-	-	1	895
76	25	94,146	-	-	6	12,927
77	24	101,007	-	-	1	2,966
78	33	159,236	-	-	2	3,071
79	25	106,852	-	-	3	5,059
80	17	52,512	-	-	2	4,641
81	14	29,911	-	-	4	9,627
82	12	38,452	-	-	2	3,121
83	13	44,357	1	1,411	3	8,901
84	20	55,288	-	-	-	-
85	9	32,596	-	-	1	1,421
86	8	15,634	-	-	-	-

TABLE 6, continued

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2003

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
87	6	11,870	-	-	-	-
88	8	20,018	1	5,233	-	-
89	3	4,240	-	-	2	1,828
90	6	9,419	-	-	-	-
91	4	12,114	-	-	-	-
92	1	954	-	-	1	684
93	1	1,544	-	-	-	-
97	1	638	-	-	-	-
100	1	2,310	-	-	-	-
Total	894	4,544,969	42	157,733	92	285,351

TABLE 7

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2003

GROUP A

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	1	\$ 1,477
38	-	-	1	1,631	-	-
42	-	-	-	-	1	2,648
49	-	-	-	-	1	2,605
50	-	-	-	-	1	1,080
52	-	-	-	-	1	3,069
53	-	-	2	8,667	-	-
54	-	-	1	2,662	-	-
56	-	-	-	-	1	2,544
57	-	-	2	5,383	2	8,189
58	6	14,858	3	8,357	2	4,149
59	4	12,564	1	4,599	-	-
60	3	7,178	-	-	1	1,437
61	7	20,793	1	6,187	-	-
62	2	28,858	1	4,177	2	2,624
63	5	28,998	-	-	2	6,384
64	9	57,330	1	2,484	1	2,786
65	14	33,956	1	2,739	1	1,226
66	19	73,085	1	7,510	2	4,755
67	10	30,319	3	14,823	-	-
68	29	103,162	2	6,449	1	1,965
69	15	54,242	-	-	1	3,142
70	15	56,805	1	1,808	3	5,038
71	17	59,055	-	-	1	3,036
72	25	80,554	1	3,288	2	2,960
73	23	52,347	2	5,981	2	7,205
74	20	64,528	2	7,867	3	7,341
75	23	123,528	-	-	1	895
76	12	35,449	-	-	6	12,927
77	16	56,774	-	-	1	2,966
78	21	98,523	-	-	2	3,071
79	18	73,460	-	-	3	5,059
80	16	49,335	-	-	2	4,641
81	13	28,776	-	-	3	4,599
82	11	35,340	-	-	2	3,121
83	13	44,357	1	1,411	3	8,901
84	20	55,288	-	-	-	-
85	8	30,453	-	-	1	1,421
86	7	13,133	-	-	-	-
87	6	11,870	-	-	-	-
88	7	18,528	1	5,233	-	-
89	3	4,240	-	-	2	1,828
90	6	9,419	-	-	-	-

TABLE 7, continued

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2003

GROUP A

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
91	3	3,214	-	-	-	-
92	1	954	-	-	1	684
93	1	1,544	-	-	-	-
97	1	638	-	-	-	-
100	1	2,310	-	-	-	-
Total	430	1,475,765	28	101,256	59	125,773

TABLE 8

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2003

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	912
47	-	-	1	3,761	-	-
49	-	-	1	5,967	-	-
50	-	-	-	-	1	5,612
52	-	-	-	-	1	2,119
54	-	-	-	-	1	1,478
55	1	21,330	-	-	-	-
56	4	24,640	-	-	1	3,834
57	4	30,048	-	-	1	3,143
58	1	1,252	-	-	2	10,749
59	3	32,621	1	4,002	1	7,808
60	6	51,069	1	5,406	1	863
61	7	74,075	2	6,809	-	-
62	12	92,486	1	1,870	1	1,746
63	16	102,457	1	5,251	-	-
64	19	148,659	3	13,237	-	-
65	26	159,535	1	3,138	2	8,733
66	24	177,993	-	-	1	2,794
67	31	218,633	1	2,269	1	5,798
68	27	155,228	-	-	1	7,000
69	27	162,934	-	-	1	7,956
70	22	124,169	-	-	3	31,889
71	25	161,850	-	-	1	2,903
72	26	151,828	1	4,767	2	9,210
73	27	186,223	-	-	3	10,511
74	29	145,284	-	-	-	-
75	16	84,672	-	-	-	-
76	12	49,065	-	-	-	-
77	8	44,233	-	-	-	-
78	12	60,713	-	-	-	-
79	7	33,392	-	-	-	-
80	1	3,177	-	-	-	-
81	1	1,135	-	-	1	5,028
82	1	3,112	-	-	-	-
85	1	2,143	-	-	-	-
86	1	2,501	-	-	-	-
88	1	1,490	-	-	-	-
91	1	8,900	-	-	-	-
Total	399	2,516,847	14	56,477	28	131,661

TABLE 9

SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY ATTAINED AGE AS OF JULY 1, 2003

GROUP C

Age	Service Pensioners		Disability Pensioners		Beneficiaries	
	Number	Annual Allowance	Number	Annual Allowance	Number	Annual Allowance
30 and Under	-	\$ -	-	\$ -	-	\$ -
55	1	3,031	-	-	1	4,906
56	2	8,497	-	-	-	-
57	1	2,039	-	-	-	-
58	2	30,572	-	-	-	-
59	2	17,913	-	-	-	-
60	7	50,302	-	-	-	-
61	2	17,639	-	-	-	-
62	5	40,945	-	-	-	-
63	3	27,359	-	-	-	-
64	5	41,602	-	-	1	3,227
65	3	17,502	-	-	-	-
66	6	41,416	-	-	-	-
67	4	26,186	-	-	1	3,155
68	8	112,839	-	-	-	-
69	4	47,519	-	-	-	-
70	3	30,150	-	-	-	-
71	1	5,193	-	-	-	-
73	2	6,978	-	-	1	4,236
74	3	15,043	-	-	-	-
76	1	9,632	-	-	-	-
Total	65	552,357	-	-	5	27,917

TABLE 10
SUMMARY OF RETIRED MEMBER AND BENEFICIARY DATA
BY YEAR OF RETIREMENT

Year of Retirement	Number	Annual Allowance	Average Allowance
1975	-	\$ -	
1977	3	3,272	1,091
1978	4	5,168	1,292
1979	2	3,851	1,926
1980	13	32,380	2,491
1981	13	24,139	1,857
1982	15	29,348	1,957
1983	9	15,500	1,722
1984	9	22,906	2,545
1985	13	28,989	2,230
1986	18	45,448	2,525
1987	11	28,234	2,567
1988	29	103,310	3,562
1989	29	116,506	4,017
1990	26	118,727	4,566
1991	40	149,972	3,749
1992	35	132,006	3,772
1993	48	222,955	4,645
1994	67	334,047	4,986
1995	77	377,887	4,908
1996	55	253,398	4,607
1997	69	333,697	4,836
1998	68	348,557	5,126
1999	69	389,255	5,641
2000	60	343,147	5,719
2001	66	395,162	5,987
2002	116	696,181	6,002
2003	63	432,467	6,865
Total	1,028	4,988,053	4,852