



New York State and Local
Employees' Retirement System
Police and Fire Retirement System
Public Employees' Group Life Insurance Plan

Alan G. Hevesi
State Comptroller

Actuarial Valuations

Fiscal Year Beginning April 1, 2004 For 2/1/06 Billing

EMPLOYEE'S
RETIREMENT SYSTEM

FISCAL YEAR
BEGINNING 4/1/04
ACTUARIAL VALUATION
FOR 2/1/06 BILLING

ERS

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INTEREST AND DISCOUNT FACTORS, AND ASSUMPTIONS
ERS FYB 4/1/04

***** INTEREST AND DISCOUNT FACTORS *****

MONTHS	INTEREST FACTORS	DISCOUNT FACTORS
1	1.006434	0.993607
2	1.012909	0.987255
5 6	1.039230	0.962250 <i>968441</i>
8.5	1.056027	0.946945
10	1.066235	0.937879

***** ASSUMPTIONS *****

THE VARIOUS MULTIPLE DECREMENT AND SALARY SCALE TABLES ARE THOSE ADOPTED AS A RESULT OF THE 2000 5-YEAR EXPERIENCE STUDY OF THE SYSTEMS. HOWEVER, AFTER REVIEWING RECENT EXPERIENCE, THE REGULAR PLANS SALARY SCALE WAS REDUCED BY .5% TO CONFORM WITH EXPECTATIONS ON 4/1/03. ON 4/1/04, MORTALITY IMPROVEMENTS WERE IMPLEMENTED AND RETIREMENT RATES WERE CHANGED FOR MEMBERS OF 20 YEAR RETIREMENT PLANS AND CERTAIN TIER 2, 3 AND 4 MEMBERS.

INTEREST RATE	8.0%
SALARY SCALE (1 year expected increase)	
Regular Plans	5.4%
Special Plans	6.8%

INFLATION - BOTH THE INTEREST RATE AND THE SALARY SCALE ASSUMPTION REFLECT 3.0% ANNUAL INFLATION.

COMP = V * P * (1 + Salary Scale)
FYB

ACTUARIAL PRESENT VALUE OF PLAN BENEFITS
ERS FYB 4/1/04 for FYE 3/31/06

PLAN	SERVICE	VESTING	RETURN OF CONTRIBUTIONS	ACCIDENTAL DISABILITY
TIER 1				
Contributory	\$1,173,775	\$12,608		\$3,047
75-c	22,276,126	237,850		29,872
75-e	4,835,441	54,166		7,871
75-g	97,274,622	988,664		105,414
75-h & i	9,526,541,129	114,383,767		10,059,956
75-h w/ 3/4 dis	17,551,565	294,072		209,020
80-a	42,427,485	0		413,436
89	199,308,798	851,605		2,759,930
89-a	6,388,315	22,410		82,026
89-b	16,666,268	0		155,471
89-b(m)	10,931,343	16,796		141,828
89-d	0	0		0
89-d(m)	7,940,287	0		113,426
89-e,....,ts, 89vr	85,209,355	337,403		1,223,239
551	1,308,481	12,605		31,786
552	2,895,236	0		41,193
553	18,605,893	12,010		217,433
89-sa,-sp, 89v	<u>32,858,355</u>	<u>37,969</u>		<u>406,999</u>
TIER 1 TOTALS	\$10,094,192,474	\$117,261,925		\$16,001,947
TIER 2				
Contributory	\$936,345	\$23,199		\$4,409
75-c & e	25,036,123	708,366		61,439
75-g	62,825,629	1,744,956		126,702
75-h & i	5,804,243,954	175,009,364		10,752,185
75-h w/ 3/4 dis	4,108,683	82,555		69,248
U.C.P.O.	133,823,523	2,576,747		183,149
80-a	1,895,344	4,303		36,677
89	180,122,340	998,377		3,208,919
89-a	566,419	47,270		18,579
89-b	4,504,514	171,076		81,815
89-b(m)	1,867,277	103,098		42,317
89-d	474,600	0		10,145
89-d(m)	996,838	0		6,007
89-e,....,ts, 89vr	73,144,210	238,849		1,508,407
551	6,732,741	15,408		144,284
551-e	1,345,176	0		29,298
552	4,271,433	0		85,657
553	25,988,962	1,895		442,739
89-sa,-sp, 89v	<u>13,273,383</u>	<u>0</u>		<u>211,711</u>
TIER 2 TOTALS	\$6,346,157,494	\$181,725,463		\$17,023,687
TIER 3 and 4				
ART 14 Corr. Officers	\$3,773,699,581	\$191,330,944	\$8,998,055	\$114,384,865
ART 14 & 15 Regular	38,979,937,904	2,309,244,706	196,108,097	186,463,729
ART 14 & 15 Reg w/ 3/4 dis	55,452,592	3,785,519	215,325	1,598,581
U.C.P.O.	830,419,338	53,567,834	3,455,517	52,254,708
89-e,....,ts, 89vr, 89sp	1,555,435,839	89,618,951	3,919,123	17,533,319
551	61,418,438	2,242,756	120,471	5,938,828
551-e	7,787,984	172,058	11,483	533,924
552	102,362,850	1,024,377	146,787	6,377,590
553	339,747,631	4,191,600	496,912	22,139,237
West. Co. Investigators	8,552,724	151,836	11,620	33,556
604pr, rs	9,244,568	94,115	13,445	26,342
89-sa, 89v	<u>39,114,442</u>	<u>1,532,136</u>	<u>68,965</u>	<u>216,152</u>
TIER 3 and 4 TOTALS	\$45,763,173,891	\$2,656,956,832	\$213,565,780	\$407,500,831
GRAND TOTAL	\$62,203,523,859	\$2,955,944,220	\$213,565,780	\$440,526,465

ACTUARIAL PRESENT VALUE OF PLAN BENEFITS
ERS FYB 4/1/04 for FYE 3/31/06

PLAN	ORDINARY DISABILITY	ACCIDENTAL DEATH	COLA	TOTAL PVB
TIER 1				
Contributory	\$9,058	\$88	\$93,159	\$1,291,735
75-c	85,429	853	1,443,093	24,073,223
75-e	20,013	223	299,400	5,217,114
75-g	314,956	3,032	4,564,950	103,251,638
75-h & i	34,331,864	285,804	355,703,924	10,041,306,444
75-h w/ 3/4 dis	87,662	546	460,430	18,603,295
80-a	0	1,930	901,233	43,744,084
89	691,774	13,016	5,714,420	209,339,543
89-a	10,679	358	194,598	6,698,386
89-b	0	691	503,359	17,325,789
89-b(m)	14,990	685	294,735	11,400,377
89-d	0	0	0	0
89-d(m)	0	568	117,735	8,172,016
89-e,....,ts, 89vr	246,203	5,710	2,169,716	89,191,626
551	3,390	88	48,197	1,404,547
552	0	184	95,574	3,032,187
553	3,182	950	465,575	19,305,043
89-sa, -sp, 89v	<u>24,090</u>	<u>1,865</u>	<u>688,406</u>	<u>34,017,684</u>
TIER 1 TOTALS	\$35,843,290	\$316,591	\$373,758,504	\$10,637,374,731
TIER 2				
Contributory	17,362	123	87,637	1,069,075
75-c & e	269,603	1,677	1,603,920	27,681,128
75-g	572,608	3,471	2,791,064	68,064,430
75-h & i	53,922,272	291,677	212,869,123	6,257,088,575
75-h w/ 3/4 dis	26,772	183	125,105	4,412,546
U.C.P.O.	796,344	5,033	3,508,661	140,893,457
80-a	2,558	224	36,724	1,975,830
89	782,104	17,753	5,218,967	190,348,460
89-a	30,591	111	25,552	688,522
89-b	118,880	401	152,468	5,029,154
89-b(m)	76,705	218	72,833	2,162,448
89-d	0	57	10,001	494,803
89-d(m)	0	26	25,261	1,028,132
89-e,....,ts, 89vr	182,857	8,882	1,898,511	76,981,716
551	3,432	729	237,668	7,134,262
551-e	0	181	38,956	1,413,611
552	0	468	148,428	4,505,986
553	596	2,488	610,537	27,047,217
89-sa, -sp, 89v	<u>0</u>	<u>1,080</u>	<u>295,506</u>	<u>13,781,680</u>
TIER 2 TOTALS	\$56,802,684	\$334,782	\$229,756,922	\$6,831,801,032
TIER 3 and 4				
ART 14 Corr. Officers	121,503,749	3,307,816	115,432,802	4,328,657,812
ART 14 & 15 Regular	896,451,935	8,620,033	1,919,962,755	44,496,789,159
ART 14 & 15 Reg w/ 3/4 dis	1,474,360	11,718	1,979,772	64,517,867
U.C.P.O.	21,760,457	183,743	29,094,544	990,736,141
89-e,....,ts, 89vr, 89sp	40,482,609	1,201,713	38,833,034	1,747,024,588
551	774,213	49,065	1,820,524	72,364,295
551-e	59,926	4,944	244,957	8,815,256
552	556,296	70,279	2,953,101	113,491,280
553	2,048,999	216,328	6,767,459	375,608,166
West. Co. Investigators	85,032	4,660	147,379	8,986,807
604pr, rs	54,039	2,999	129,424	9,564,932
89-sa, 89v	<u>851,175</u>	<u>28,412</u>	<u>683,219</u>	<u>42,494,501</u>
TIER 3 and 4 TOTALS	\$1,086,102,790	\$13,701,710	\$2,118,048,970	\$52,259,050,804
GRAND TOTAL	\$1,178,748,764	\$14,353,083	\$2,721,564,396	\$69,728,226,567

PLAN MEMBERS AND THEIR COMPENSATION
ERS FYB 4/1/04 for FYE 3/31/06

PLAN	MEMBERS	4/1/03-3/31/04 SALARY	PROJECTED COMPENSATION (4/1/04-3/31/05)	PRESENT VALUE PROJECTED COMPENSATION
TIER 1				
Contributory	17	\$517,323	\$395,902	\$1,482,821
75-c	159	4,979,096	3,724,646	14,303,988
75-e	37	1,220,226	960,170	3,741,360
75-g	435	17,930,108	13,677,710	50,997,871
75-h & i	30,444	1,607,548,199	1,242,446,571	4,798,023,353
75-h w/ 3/4 dis	37	2,766,404	2,247,956	9,090,375
80-a	82	6,307,274	4,083,192	15,613,454
89	491	32,782,050	26,145,877	105,125,930
89-a	16	965,741	790,768	3,048,836
89-b	37	2,553,729	1,980,957	5,893,966
89-b(m)	24	1,699,692	1,423,093	5,579,134
89-d	0	0	0	0
89-d(m)	10	1,222,866	1,046,055	4,379,363
89-e,....,ts, 89vr	186	13,679,045	11,257,293	46,543,111
551	4	222,169	189,028	759,734
552	8	460,293	390,006	1,581,299
553	37	2,760,958	2,119,840	7,758,562
89-sa, -sp, 89v	57	4,987,914	3,925,216	15,234,089
TIER 1 TOTALS	32,081	\$1,702,603,087	\$1,316,804,280	\$5,089,157,246
TIER 2				
Contributory	13	\$458,421	\$403,115	\$2,147,322
75-c & e	187	6,008,044	5,069,051	29,274,410
75-g	297	12,785,169	10,870,523	60,234,541
75-h & i	20,753	1,081,244,962	938,324,050	5,030,914,499
75-h w/ 3/4 dis	11	749,100	608,712	3,125,654
U.C.P.O.	297	22,640,710	19,080,646	85,451,464
80-a	5	283,732	257,980	1,506,191
89	482	31,286,436	26,415,258	126,932,715
89-a	3	136,859	119,437	762,761
89-b	13	834,949	749,469	3,281,734
89-b(m)	7	358,668	330,025	1,731,838
89-d	1	85,457	76,127	414,142
89-d(m)	2	170,731	78,379	208,792
89-e,....,ts, 89vr	185	12,948,330	11,337,086	60,861,668
551	22	1,209,076	1,060,249	5,335,850
551-e	4	232,671	211,278	1,209,601
552	14	763,395	670,043	3,451,233
553	56	4,134,135	3,596,832	17,571,440
89-sa, -sp, 89v	26	2,127,369	1,804,906	8,265,233
TIER 2 TOTALS	22,378	\$1,178,458,214	\$1,021,063,166	\$5,442,681,088
TIER 3 and 4				
ART 14 Corr. Officers	21,009	\$1,118,951,304	\$1,068,457,442	\$11,643,282,373
ART 14 & 15 Regular	415,581	15,340,178,729	13,952,328,434	135,994,586,221
ART 14 & 15 Reg w/ 3/4 dis	352	18,863,737	17,571,361	178,508,415
U.C.P.O.	5,351	308,929,264	286,003,177	2,895,797,734
89-e,....,ts, 89vr, 89sp	8,106	463,750,961	445,255,875	5,654,700,343
551	353	17,426,166	16,846,948	215,213,887
551-e	41	1,936,339	1,805,139	21,510,057
552	532	26,117,994	25,077,305	300,027,758
553	1,274	79,834,131	76,598,810	953,026,224
West. Co. Investigators	23	2,194,276	2,067,293	21,322,310
604pr, rs	18	1,846,518	1,733,343	15,242,988
89-sa, 89v	142	10,352,349	10,058,144	131,027,119
TIER 3 and 4 TOTALS	452,782	\$17,390,381,768	\$15,903,803,271	\$158,024,245,429
GRAND TOTAL	507,241	\$20,271,443,069	\$18,241,670,717	\$168,556,083,763

PRESENT VALUE OF DEATH BENEFITS OVER \$50,000
AND SICK LEAVE BENEFITS
ERS FYB 4/1/04 for FYE 3/31/06

***** DEATH BENEFITS OVER \$50,000 *****

TIER 1		
CONTRIBUTORY		\$11,748
SEC 75-c		335,926
SEC 75-e		76,421
SEC 75-g		1,448,971
SEC 75-h,-i		139,933,520
75h w/ 3/4 dis		255,983
SEC 80-a		938,274
SEC 89		1,554,197
SEC 89-a		118,169
SEC 89-b		163,298
SEC 89-b(m)		174,787
SEC 89-d		0
SEC 89-d(m)		147,441
SEC 89-e,-,-,ts, 89vr		1,819,101
SEC 551		27,600
SEC 551E		0
SEC 552		46,811
SEC 553		307,727
SEC 89-sa,-,-sp, 89v		<u>764,212</u>
SUB-TOTAL		\$148,124,186
	TIER 2	TIERS 3 & 4
DEATH BEN 1	9,210,972	35,227,082
DEATH BEN 2	37,161,099	726,041,951
DEATH BEN 0	<u>1,261,564</u>	<u>71,236,540</u>
SUB-TOTAL	\$47,633,635	\$832,505,573
	TOTAL	\$1,028,263,394

***** POST RETIREMENT DEATH BENEFITS OVER \$50,000 *****

	TIER 2	TIERS 3 & 4
SERVICE	4,385,459	45,805,596
ORD. DIS	165,801	3,954,532
ACC. DIS	<u>35,545</u>	<u>698,576</u>
SUB TOTAL	\$4,586,805	\$50,458,704
	TOTAL	\$55,045,509

***** SICK LEAVE BENEFITS *****

TIER 1	\$78,203,498
TIER 2	53,762,400
TIERS 3 & 4	<u>323,389,947</u>
TOTAL	\$455,355,845

PRESENT VALUE OF INACTIVE AND
PENDING RETIREMENT BENEFITS
ERS FYB 4/1/04 for FYE 3/31/06

	MEMBERS	LIABILITY	SALARY BASE
INACTIVES			
TIER 1	6,362	\$413,943,423	\$119,162,945
TIER 2	4,639	273,114,589	119,678,920
TIER 3 & 4	<u>84,141</u>	<u>1,257,222,508</u>	<u>1,683,392,094</u>
TOTAL	95,142	\$1,944,280,520	\$1,922,233,959
PENDING RETIREMENTS			
TIER 1			
STATE SERVICE	489	\$155,686,480	\$22,076,208
NON-STATE SERV	615	158,060,538	24,162,304
ACC DISABILITY	5	999,281	180,179
ORD DISABILITY	<u>19</u>	<u>3,054,824</u>	<u>622,903</u>
SUB TOTAL	1,128	\$317,801,123	\$47,041,594
TIER 2			
STATE SERVICE	131	42,465,754	\$7,013,516
NON-STATE SERV	215	45,629,632	7,875,144
ACC DISABILITY	4	1,156,634	212,323
ORD DISABILITY	<u>14</u>	<u>2,890,463</u>	<u>563,411</u>
SUB TOTAL	364	\$92,142,483	\$15,664,394
TIERS 3 & 4			
STATE SERVICE	500	82,409,052	\$22,927,612
NON-STATE SERV	1,160	147,353,805	43,845,104
ACC DISABILITY	31	4,604,178	1,271,564
ORD DISABILITY	<u>256</u>	<u>27,966,911</u>	<u>7,903,058</u>
SUB TOTAL	1,947	\$262,333,946	\$75,947,338
TOTAL	3,439	\$672,277,552	\$138,653,326

RATES AND PRESENT VALUE OF LATE START CONTRIBUTIONS
ERS FYB 4/1/04 for FYE 3/31/06

***** PRESENT VALUE OF LATE START CHARGES *****

PV LATE START CHARGE = LATE START RATE * (PV PROJ COMP - COMP)* 2 MO INT.

PLAN	LATE START RATE	PV PROJECTED COMPENSATION	COMPENSATION	PV LATE START CHARGES
TIER 2 89-d	0.072	414,142	76,127	24,651
TIER 2 89-d(m)	0.077	208,792	78,379	10,171
TIER 2 89-e,..	0.035	48,299,690	8,997,087	1,393,349
TIER 4 89-e,..	0.006	4,851,308,935	381,996,158	<u>27,162,043</u>
		TOTAL		\$28,590,214

ACTUARIAL ASSETS
FYB 4/1/04 for FYE 3/31/06

I. FIVE YEAR MOVING AVERAGE VALUE OF NON-FIXED INVESTMENTS

AVERAGE MARKET VALUE OF INVESTMENTS IS USUALLY:

$$MV_t - .8 \cdot UG_t - .6 \cdot UG_{t-1} - .4 \cdot UG_{t-2} - .2 \cdot UG_{t-3}$$

WHERE:

MV = MARKET VALUE OF NON-FIXED ASSETS

$$AG_t = \text{ACTUAL GAIN} = MV_t - MV_{t-1} - (\text{PURCHASES}_t - \text{SALES}_{t-1})$$

EG = EXPECTED GAIN, ASSUMING A 7% INCREASE IN MARKET VALUE, OMITTING ANY DIVIDEND PAYMENTS

$$EG_t = .07 \cdot MV_{t-1} - (\text{SALES}_t - \text{PURCHASES}_t) \cdot (1.07)^{1/2}$$

$$UG_t = \text{UNEXPECTED GAIN} = AG_t - EG_t$$

THIS ACTUARIAL MARKET VALUE OF INVESTMENTS IS FURTHER CONSTRAINED TO BE WITHIN + OR - 20% OF THE MARKET VALUE OF INVESTMENTS.

FOR 4/1/04, WE ARE RESTARTING THE SMOOTHING METHOD FOR NON-FIXED ASSETS.

II. ACTUARIAL VALUE OF FIXED ASSETS: AMORTIZED COST

FIXED ASSETS: BONDS AND MORTGAGE LOANS

	MV	Net Purchases	AG	EG	UG	PF
3/31/00	91,846	-	-	-	-	72,965
01	74,299	-635	-635	4,507	-19,699	75,468
02	76,272	1,775	1,140	5,262	-4,282	75,468
03	61,084	2,305	1,670	5,418	-19,394	75,468
04	86,145	-1	24,461	4,241	+18,452	75,468
05			4,259			75,468

Handwritten notes:
 - 04 equity bal = 42,872
 - PF = 13,170
 - 13,657
 - 477
 - 2,503
 - 3,622
 - 783
 - 3,517
 - 3,338
 - 3,106
 - 21,82
 - 20,302
 - 2,413

COMPARISON OF ACCOUNTING'S NET ASSETS AVAILABLE
FOR BENEFITS WITH ACTUARIAL ASSETS

	ERS	PFRS	GLIP	TOTAL
ACCOUNTING'S NET ASSETS AVAILABLE FOR BENEFITS	102,518,080,456	18,267,045,214	43,588,889	120,828,714,559
PLUS LIABILITIES PAYABLE FROM ACCOUNTING'S BALANCE SHEETS	238,418,029	44,642,083	20,138,230	303,198,342
SUBTOTAL - ACCOUNTING'S BALANCE SHEET ASSETS	102,756,498,485	18,311,687,297	63,727,119	121,131,912,901
DIFFERENCE BETWEEN MARKET VALUE AND AMORTIZED VALUE OF BONDS AND MORTGAGE LOANS	(3,073,320,598)	(554,887,219)		
NON-MEMBER CONTRIBUTIONS IN THE PA FUND	(38,282,064)	(41,916)		
ADMINISTRATIVE OVERBILL ACCT	(13,550,208)	(1,415,516)		
5-YEAR SMOOTHING ADJUSTMEN	0	0		
TOTAL - ACTUARIAL ASSETS	99,631,345,615	17,755,342,646	63,727,119	117,450,415,380

INCENTIVE AND AMORTIZATION PAYMENT AMOUNTS AND PRESENT VALUES

THE PRESENT VALUES SHOWN BELOW, MINUS ANY CREDITS DUE TO ADVANCE PAYMENTS, ARE INCLUDED IN THE "PRESENT ASSETS" OF THE SYSTEM, DESPITE THE FACT THAT THEY HAVE NOT YET BEEN RECEIVED.

	CHAPTER/ LAWS OF	ANNUAL PAYMENT	LAST PAYMENT DATE	PRESENT VALUE AS OF 4/1/04
LOCAL				
Amortization of 1988 & 1989 Bills		3,501,522	2/1/2006	6,324,750
Incentives*	70/1999	4,032,796	2/1/2005	3,829,661
	86/2000	6,156,633	2/1/2006	12,387,897
	69/2002	21,388,965	2/1/2008	77,896,459
*Annual payment reflects payments thru 9/16/04.				
Misc. Amortizations				17,182,066
P.V. Deficiency Contributions				17,165,455
STATE				
Incentives	70/1999	6,880,000	by 3/1/2005	6,662,878
(annual pay-	86/2000	8,800,000	by 3/1/2006	16,413,292
ment on 9/1)	69/2002	49,800,000	by 3/1/2008	172,983,098
Misc. Payments				160,000

146.58 non;
made
42.2
or
9/1/04

PENSIONERS AND BENEFICIARIES
ERS FYB 4/1/04 for FYE 3/31/06

	<u>ANNUAL ALLOWANCE</u>			<u>ORDINARY DEATH BENEFIT</u>
	<u>NUMBER</u>	<u>ANNUITY</u>	<u>PENSION</u>	
<u>SERVICE BENEFITS</u>				
PENSIONERS	257,601	22,331,909	3,637,875,976	
BENEFICIARIES	<u>21,270</u>	<u>3,552,735</u>	<u>145,709,174</u>	
SUB TOTAL	278,871	25,884,644	3,783,585,150	
<u>DISABILITY BENEFITS</u>				
PENSIONERS	18,540	363,594	198,894,788	
BENEFICIARIES	<u>2,930</u>	<u>84,792</u>	<u>19,541,981</u>	
SUB TOTAL	21,470	448,386	218,436,769	
ACCIDENTAL DEATH BENEFICIARIES	234	0	3,892,924	
DESIGNATED ANNUITANTS	953	0	0	5,550,858
GRAND TOTAL	301,528	26,333,030	4,005,914,843	5,550,858

RESERVES

	<u>RESERVES</u>			<u>SPECIAL RESERVE FUND</u>
	<u>COLA</u>	<u>ANNUITY</u>	<u>PENSION</u>	
<u>SERVICE BENEFITS</u>				
PENSIONERS	5,208,708,967	159,952,271	34,445,104,993	
BENEFICIARIES	<u>296,241,020</u>	<u>21,792,799</u>	<u>1,147,073,736</u>	
SUB TOTAL	5,504,949,987	181,745,070	35,592,178,729	
<u>DISABILITY BENEFITS</u>				
PENSIONERS	432,368,809	2,441,918	1,843,409,498	
BENEFICIARIES	<u>34,132,238</u>	<u>633,607</u>	<u>188,154,075</u>	
SUB TOTAL	466,501,047	3,075,525	2,031,563,573	
ACCIDENTAL DEATH BENEFICIARIES	8,848,068	0	45,070,852	
DESIGNATED ANNUITANTS	0	0	0	45,888,773
SUB TOTAL	5,980,299,102	184,820,595	37,668,813,154	45,888,773
POST RETIREMENT DEATH (excess of \$50,000)			482,369	
GRAND TOTAL	5,980,299,102	184,820,595	37,669,295,523	45,888,773

ACTUARIAL PRESENT VALUE OF BENEFITS
ERS FYB 4/1/04 for FYE 3/31/06

PENSIONERS AND BENEFICIARIES

ANNUITY RESERVE FUND	\$184,820,595	
PENSION RESERVE FUND	37,669,295,523	
SPECIAL RESERVE FOR D. A.	45,888,773	
COLA	5,980,299,102	
 TOTAL P.V. OF PENSIONER BENEFITS		 \$43,880,303,993

ACTIVE MEMBERS

ANNUITY SAVINGS FUND

24,698,026

BENEFITS:

MEMBER SERVICE BENEFITS	62,203,523,859	
VESTING BENEFITS	2,955,944,220	
ACCIDENTAL DISABILITY BENEFITS	440,526,465	
ORDINARY DISABILITY BENEFITS	1,178,748,764	
ACCIDENTAL DEATH BENEFITS	14,353,083	OK
DEATH BENEFITS OVER \$50,000	1,028,263,394	OK
POST RETIREMENT DEATH BENEFITS	55,045,509	OK
WITHDRAWAL OF TIERS 3 & 4	213,565,780	
MEMBER CONTRIBUTIONS		
SICK LEAVE BENEFITS	455,355,845	-
INACTIVES	1,944,280,520	
COLA - ACTIVE BILLABLES	2,721,564,396	
PENDING RETIREMENTS	672,277,552	
RESTORATIONS	6,357,051	-
PENDING TRANSFER-IN RESERVES	21,088,718	
TIER 3 AND 4 NON-VESTED INACTIVE	41,502,287	
MEMBER CONTRIBUTIONS		
PUBLIC SERVICE BILL	100,000,000	-

\$74,077,095,469

TOTAL PV BENEFITS FOR ACTIVE MEMBERS

MISCELLANEOUS (ALL OTHER FUNDS)

LIABILITIES PAYABLE	\$238,418,029	
LOAN INSURANCE RESERVE	1,104,462	
 TOTAL MISCELLANEOUS LIABILITY		 \$239,522,491

\$118,196,921,953

TOTAL ACTUARIAL PRESENT VALUE OF BENEFITS

***** ACTUARIAL BALANCE SHEET *****

ACTUARIAL PRESENT VALUE OF ASSETS
ERS FYB 4/1/04 for FYE 3/31/06

PRESENT ASSETS OF SYSTEM *

TIERS 3 & 4 CONTRIBUTION FUND		\$6,135,164,807
ANNUITY SAVINGS FUND		24,698,026
ANNUITY RESERVE FUND		184,820,595
PENSION RESERVE FUND		37,669,295,523
SPECIAL RESERVE FOR DESIGNATED ANNUITANTS		45,888,773
PENSION ACCUMULATION FUND		55,331,955,400
ALL OTHER FUNDS		
LIABILITIES PAYABLE	238,418,029	
LOAN INSURANCE RESERVE	1,104,462	
TOTAL OTHER FUNDS		\$239,522,491
TOTAL PRESENT VALUATION ASSETS		\$99,631,345,615

ACTUARIAL PRESENT VALUE OF PROSPECTIVE CONTRIBUTIONS
PAYABLE BY EMPLOYERS TO PENSION ACCUMULATION FUND

NORMAL CONTRIBUTIONS	15,359,423,827	
LATE START CONTRIBUTIONS	28,590,214	
RECEIVABLE - FYE 2005 EMPLOYER BILLING	2,363,785,191	
TOTAL CONTRIBUTIONS		17,751,799,232
APV OF FUTURE TIERS 3 & 4 MEMBER CONTRIBUTIONS		813,777,106
TOTAL PROSPECTIVE CONTRIBUTIONS		18,565,576,338
TOTAL ACTUARIAL PRESENT VALUE OF ASSETS		\$118,196,921,953

* SEE PAGE 10

CALCULATION OF INDICES
ERS FYB 4/1/04 for FYE 3/31/06

PLAN PV BENEFITS * 2 MO. DISCOUNT

PLAN NEW ENTRANT RATE = $\frac{\text{PLAN PV BENEFITS * 2 MO. DISCOUNT}}{\text{PLAN PV COMPENSATION}}$

PLAN NEW ENTRANT RATE

PLAN INDEX = $\frac{\text{PLAN NEW ENTRANT RATE}}{\text{TIER 1 CONTRIBUTORY NEW ENTRANT RATE}}$

PLAN	PRESENT VALUE OF		NEW ENTRANT RATE	INDEX
	BENEFITS	COMPENSATION		
TIER 1				
Contributory	624,922,879	8,076,885,315	0.076386	1.000000
75-c	1,178,933,629	8,076,885,315	0.144104	1.886527
75-e	1,178,933,629	8,076,885,315	0.144104	1.886527
75-g	1,243,029,960	8,076,885,315	0.151938	1.989093
75-h & i	1,291,071,070	8,076,885,315	0.157810	2.065969
75-h w/ 3/4 dis	1,341,020,117	7,939,890,586	0.166744	2.182922
80-a	135,400,956	591,834,220	0.225866	2.956917
89	108,416,943	611,998,781	0.174894	2.289624
89-a	108,190,856	629,563,026	0.169660	2.221104
89-b	108,766,487	581,219,948	0.184750	2.418645
89-b(m)	116,191,556	606,538,317	0.189124	2.475904
89-d	108,843,408	585,407,031	0.183558	2.403044
89-d(m)	116,203,373	610,344,676	0.187963	2.460714
89-e.....ts, 89vr	109,685,936	616,216,644	0.175730	2.300568
551	104,940,561	627,342,431	0.165146	2.162003
551-e	106,846,969	624,561,192	0.168895	2.211081
551-ee				2.299525
552	112,261,234	585,407,031	0.189322	2.478503
553	121,013,478	610,344,676	0.195744	2.562572
553b				2.665075
89-sa,-sp, 89v	111,281,691	616,216,644	0.178287	2.334037
Sick leave	10,282,120	8,076,885,315	0.001257	0.016453
TIER 2				
Contributory	617,076,990	9,116,771,568	0.066823	0.874814
75-c & e	1,126,369,204	9,116,771,568	0.121975	1.596824
75-g	1,206,670,544	9,116,771,568	0.130670	1.710666
75-h & i	1,257,094,833	9,116,771,568	0.136131	1.782151
75-h w/ 3/4 dis	1,315,464,847	8,933,565,368	0.145373	1.903145
U.C.P.O.	1,257,094,833	9,116,771,568	0.136131	1.782151
80-a	134,015,225	592,012,734	0.223487	2.925773
89	108,416,943	611,998,781	0.174894	2.289624
89-a	102,779,130	641,046,924	0.158287	2.072204
89-b	95,237,112	630,853,747	0.149041	1.951170
89-b(m)	99,149,792	630,336,625	0.155292	2.032997
89-d	106,825,255	585,407,031	0.180155	2.358487
89-d(m)	114,272,600	610,344,676	0.184840	2.419828
89-e.....ts, 89vr	107,009,236	616,216,644	0.171442	2.244426
551	101,594,636	627,342,431	0.159880	2.093069
551-e	104,312,875	624,561,192	0.164889	2.158641
551-ee				2.244987
552	110,276,430	585,407,031	0.185975	2.434682
553	119,073,041	610,344,676	0.192605	2.521481
553b				2.622341
89-sa,-sp, 89v	110,543,582	616,216,644	0.177104	2.318556
Sick leave	10,508,418	9,116,771,568	0.001138	0.014898
TIER 3 and 4				
ART. 14 & 15 REGULAR	970,752,929	9,151,527,287	0.104724	1.370985
Regular w/ 3/4 dis	1,006,269,328	9,075,880,543	0.109460	1.432989
U.C.P.O.	1,045,253,001	8,965,833,596	0.115096	1.506774
ART. 14 CORR OFF	85,180,319	635,740,728	0.132278	1.731716
89-e.....ts, 89vr, 89sp	86,402,242	646,448,318	0.131953	1.727463
551	92,465,298	627,342,431	0.145514	1.904985
551-e	95,198,292	624,561,192	0.150482	1.970025
551-ee				2.048826
552	101,568,302	585,407,031	0.171289	2.242424
553	110,813,541	610,344,676	0.179245	2.346579
553b				2.440442
89-sa, 89v	89,220,284	646,448,318	0.136257	1.783805
604pr, rs	106,389,050	625,426,062	0.167939	2.198561
West. Co. Investigators	96,363,350	599,201,301	0.158770	2.078532
Sick leave	9,564,232	9,151,527,287	0.001032	0.013507
County 75% IPOD	48,220,050	14,328,403,849	0.003322	0.043496

INDEXED PRESENT VALUE PROJECTED FYE 3/31/05 COMPENSATION
ERS FYB 4/1/04 for FYE 3/31/06

PLAN	PRESENT VALUE 2005 PROJ. COMP.	INDEX	INDEXED P.V. PROJ. COMP
TIER 1			
Contributory	\$1,482,821	1.000000	\$1,482,821
75-c	14,303,988	1.886527	26,984,860
75-e	3,741,360	1.886527	7,058,177
75-g	50,997,871	1.989093	101,439,508
75-h & i	4,798,023,353	2.065969	9,912,567,509
75-h w/ 3/4 dis	9,090,375	2.182922	19,843,580
80-a	15,613,454	2.956917	46,167,688
89	105,125,930	2.289624	240,698,852
89-a	3,048,836	2.221104	6,771,782
89-b	5,893,966	2.418645	14,255,411
89-b(m)	5,579,134	2.475904	13,813,400
89-d	0	2.403044	0
89-d(m)	4,379,363	2.460714	10,776,360
89-e, ..., ts, 89vr	46,543,111	2.300568	107,075,592
551	759,734	2.162003	1,642,547
552	1,581,299	2.478503	3,919,254
553	5,806,817	2.562572	14,880,387
553-b	1,951,745	2.665075	5,201,547
89-sa, -sp, 89v	15,234,089	2.334037	35,556,927
Sick Leave	<u>4,228,218,729</u>	0.016453	<u>69,566,883</u>
TIER 1 TOTAL	\$5,089,157,246 *		\$10,639,703,085
TIER 2			
Contributory	\$2,147,322	0.874814	\$1,878,507
75-c & e	29,274,410	1.596824	46,746,080
75-g	60,234,541	1.710666	103,041,181
75-h & i	5,030,914,499	1.782151	8,965,849,305
75-h w/ 3/4 dis	3,125,654	1.903145	5,948,573
UCPO	85,451,464	1.782151	152,287,412
80-a	1,506,191	2.925773	4,406,773
89	126,932,715	2.289624	290,628,191
89-a	762,761	2.072204	1,580,596
89-b	3,281,734	1.951170	6,403,221
89-b(m)	1,731,838	2.032997	3,520,821
89-d	414,142	2.358487	976,749
89-d(m)	208,792	2.419828	505,241
89-e, ..., ts, 89vr	60,861,668	2.244426	136,599,510
551	5,335,850	2.093069	11,168,302
551-e	1,209,601	2.158641	2,611,094
552	3,451,233	2.434682	8,402,655
553	7,766,083	2.521481	19,582,031
553-b	9,805,357	2.622341	25,712,990
89-sa, -sp, 89v	8,265,233	2.318556	19,163,406
Sick Leave	<u>4,563,609,506</u>	0.014898	<u>67,988,654</u>
TIER 2 TOTAL	\$5,442,681,088 *		\$9,875,001,292
TIERS 3 and 4			
ART. 14 & 15 Regular	\$135,994,586,221	1.370985	\$186,446,537,790
Regular w/ 3/4 dis	178,508,415	1.432989	255,800,595
UCPO	2,895,797,734	1.506774	4,363,312,735
ART. 14 Corr. Officers	11,643,282,373	1.731716	20,162,858,378
89-e, ..., ts, 89vr, 89sp	5,654,700,343	1.727463	9,768,285,619
551	215,213,887	1.904985	409,979,227
551-e	21,510,057	1.970025	42,375,350
552	300,027,758	2.242424	672,789,445
553	366,454,551	2.346579	859,914,554
553-b	586,571,673	2.440442	1,431,494,147
604pr, rs	15,242,988	2.198561	33,512,639
89-sa, 89v	131,027,119	1.783805	233,726,830
West. Co. Investigators	21,322,310	2.078532	44,319,104
County 75% IPOD	2,757,087,200	0.043496	119,922,265
Sick Leave	<u>111,260,523,853</u>	0.013507	<u>1,502,795,896</u>
TIERS 3 & 4 TOTAL	\$158,024,245,429 *		\$226,347,624,574

* DOES NOT INCLUDE SICK LEAVE OR COUNTY 75% IPOD

INDEXED PROJECTED FYE 3/31/05 COMPENSATION *
ERS FYB 4/1/04 for FYE 3/31/06

PLAN	PROJECTED 2005 COMPENSATION	INDEX	INDEXED PROJECTED COMPENSA
TIER 1			
71-a	\$395,902	1.000000	\$395,902
75-c	3,724,646	1.886527	7,026,645
75-e	960,170	1.886527	1,811,387
75-g	13,677,710	1.989093	27,206,237
75-h & i	1,242,446,571	2.065969	2,566,856,100
75-h w/ 3/4 dis	2,247,956	2.182922	4,907,113
80-a	4,083,192	2.956917	12,073,660
89	26,145,877	2.289624	59,864,227
89-a	790,768	2.221104	1,756,378
89-b	1,980,957	2.418645	4,791,232
89-b(m)	1,423,093	2.475904	3,523,442
89-d	0	2.403044	0
89-d(m)	1,046,055	2.460714	2,574,042
89-e.....ts, 89vr	11,257,293	2.300568	25,898,168
551	189,028	2.162003	408,679
552	390,006	2.478503	966,631
553	1,586,573	2.562572	4,065,708
553-b	533,267	2.665075	1,421,197
89-sa,-sp, 89v	3,925,216	2.334037	9,161,599
Sick Leave	1,095,950,551	0.016453	18,031,674
TIER 1 TOTAL	\$1,316,804,280 **		\$2,752,740,021
TIER 2			
71-a	\$403,115	0.874814	\$352,651
75-c & e	5,069,051	1.596824	8,094,382
75-g	10,870,523	1.710666	18,595,834
75-h & i	938,324,050	1.782151	1,672,235,144
75-h w/ 3/4 dis	608,712	1.903145	1,158,467
UCPO	19,080,646	1.782151	34,004,592
80-a	257,980	2.925773	754,791
89	26,415,258	2.289624	60,481,009
89-a	119,437	2.072204	247,498
89-b	749,469	1.951170	1,462,341
89-b(m)	330,025	2.032997	670,940
89-d	76,127	2.358487	179,545
89-d(m)	78,379	2.419828	189,664
89-e.....ts, 89vr	11,337,086	2.244426	25,445,251
551	1,060,249	2.093069	2,219,174
551-e	211,278	2.158641	456,073
552	670,043	2.434682	1,631,342
553	1,589,699	2.521481	4,008,396
553-b	2,007,133	2.622341	5,263,387
89-sa,-sp, 89v	1,804,906	2.318556	4,184,776
Sick Leave	858,024,252	0.014898	12,782,845
TIER 2 TOTAL	\$1,021,063,166 **		\$1,854,418,102
TIERS 3 and 4			
ART. 14 & 15 Regular	\$13,952,328,434	1.370985	\$19,128,432,998
Regular w/ 3/4 dis	17,571,361	1.432989	25,179,567
UCPO	286,003,177	1.506774	430,942,151
ART. 14 Corr. Officers	1,068,457,442	1.731716	1,850,264,848
89-e....	445,255,875	1.727463	769,163,050
551	16,846,948	1.904985	32,093,183
551-e	1,805,139	1.970025	3,556,169
552	25,077,305	2.242424	56,233,951
553	29,453,526	2.346579	69,115,026
553-b	47,145,284	2.440442	115,055,331
604pr, rs	1,733,343	2.198561	3,810,860
89-sa, 89v	10,058,144	1.783805	17,941,768
West. Co. Investigators	2,067,293	2.078532	4,296,935
County 75% IPOD	237,227,762	0.043496	10,318,459
Sick Leave	11,382,873,834	0.013507	153,748,477
TIERS 3 & 4 TOTAL	\$15,903,803,271 **		\$22,670,152,773
TOTAL ERS	\$18,241,670,717		\$27,277,310,896

* PROJECTED COMPENSATION EQUALS THE COMPENSATION FOR 3/31/05
ATTRIBUTABLE TO THE MEMBERS ON ROLL AS OF 3/31/04.

** DOES NOT INCLUDE SICK LEAVE OR COUNTY 75% IPOD

BASIC PLAN'S NORMAL RATE
ERS FYB 4/1/04 for FYE 3/31/06

	INDEXED P.V. PROJECTED COMP.
TIER 1	\$10,639,703,085
TIER 2	9,875,001,292
TIER 3 and 4	<u>226,347,624,574</u>
TOTAL	\$246,862,328,951

	INDEXED PROJECTED COMP.
TIER 1	\$2,752,740,021
TIER 2	1,854,418,102
TIER 3 and 4	<u>22,670,152,773</u>
TOTAL	\$27,277,310,896

P. V. FUTURE NORMAL CONTRIBUTIONS \$15,359,423,827

BASIC PLAN'S NORMAL RATE

P.V.FUTURE NORMAL CONTRIBUTIONS (2 MO. DISCOUNT)
BASIC RATE = -----

INDEXED PRESENT VALUE PROJECTED COMPENSATION
- INDEXED PROJECTED COMPENSATION

\$15,359,423,827 * 0.987255
= -----
\$219,585,018,055

= 0.069056

NORMAL RATES
ERS FYB 4/1/04 for FYE 3/31/06

PLAN	BASIC RATE (1)	INDEX (2)	REGULAR NORMAL RATE (1) * (2) = (3)	LATE START RATE (4)	BILLING NORMAL RATE (3) + (4)
TIER 1					
Contributory	0.069056	1.000000	0.069056		0.069056
75-c	0.069056	1.886527	0.130276		0.130276
75-e	0.069056	1.886527	0.130276		0.130276
75-g	0.069056	1.989093	0.137359		0.137359
75-h & i	0.069056	2.065969	0.142668		0.142668
75-h w/ 3/4 dis	0.069056	2.182922	0.150744		0.150744
80-a	0.069056	2.956917	0.204193		0.204193
89	0.069056	2.289624	0.158112		0.158112
89-a	0.069056	2.221104	0.153381		0.153381
89-b	0.069056	2.418645	0.167022		0.167022
89-b(m)	0.069056	2.475904	0.170976		0.170976
89-d	0.069056	2.403044	0.165945		0.165945
89-d(m)	0.069056	2.460714	0.169927		0.169927
89-e,....ts, 89vr	0.069056	2.300568	0.158868		0.158868
551	0.069056	2.162003	0.149299		0.149299
551-e	0.069056	2.211081	0.152688		0.152688
551-ee	0.069056	2.299525	0.158796		0.158796
552	0.069056	2.478503	0.171156		0.171156
553	0.069056	2.562572	0.176961		0.176961
553b	0.069056	2.665075	0.184039		0.184039
89-sa,-sp, 89v	0.069056	2.334037	0.161179		0.161179
Sick Leave	0.069056	0.016453	0.001136		0.001136
TIER 2					
Contributory	0.069056	0.874814	0.060411		0.060411
75-c & e	0.069056	1.596824	0.110270		0.110270
75-g	0.069056	1.710666	0.118132		0.118132
75-h & i	0.069056	1.782151	0.123068		0.123068
75-h w/ 3/4 dis	0.069056	1.903145	0.131424		0.131424
UCPO	0.069056	1.782151	0.123068		0.123068
80-a	0.069056	2.925773	0.202042		0.202042
89	0.069056	2.289624	0.158112		0.158112
89-a	0.069056	2.072204	0.143098		0.143098
89-b	0.069056	1.951170	0.134740		0.134740
89-b(m)	0.069056	2.032997	0.140391		0.140391
89-d	0.069056	2.358487	0.162868	0.072	0.234868
89-d(m)	0.069056	2.419828	0.167104	0.077	0.244104
89-e,....pre 4/1/98 elections	0.069056	2.244426	0.154991	0.035	0.189991
89-e,....post 3/31/98 elections			0.154991		0.154991
551	0.069056	2.093069	0.144539		0.144539
551-e	0.069056	2.158641	0.149067		0.149067
551-ee	0.069056	2.244987	0.155030		0.155030
552	0.069056	2.434682	0.168129		0.168129
553	0.069056	2.521481	0.174123		0.174123
553b	0.069056	2.622341	0.181088		0.181088
89-sa,-sp, 89v	0.069056	2.318556	0.160110		0.160110
Sick Leave	0.069056	0.014898	0.001029		0.001029
TIER 3 and 4					
ART. 14 & 15 Regular	0.069056	1.370985	0.094675		0.094675
Regular w/ 3/4 dis	0.069056	1.432989	0.098956		0.098956
UCPO	0.069056	1.506774	0.104052		0.104052
ART. 14 Correction Officers	0.069056	1.731716	0.119585		0.119585
89-e,....pre 4/1/98 elections	0.069056	1.727463	0.119292	0.006	0.125292
89-e,....post 3/31/98 elections			0.119292		0.119292
551	0.069056	1.904985	0.131551		0.131551
551-e	0.069056	1.970025	0.136042		0.136042
551-ee	0.069056	2.048826	0.141484		0.141484
552	0.069056	2.242424	0.154853		0.154853
553	0.069056	2.346579	0.162045		0.162045
553b	0.069056	2.440442	0.168527		0.168527
89-sa, 89v	0.069056	1.783805	0.123182		0.123182
604pr, rs	0.069056	2.198561	0.151824		0.151824
West. Co. Investigators	0.069056	2.078532	0.143535		0.143535
Sick Leave	0.069056	0.013507	0.000933		0.000933
County 75% IPOD	0.069056	0.043496	0.003004		0.003004

ADMINISTRATIVE AND GROUP LIFE INSURANCE RATES
ERS FYB 4/1/04 FOR FISCAL 2006

ADMINISTRATIVE CONTRIBUTIONS IN 2005 EQUALS RATE TIMES ESTIMATED BILLING SALARY = .003 * 20,499,297,380 =	61,497,892
PLUS THE 3/31/04 OVERBILL	13,550,208
SUBTRACT 2005 ESTIMATED EXPENSES	<u>-61,129,601</u>
EQUALS 3/31/05 ESTIMATED ADMINISTRATIVE OVERBILL ACCOUNT	13,918,499

ASSUMING 2006 EXPENSES = 2005 EXPENSES, THE ADMINISTRATIVE CONTRIBUTIONS TO BE BILLED FOR WILL BE \$61,129,601 MINUS THE OVERBILL ACCOUNT = 47,211,102

$$\text{ADMINISTRATIVE RATE} = \frac{\text{TOTAL ADMIN EXPENS } 47,211,102}{\text{EST. BILLING SALARY } 21,487,621,082} = 0.002197$$

$$= 0.3 \%$$

ESTIMATED BILLING SALARY IS ESTIMATED SALARY TO BE USED IN THE 2/1/06 NON-STATE BILLING AND THE 9/1/05 STATE BILLING.

WE ALWAYS ROUND THE RATE TO THE NEXT HIGHEST TENTH OF A PERCENT SINCE THE ADMINISTRATIVE EXPENSE MUST BE PAID.

***** GROUP LIFE INSURANCE RATES *****

THE ERS PORTION OF THE GTLI EQUITY IN THE COMMON RETIREMENT FUND ON 4/1/2004 IS APPROXIMATELY \$55 MILLION. THE GTLI EQUITY APPRECIATES WITH INTEREST AT THE RATE ACCRUED BY OUR SHORT-TERM INVESTMENT POOL, A NON-VOLATILE INVESTMENT VEHICLE. CLAIMS PAID FOR THE 2004 FISCAL YEAR WERE APPROXIMATELY \$69 MILLION. ON ANY GIVEN DAY, THE AMOUNT PAYABLE FOR OUTSTANDING GTLI BENEFITS ARE ESTIMATED TO BE APPROXIMATELY \$22 MILLION. A GTLI PREMIUM RATE AVERAGING APPROXIMATELY .4% OF BILLING SALARY IS NEEDED TO ENSURE THAT THE GTLI EQUITY DOES NOT GO BELOW THIS AMOUNT PAYABLE BEFORE FEBRUARY 1, 2007. EXPERIENCE INDICATES THAT THE RATE FOR SPECIAL PLANS SHOULD BE .1%.

ERS TIER 1 FINAL RATES
(as a percent)
ERS FYB 4/1/04 for FYE 3/31/06

RETIREMENT PLAN	NORMAL RATE	ADMN RATE	GROUP LIFE RATE	SICK LEAVE RATE	TOTAL FINAL RATE
CONTRIBUTORY	6.9	0.3	0.4		7.6
SEC 75-c	13.0	0.3	0.4		13.7
SEC 75-e	13.0	0.3	0.4		13.7
SEC 75-g	13.7	0.3	0.4		14.4
SEC 75-h	14.3	0.3	0.4	0.1	15.1
SEC 75-i	14.3	0.3	0.4		15.0
SEC 75-h w/ 3/4 dis (RGD75)	15.1	0.3	0.4	0.1	15.9
SEC 80-a	20.4	0.3	0.1	0.1	20.9
SEC 89	15.8	0.3	0.1	0.1	16.3
SEC 89-a	15.3	0.3	0.1		15.7
SEC 89-b	16.7	0.3	0.1		17.1
SEC 89-b(m)	17.1	0.3	0.1		17.5
SEC 89-d	16.6	0.3	0.1		17.0
SEC 89-d(m)	17.0	0.3	0.1		17.4
SEC 89-e, ...t, 89vr	15.9	0.3	0.1		16.3
SEC 89-ts	15.9	0.3	0.1		16.3
SEC 551	14.9	0.3	0.1		15.3
SEC 551-e	15.3	0.3	0.1		15.7
SEC 551-ee	15.9	0.3	0.1		16.3
SEC 552	17.1	0.3	0.1		17.5
SEC 553	17.7	0.3	0.1		18.1
SEC 553b	18.4	0.3	0.1		18.8
SEC 89-sa, -sp, 89v	16.1	0.3	0.1		16.5

OPTIONS - ADDITIONAL RATES (NON-STATE ONLY)

OPTION	RATES
SICK LEAVE	0.1
5% ITHP	3.5
8% ITHP	5.6

ERS TIER 2 FINAL RATES
(as a percent)
ERS FYB 4/1/04 for FYE 3/31/06

RETIREMENT PLAN	NORMAL RATE	ADMN RATE	GROUP LIFE RATE	SICK LEAVE RATE	TOTAL FINAL RATE
CONTRIBUTORY	6.0	0.3	0.4		6.7
SEC 75-c,-e	11.0	0.3	0.4		11.7
SEC 75-g	11.8	0.3	0.4		12.5
SEC 75-h	12.3	0.3	0.4	0.1	13.1
SEC 75-i	12.3	0.3	0.4		13.0
SEC 75-h w/ 3/4 dis (RGD75)	13.1	0.3	0.4	0.1	13.9
U.C.P.O.	12.3	0.3	0.4	0.1	13.1
SEC 80-a	20.2	0.3	0.1	0.1	20.7
SEC 89	15.8	0.3	0.1	0.1	16.3
SEC 89-a	14.3	0.3	0.1		14.7
SEC 89-b	13.5	0.3	0.1		13.9
SEC 89-b(m)	14.0	0.3	0.1		14.4
SEC 89-d	23.5	0.3	0.1		23.9
SEC 89-d(m)	24.4	0.3	0.1		24.8
SEC 89-e...89-m, 89-o...89-s	19.0	0.3	0.1		19.4
SEC 89-p post 3/31/98 elections, 89n, 89t, 89vr	15.5	0.3	0.1		15.9
SEC 89-ts	15.5	0.3	0.1		15.9
SEC 551	14.5	0.3	0.1		14.9
SEC 551-e	14.9	0.3	0.1		15.3
SEC 551-ee	15.5	0.3	0.1		15.9
SEC 552	16.8	0.3	0.1		17.2
SEC 553	17.4	0.3	0.1		17.8
SEC 553b	18.1	0.3	0.1		18.5
SEC 89-sa, -sp, 89v	16.0	0.3	0.1		16.4
TEACHERS & COM. COL.(ADD'L RATE)	0.1	N/A	N/A		0.1

OPTIONS - ADDITIONAL RATES (NON-STATE ONLY)

OPTION	RATES
SICK LEAVE	0.1
5% ITHP	3.5
8% ITHP	4.9

ERS TIER 3&4 FINAL RATES
(as a percent)
ERS FYB 4/1/04 for FYE 3/31/06

RETIREMENT PLAN	NORMAL RATE	ADMN RATE	GROUP LIFE RATE	SICK LEAVE RATE	TOTAL FINAL RATE
TIER 3					
ARTICLE 14 & 15 REGULAR STATE	9.5	0.3	0.4	0.1	10.3
ARTICLE 14 & 15 REGULAR NON-STATE	9.5	0.3	0.4		10.2
Regular w/ 3/4 dis (RGD75)	9.9	0.3	0.4	0.1	10.7
U.C.P.O.	10.4	0.3	0.4	0.1	11.2
ARTICLE 14 CORRECTION OFFICER	12.0	0.3	0.1		12.4
SEC 89-e... 89-m, 89-o... 89-s, 603h3, 603h4	12.5	0.3	0.1		12.9
SEC 89-p post 3/31/98 elections, 89n, 89t, 89vr, 89sp, 603r3, 604s4	11.9	0.3	0.1		12.3
SEC 89-ts	11.9	0.3	0.1		12.3
SEC 551	13.2	0.3	0.1		13.6
SEC 551-e	13.6	0.3	0.1		14.0
SEC 551-ee	14.1	0.3	0.1		14.5
SEC 552	15.5	0.3	0.1		15.9
SEC 553	16.2	0.3	0.1		16.6
SEC 553b	16.9	0.3	0.1		17.3
SEC 89-sa, 89v	12.3	0.3	0.1		12.7
SEC 604pr, rs, 603or, qs	15.2	0.3	0.1		15.6
West. Co. Investigators (WCI03, WCI04)	14.4	0.3	0.1		14.8
TEACHERS & COM. COL.(ADD'L RATE)	0.1	N/A	N/A		0.1

OPTIONS - ADDITIONAL RATES (NON-STATE ONLY)

OPTION	RATES
SICK LEAVE	0.1
COUNTY 75% IPOD	0.3

ERS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- COUNTIES

	NUMBER	SALARIES	NUMBER	SALARIES
	TIER 1		TIER 2	
AGE 55/60 CONTRIBUTORY				
AGE 55 75-C				
AGE 55 75-E				
AGE 55 75-G				
AGE 55 75-H				
AGE 55 75-I	5,609	\$278,579,018.45	4,125	\$201,436,426.08
REG CO/SHTA 3/4 DIS				
CORR OFF 89				
SHERIFFS 89-A	16	\$965,748.77	3	\$136,861.47
SHERIFFS 89-B	37	\$2,553,741.41	13	\$834,953.54
SHERIFFS 89-B(M)	24	\$1,699,699.42	7	\$358,670.98
INVESTIGATORS 89-D			1	\$85,457.77
INVESTIGA. 89-D(M)	10	\$1,222,870.14	2	\$170,732.52
SHERIFFS - 551	4	\$222,170.95	22	\$1,209,083.46
SHERIFFS - 551E			4	\$232,673.60
SHERIFFS - 552	8	\$460,296.04	14	\$763,398.85
SHERIFFS - 553	37	\$2,760,974.01	56	\$4,134,152.87
LEGISLATORS 80-A	4	\$285,104.41		
UNIFIED CRT PC OFF				
25YR CO/SHER/OMH	146	\$11,375,848.72	148	\$10,709,801.05
25YR 1/60 PO,AMT,PAR	57	\$4,987,928.80	25	\$2,070,814.65
SUB-TOTAL	5,952	305,113,401.12	4,420	222,143,026.84
INACTIVE NON-VESTED	11	\$82,481.92	23	\$252,486.22
INACTIVE VESTED	1,231	\$23,131,443.32	1,058	\$26,355,202.11
PENDING RETIREMENTS	198	\$7,835,250.82	73	\$2,605,833.96
PENDING DEATHS	10	\$283,123.41	2	\$40,052.36
SUB-TOTAL	1,450	31,332,299.47	1,156	29,253,574.65
TIER TOTAL	7,402	\$336,445,700.59	5,576	\$251,396,601.49
TIER 3 & 4				
ARTICLE 14 & 15	76,162	\$2,696,744,394.81		
REG CO/SHTA 3/4 DIS				
ART 14 CORR OFFICER				
SHERIFFS - 551	353	17,170,064.10		
SHERIFFS - 551E	41	1,914,340.51		
SHERIFFS - 552	532	25,786,104.72		
SHERIFFS - 553	1,274	79,337,539.20		
UNIFIED CRT PC OFF				
25YR CO/SHER/OMH	7,654	433,237,927.21		
25YR 1/60 PO,AMT,PAR	129	9,665,264.44		
20YR 1/60 INVEST	18	1,835,107.51		
WEST. CO. C.I.	23	2,194,286.83		
SUB-TOTAL	86,186	3,267,885,029.33		
INACTIVE NON-VESTED	10,264	118,566,277.42		
INACTIVE VESTED	7,638	230,409,859.94		
PENDING RETIREMENTS	396	15,020,109.39		
PENDING DEATHS	52	1,713,008.71		
SUB-TOTAL	18,350	365,709,255.46		
TIER TOTAL	104,536	\$3,633,594,284.79		

ERS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- TOWNS

	NUMBER	SALARIES	NUMBER	SALARIES
	TIER 1		TIER 2	
AGE 55/60 CONTRIBUTORY	10	\$203,984.98	4	\$122,284.45
AGE 55 75-C	96	2,485,481.36	86	2,327,711.93
AGE 55 75-E	13	298,505.02	13	448,599.83
AGE 55 75-G	56	2,201,995.82	46	1,933,643.63
AGE 55 75-H				
AGE 55 75-I	1,964	104,275,422.65	1,441	74,187,974.06
REG CO/SHTA 3/4 DIS				
CORR OFF 89				
SHERIFFS 89-A				
SHERIFFS 89-B				
SHERIFFS 89-B(M)				
INVESTIGATORS 89-D				
INVESTIGA. 89-D(M)				
SHERIFFS - 551				
SHERIFFS - 551E				
SHERIFFS - 552				
SHERIFFS - 553				
LEGISLATORS 80-A	1	56,523.29		
UNIFIED CRT PC OFF				
25YR CO/SHER/OMH	1	58,533.88		
25YR 1/60 PO,AMT,PAR			1	56,563.46
SUB-TOTAL	2,141	109,580,447.00	1,591	79,076,777.36
INACTIVE NON-VESTED	3	2,248.50	10	68,842.55
INACTIVE VESTED	364	6,801,707.19	292	6,768,616.38
PENDING RETIREMENTS	124	4,752,917.84	39	1,560,641.76
PENDING DEATHS	4	199,720.56	2	86,607.66
SUB-TOTAL	495	11,756,594.09	343	8,484,708.35
TIER TOTAL	2,636	\$121,337,041.09	1,934	\$87,561,485.71
	TIER 3 & 4			
ARTICLE 14 & 15	30,275	\$1,017,998,923.25		
REG CO/SHTA 3/4 DIS				
ART 14 CORR OFFICER				
SHERIFFS - 551				
SHERIFFS - 551E				
SHERIFFS - 552				
SHERIFFS - 553				
UNIFIED CRT PC OFF				
25YR CO/SHER/OMH	6	172,351.78		
25YR 1/60 PO,AMT,PAR	13	687,135.58		
20YR 1/60 INVEST				
WEST. CO. C.I.				
SUB-TOTAL	30,294	1,018,858,410.61		
INACTIVE NON-VESTED	2,757	24,697,235.40		
INACTIVE VESTED	2,040	51,986,891.30		
PENDING RETIREMENTS	164	5,990,291.86		
PENDING DEATHS	16	517,306.74		
SUB-TOTAL	4,977	83,191,725.30		
TIER TOTAL	35,271	\$1,102,050,135.91		

ERS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- MISCELLANEOUS

	NUMBER	SALARIES	NUMBER	SALARIES
	TIER 1		TIER 2	
AGE 55/60 CONTRIBUTORY	4	\$267,249.44	4	\$206,825.18
AGE 55 75-C	14	691,911.08	12	545,886.92
AGE 55 75-E	3	71,240.97	5	177,707.73
AGE 55 75-G	104	5,840,931.89	58	3,931,738.24
AGE 55 75-H	467	25,504,375.16	333	18,788,439.42
AGE 55 75-I	2,686	166,054,647.31	1,832	109,504,471.48
REG CO/SHTA 3/4 DIS				
CORR OFF 89				
SHERIFFS 89-A				
SHERIFFS 89-B				
SHERIFFS 89-B(M)				
INVESTIGATORS 89-D				
INVESTIGA. 89-D(M)				
SHERIFFS - 551				
SHERIFFS - 551E				
SHERIFFS - 552				
SHERIFFS - 553				
LEGISLATORS 80-A	2	125,055.28	1	10,014.00
UNIFIED CRT PC OFF				
25YR CO/SHER/OMH				
25YR 1/60 PO,AMT,PAR				
SUB-TOTAL	3,280	198,555,411.13	2,245	133,165,082.97
INACTIVE NON-VESTED	11	166,319.69	11	141,619.25
INACTIVE VESTED	578	12,650,965.59	393	13,004,179.91
PENDING RETIREMENTS	100	5,360,243.83	29	1,684,342.40
PENDING DEATHS	2	85,396.26	1	131,099.50
SUB-TOTAL	691	18,262,925.37	434	14,961,241.06
TIER TOTAL	3,971	\$216,818,336.50	2,679	\$148,126,324.03
TIER 3 & 4				
ARTICLE 14 & 15	64,566	\$2,633,456,395.69		
REG CO/SHTA 3/4 DIS				
ART 14 CORR OFFICER				
SHERIFFS - 551				
SHERIFFS - 551E				
SHERIFFS - 552				
SHERIFFS - 553				
UNIFIED CRT PC OFF				
25YR CO/SHER/OMH				
25YR 1/60 PO,AMT,PAR				
20YR 1/60 INVEST				
WEST. CO. C.I.				
SUB-TOTAL	64,566	2,633,456,395.69		
INACTIVE NON-VESTED	7,689	113,743,306.46		
INACTIVE VESTED	6,526	267,366,481.03		
PENDING RETIREMENTS	261	13,019,037.22		
PENDING DEATHS	40	1,341,318.43		
SUB-TOTAL	14,516	395,470,143.14		
TIER TOTAL	79,082	\$3,028,926,538.83		

ERS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- GRAND TOTAL

	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY	30	\$977,192.32
AGE 55 75-C	315	9,750,711.67
AGE 55 75-E	81	2,624,039.67
AGE 55 75-G	742	30,849,227.78
AGE 55 75-H	24,362	1,376,337,888.50
AGE 55 75-I	26,811	1,287,926,308.54
REG CO/SHTA 3/4 DIS	400	21,966,873.86
CORRECTION OFFICERS	21,984	1,160,843,343.71
SHERIFFS 89-A	19	1,102,610.24
SHERIFFS 89-B	50	3,388,694.95
SHERIFFS 89-B(M)	31	2,058,370.40
INVESTIGATORS 89-D	1	85,457.77
INVESTIGA. 89-D(M)	12	1,393,602.66
SHERIFFS - 551	379	18,601,318.51
SHERIFFS - 551E	45	2,147,014.11
SHERIFFS - 552	554	27,009,799.61
SHERIFFS - 553	1,367	86,232,666.08
LEGISLATORS	87	6,548,635.56
UNIFIED CRT PC OFF	5,648	322,832,716.96
25YR CO/SHER/OMH	8,478	482,014,902.90
25YR 1/60 PO,AMT,PAR	225	17,467,706.93
20YR 1/60 INVEST	18	1,835,107.51
ARTICLE 14 & 15	415,579	14,708,894,958.34
WEST. CO. C.I.	23	2,194,286.83
SUB-TOTAL	507,241	19,575,083,435.41
INACTIVE NON-VESTED	47,285	531,752,407.14
INACTIVE VESTED	47,857	1,390,511,274.25
PENDING RETIREMENTS	3,439	139,856,571.12
PENDING DEATHS	333	11,282,873.34
SUB-TOTAL	98,914	2,073,403,125.85
GRAND TOTAL	606,155	\$21,648,486,561.26

NUMBER OF ACTIVE MEMBERS

	<u>TIER 1</u>	<u>TIER 2</u>	<u>TIER 3&4</u>	<u>TOTAL</u>
STATE	14,969	10,067	150,992	176,028
COUNTIES	5,952	4,420	86,186	96,558
CITIES	1,036	757	13,719	15,512
TOWNS	2,141	1,591	30,294	34,026
VILLAGES	554	413	9,680	10,647
MISC	3,280	2,245	64,566	70,091
SCHOOLS	4,149	2,885	97,345	104,379
TOTAL	32,081	22,378	452,782	507,241

ACTIVE MEMBERS SALARIES

	<u>TIER 1</u>	<u>TIER 2</u>	<u>TIER 3 & 4</u>	<u>TOTAL</u>
STATE	855,603,121.59	576,921,396.57	6,668,007,650.14	8,100,532,168.30
COUNTIES	305,113,401.12	222,143,026.84	3,267,885,029.33	3,795,141,457.29
CITIES	49,502,733.71	35,323,131.32	499,094,194.83	583,920,059.86
TOWNS	109,580,447.00	79,076,777.36	1,018,858,410.61	1,207,515,634.97
VILLAGES	28,092,156.72	20,267,535.45	322,222,026.78	370,581,718.95
MISC	198,555,411.13	133,165,082.97	2,633,456,395.69	2,965,176,889.79
SCHOOLS	141,133,139.49	102,004,049.45	2,309,078,317.31	2,552,215,506.25
TOTAL	1,687,580,410.76	1,168,900,999.96	16,718,602,024.69	19,575,083,435.41

Minras, Omegas and Retirement Assumptions

ERS – Tier 1

Plan or Group		Minra	Assumed Omega	Retirement Assumption
75-a	(1025)	55	70	T1E55
75-c	(1030)	55	70	T1E55
75-e	(1035)	55	70	T1E55
75-g	(1040)	55	70	T1E55
75 h & i	(1065,1066,1098)	55	70	T1E55
RGD75	(1082)	55	70	T1E55
80-a	(1095)	MIN(20 YRS, MAX(55, 10YRS))	70	YR25W70
89	(1080)	MIN(60, 25 YRS)	70	OR25C70
89-a	(1085)	MAX(50, MIN (65, 25 YRS))	65	YR25W70
89-b	(1090)	MIN (60, 20 YRS)	60	YR20W62
89-b(m)	(1091)	MIN (60, 20 YRS)	60	OR20E62
89-d	(1087)	MIN (62, 20 YRS)	62	YR20W62
89-d(m)	(1088)	MIN (62, 20 YRS)	62	OR20E62
89-e	(1086)	MIN (60, 25 YRS)	70	YR25W70
89-sa,-sp	(1084)	MIN (60, 25 YRS)	70	YR25W70
SICK LEAVE	(1145,1146)	55	70	T1E55
PEND ST RET	(1010,1011)	N/A	N/A	T1E55
PEND N-ST RET	(1015,1016)	N/A	N/A	T1E55
PEND ACC DIS	(1012)	N/A	N/A	T1E55
PEND ORD DIS	(1013)	N/A	N/A	T1E55
INACTIVE VEST	(1006,1008)	55	N/A	T1E55
SEC. 551	(1096)	MIN (60,25 YRS)	70	YR25W70
SEC. 551-e	(1097)	MIN (60,25 YRS)	62	YR25W70
SEC. 552	(1092)	MIN (62, 20 YRS)	62	YR20W62
SEC. 553	(1093)	MIN (62, 20 YRS)	62	OR20E62

Minras, Omegas and Retirement Assumptions

ERS – Tier 2

Plan or Group		Minra	Assumed Omega	Retirement Assumption
71-a	(3025)	MAX (55,5 YRS)	70	T2E55
75-c & e	(3030)	MAX (55,5 YRS)	70	T2E55
75-g	(3035)	MAX (55,5 YRS)	70	T2E55
75-h & i	(3055,3056,3099)	MAX (55,5 YRS)	70	T2E55
RGD75	(3061)	MAX (55,5 YRS)	70	T2E55
PEACE OFF	(3057)	MAX (55,5 YRS)	70	T2E55
PEACE OFF (DIS)	(3078)	MAX (55,5 YRS)	70	T2E55
80-a	(3073)	MIN (20 YRS, MAX (55, 10 YRS))	70	YR25W70
89	(3060)	MIN (60,25 YRS)	70	YR25C70
89-a	(3065)	MAX (55,MIN (65, 25 YRS))	65	YR20W70
89-b	(3070)	MIN (55,MAX (55, 20 YRS))	60	YR20W62
89-b(m)	(3071)	MIN (55,MAX (55, 20 YRS))	60	OR20E62
89-d	(3067)	MIN (62,20 YRS)	62	YR20W62
89-d(m)	(3068)	MIN (62,20 YRS)	62	OR20E62
89-e	(3066)	MIN (60,25 YRS)	70	YR25W70
89-sa,-sp	(3064)	MIN (60,25 YRS)	70	YR25W70
DEATH BENEFIT 1	(3087)	MAX (55,5 YRS)	70	T2E55
DEATH BENEFIT 2	(3085)	MAX (55,5 YRS)	70	T2E55
SICK LEAVE	(3095,3096)	MAX (55,5 YRS)	70	T2E55
PEND ST RET	(3010,3011)	N/A	N/A	T2E55
PEND NON-ST RET	(3015,3016)	N/A	N/A	T2E55
PEND ACC DIS	(3012)	N/A	N/A	T2E55
PEND ORD DIS	(3013)	N/A	N/A	T2E55
INACTIVE VEST	(3006,3008)	MAX (55,5 YRS)	N/A	T2E55
TEACHERS	(3098)	MAX (55,5 YRS)	70	T2E55
COMM COLLEGE	(3097)	MAX (55,5 YRS)	70	T2E55
SEC 551	(3076)	MIN (60,25 YRS)	70	YR25W70
SEC 551-E	(3077)	MIN (60,25 YRS)	62	YR25W70
SEC 552	(3074)	MIN (62,20 YRS)	62	YR20E62
SEC 553	(3075)	MIN (62,20 YRS)	62	OR20E62

Minras, Omegas and Retirement Assumptions

ERS – Tiers 3 and 4

Plan or Group		Minra	Assumed Omega	Retirement Assumption
REGULAR TIER 3 and 4	(5205,5204,5206,5404,5405,5406)	MAX(55,5YRS)	70	T34E55
RGD75	(5303,5402,5403)	MAX(55,5YRS)	70	T34E55
PEACE OFF	(5505,5314,5605,5604,5415,5416)	MAX(55,5YRS)	70	T34E55
STATE CORR OFF	(5304,5305)	MIN(60,25YRS)	70	YR25W70
89e	(5704,5705)	MIN(60,25YRS)	70	YR25W70
89-sa	(5707,5706)	MIN(60,25YRS)	70	YR25W70
DEATH BENEFIT 0	(5496,5495)	MIN(60,25YRS)	70	YR25W70
DEATH BENEFIT 1	(5497,5472)	MAX(55,5YRS)	70	T34E55
DEATH BENEFIT 2	(5498,5490)	MAX(55,5YRS)	70	T34E55
SICK LEAVE	(5096,5098,5097,5099)	MAX(55,5YRS)	70	T34E55
PEND STATE RET	(5040,5041,5060,5061)	N/A	N/A	T34E55
PEND NON-STATE RET	(5050,5051,5065,5066)	N/A	N/A	T34E55
PEND ACC DISABILITY	(5042,5062)	N/A	N/A	T34E55
PEND ORD DISABILITY	(5043,5063)	N/A	N/A	T34E55
INACTIVE VESTED	(5027,5029,5037,5039)	MAX(55,5YRS)	N/A	T34E55
TEACHERS	(5100,5101)	MAX(55,5YRS)	70	T34E55
COMMUNITY COLLEGES	(5102,5103)	MAX(55,5YRS)	70	T34E55
SEC. 551	(5308,5409,5413)	MIN(60,25YRS)	70	YR25W70
SEC. 551-e	(5309,5410,5414)	MIN(60,25YRS)	62	YR25W70
SEC. 552	(5306,5407,5411)	MIN(62,20YRS)	62	YR20W62
SEC. 553	(5307,5408,5412)	MIN(62,20YRS)	62	YR20W62
604-PR	(5418,5420)	MIN(62,20YRS)	62	YR20W62

5026 INACT NY NEW INACT ACT
 27 VST "
 28 INACT NY NEW ACT
 29 VST "

ERS**Service Retirement Benefit Formulas
Regular Plans****Tier 1 and Tier 2**

Yrs Include Article 19 service unless specifically excluded.

Yrs = Yrs + [(1/24) * Yrs < 2]

- 71-a** $1/120 * FAS * \text{Years of Service (Yrs)}$
- 75-c** $1/120 * FAS * \text{Yrs prior to 1960} + 1/60 * FAS * \text{Yrs} \geq 1960$
- 75-e** $1/60 * FAS * \text{Yrs}$
- 75-g** $1/60 * FAS * \text{Yrs if Yrs} < 25$
 $.5 * FAS + 1/60 * FAS * (\text{Yrs} - 25) \text{ if Yrs} \geq 25$
- 75-h & i** $1/60 * FAS * \text{Yrs if Yrs} < 20$
 $1/50 * FAS * \text{Yrs up to } .79 * FAS \text{ or } 75\text{-g benefit if greater, if Yrs} \geq 20$

Tier 3 and Tier 4

- $1/60 * FAS * \text{Yrs} * \text{Tier 4 reductions if Yrs} < 20$
- $1/50 * FAS * \text{Yrs} * \text{Tier 4 reductions if } 20 \geq \text{Yrs} < 30$
- $.6 * FAS + .015 * (\text{Yrs} - 30) * FAS \text{ if Yrs} \geq 30$

Tiers 2, 3 and 4 Reductions if Yrs < 30:

If retire \geq age 60: .5%/mo. reduction in benefit for each month retire prior to age 62.

If retire \geq age 55 and $<$ 60: 12% + .25%/mo. reduction for each month prior to 60.

ERS**Service Retirement Benefit Formulas
Special Groups****Unified Court Peace Officers**

75-h benefits or tier 3 and 4 regular benefits

80-a Legislators (Tier 1 or 2 only) $1/40 * FAS * Yrs$, Maximum $.75 * FAS$ (can retire at 20 yrs of service)**89 (State Correction Officers & Security Hospital Treatment Assistants (SHTA's))**

- Tier 1: $1/50 * FAS * Yrs$ if Yrs < 25 and age ≥ 60
 $.5 * FAS + 1/60 FAS * (Yrs - 25)$ if Yrs ≥ 25
- Tier 2: Same as Tier 1
- Tier 3: (1) $.5 * FAS$ if Yrs ≥ 25
 $1/50 * FAS * Yrs$ if Yrs < 25 and age = 70
 (2) $1/60 * FAS * Yrs * T3$ reductions if Yrs < 20
 $1/50 * FAS * \text{Minimum } (30, Yrs) * T3$ reduction, if Yrs ≥ 20
 Escalation if retire over age 62.

Tier 3 Reductions:If retire \geq age 60: $1/180$ reduction for each month retire prior to age 62.If retire \geq age 55 and < 60: $13.33\% + 1/360$ reduction for each month prior to age 60.**89-a (Sheriffs)**

- Tier 1: $.5 * FAS$ if Yrs ≥ 25 and age ≥ 50
 $1/50 * FAS * Yrs$ < 25 and age = 65
 Assume reversion to 75-i if age ≥ 55 and benefit is greater
- Tier 2: Same as Tier 1 except: (a) retirement cannot occur before age 55;
 and (b) age reductions also apply prior to age 62 if Yrs < 30.

89-e, . . . (Non-State Correction Officers & Sheriffs)

- Tier 1 & 2: 75-i regular plan benefits or $.5 * FAS$ if years ≥ 25 and benefit is greater
- Tier 3 & 4: Tier 4 regular plan benefits, or $.5 * FAS$ if years ≥ 25 and benefit is greater

89-b (Sheriffs) **

- Tier 1: $.5 * FAS$ if Yrs ≥ 20
 $1/40 * FAS * Yrs$ if Yrs < 20 and age = 60
 Assume reversion to 75-i if age ≥ 55 and benefit is greater (no reversion to 75-g).
- Tier 2: Same as Tier 1 except retirement cannot occur before age 55 and 89-b reductions apply if retirement before age 60 and Yrs < 30. 75-i benefits use the 75-i reductions below age 62 if yrs < 30.

89-b Reductions: .5% per month that retirement precedes age 60**89-b(m) (Sheriffs) ****

- Tier 1: $.5 * FAS + 1/60 * (Yrs - 20) * FAS$, Maximum of $2/3 * FAS$ if Yrs ≥ 20
 $1/40 * FAS * Yrs$ if Yrs < 20 and age = 60
 Assume reversion to 75-i or 75-g if age ≥ 55 and benefit is greater
- Tier 2: Same as Tier 1 except: (a) retirement cannot occur before age 55;
 (b) 89-b reductions apply if retirement before age 60 and Yrs. < 30. 75-i benefits use 75-i reductions below age 62 if Yrs < 30

89-d (Various Investigators) **

- Tier 1: Same as 89-b (Sheriffs) except omega = 62.
- Tier 2: Same as Tier 1 except the 75-i reversion uses the 75-i reductions below age 62 if Yrs < 30.

ERS
Service Retirement Benefit Formulas
Special Groups (Cont'd)

89-d(m) (Various Investigators) **

- Tier 1: Same as 89-b(m) except $\omega = 62$.
 Tier 2: Same as Tier 1 except 75-i benefits use 75-i reductions below age 62 if Yrs < 30.

89-sa, 89-sp (Nassau County Ambulance Medical Technicians and Peace Officers) **

- Tier 1: $.5 * \text{FAS} + 1/60 (\text{YRS} - 25) * \text{FAS}$, maximum $3/4 * \text{FAS}$, if YRS ≥ 25
 Assume reversion to 75-i if age ≥ 55 and benefit is greater
 Tier 2: Same as Tier 1 except the 75-i reversion includes service reductions if Yrs < 30.
 Tier 4: Same as Tier 1 except the reversion is to Article 15 except no $1/60 (\text{Yrs} - 25) * \text{FAS}$ under 89-sp

551 (14-b Sheriffs 25 Year) **

- Tier 1: $.5 * \text{FAS}$ if YRS 25
 Assume reversion to 75-i if age ≥ 55 and benefit is greater
 Tier 2: Same as Tier 1 except the 75-i reversion includes the service reductions if Yrs < 30.
 Tier 3 & 4: Same as Tier 1 except reversion is to Article 15

551e and 551ee (14-b Sheriffs 25 year with additional 60ths)

- Tier 1: $.5 * \text{FAS} + 1/60 (\text{IYRS} - 25) * \text{FAS}$ if YRS ≥ 25
 Assume reversion to 75-i if age ≥ 55 and benefit is greater
 Tier 2: Same as Tier 1 except the 75-i reversion includes service reductions if Yrs < 30.
 Tier 3 & 4: Same as Tier 1 except the reversion is to Article 15

NOTE: IYRS = integer years of service

552 (14-b Sheriffs 20 Year) **

- Tier 1: $.5 * \text{FAS}$ if YRS ≥ 20
 Assume reversion to 75-i if age ≥ 55 and benefit is greater (no reversion to 75-g)
 Tier 2: Same as Tier 1 except the 75-i reversion includes service reductions if Yrs < 30.
 Tier 3 & 4: Same as Tier 1 except the reversion is to Article 15

553 and 553b (14-b Sheriffs 20 Years with additional 60th) **

- Tier 1: $.5 * \text{FAS} + 1/60 (\text{YRS} - 20) * \text{FAS}$, Maximum of $.75 * \text{FAS}$
 Assume reversion to 75-i if age ≥ 55 and benefit is greater (no reversion to 75-g)
 Tier 2: Same as Tier 1 except the 75-i reversion includes service reductions if Yrs < 30.
 Tier 3 & 4: Same as Tier 1 except the reversion is to Article 15

604pr (Rockland County Investigators)

- Tier 4: $5 * \text{FAS} + 1/60 (\text{YRS} - 20) * \text{FAS}$, Maximum of $.75 * \text{FAS}$
 Assume reversion to article 15 if age ≥ 55 and benefit is greater

** No non-sheriff service unless reverted.

ERS **Vested Benefit Formulas**

<u>Plans Covered</u>	<u>Benefit</u>
89 Tier 1 and Tier 2; 89-d and 89-d(m) Tier 1; and 89-b and 89-b(m) Tier 1; Sec. 552 and 553 Tier 1	$1/60 * FAS * Yrs$ if Yrs ≥ 5
89-b and 89-b(m) Tier 2; 89-d and 89-d(m) Tier 2; Sec. 552 and 553 Tier 2	$1/60 * FAS * Yrs * .73$ if Yrs ≥ 5
89-a Tier 1, 89-e Tier 1 Sec. 551 & 551-e Tier 1 89-sa,-sp Tier 1 & 2	$1/60 * FAS * Yrs$ if Yrs ≥ 5 and < 20 $1/50 * FAS * Yrs$ if Yrs ≥ 20
89-a Tier 2, 89-e Tier 2 Sec. 551 & 551-e Tier 2	$1/60 * FAS * Yrs * .73$ if Yrs ≥ 5 and < 20 $1/50 * FAS * Yrs * .73$ if Yrs ≥ 20
Sec. 552 and 553 Tier 3 & 4 604pr and 89-sa Tier 4	$1/60 * FAS * Yrs * Tier 4$ reductions if Yrs. ≥ 5
Sec. 551 and 551-e Tier 3 & 4	$1/50 * FAS * Yrs * Tier 4$ reductions if Yrs > 20 , else same as above benefit
All Other Plans	Service Benefit Formula if Yrs ≥ 5

Age to Begin Receiving a vested benefit: 55.

For Tier 3 and 4 members with 5 to 9 years of service:

Greater of vested benefit or the refund of employee contributions

To be eligible for Article 19, must be active between 6/99 -10/00. We do not assume any extra service for vesteds.

Disability Benefit Formulas

Accidental

All Tier 1 & Tier 2 & Peace Officers all Tiers

.75 * FAS - .18 * FAS = .57 * FAS (.18 * FAS is the assumed average workers' compensation offset)

Tier 3 and 4 (except Peace Officers Tier 3 State Corrections & SHTAs - regular or special plan)

Maximum of: $1/60 * FAS * Yrs$ or $1/3 * FAS$

Tier 3&4 State Correction & SHTA - regular or special; .75 * FAS - .18 * FAS

14-b Sheriff Plans (551, 551-e, 552 & 553)

Pre 1/1/85 members only.

Maximum of regular Tier benefit, IPOD benefit of .5 FAS and $[2/3 FAS - .18 * FAS]$

NOTE: 14-b plans use P&F disability rates - special plans and SHTA disability in Tier 1 and 2 also use the P&F rates. Tier 3&4 State Correction Officer and SHTA (regular or special) use .5 of P&F rates.

Ordinary Disability Requires 10 years of service.

Maximum of:	{	$1/60 * FAS * Yrs$	{	$1/3 * FAS$
Minimum of:		$1/60 * FAS * Projected\ service\ to\ age\ 60$		$1/60 * FAS * Projected\ service\ to\ age\ 60$

Tier 3 State Correction Officers and SHTA's

will receive a 3% annually escalated benefit.

IPODAll 14-b plans .5 * FAS
(In performance of duty)

Death Benefit Formulas

Accidental Death:

Tiers 1, 2, and 3 .5 * FAS
 Tier 3 will receive a 3% annually escalated benefit.

Tier 4 .5* Salary (SAL)

Ordinary Death

Tier 1 Plans

.....**If not eligible to retire,**

71-a 1/12 * SAL for each of the first 12 years of service +
 1/24 * SAL for each of the first 24 years above 12, but
 ≤36, i.e., Max of 2 * SAL

75-c, e, g, i, 1/12 * SAL * Yrs up to 36
75-h non-Security,
80-a, 89-b, d, b(m)
89-d(m), 89-e, . . . & 14 -b plans
89 non-Security, 89-a

75-h Security, 3 * SAL
89 Security

.....**If eligible to retire, then the greater of the above and**

71-a Service Retirement Benefit * 4% annuity value

75-c, e, g, i, [75-c service retirement benefit] * 4% annuity value
75-h

80-a, 89-a, 89-e, [Service Retirement Benefit] * 4% annuity value
89-b, b(m) or 75-c benefit if age ≥ 55 and benefit is greater.

& Sec. 551
89-d, Sec. 552

89-d(m)
Sec. 553

ERS**Death Benefit Formulas (cont')****Death Benefit 0****Tiers 2, 3, and 4**

Tier 2 3 * SAL

Tier 3 & 4 3 * SAL OR Minimum of: 3 * SAL and $1/12 * Yrs * SAL$ if entry year ≤ 1986 **NOTE:**

Yrs = integer years of service

Entry Year = Val Year - Current Service

Death Benefit 1**Tiers 2, 3, and 4**

The better of the following benefits or Death Benefit 2:

 $1/12 * Yrs * SAL$, Maximum of 3 * SAL

Tier 2

If eligible to retire, without a reduction, compare with:

 $1/60 * Yrs * FAS$, apply the FAS restrictions and multiply by a 4% annuity.

Tier 3 & 4

If eligible to retire without a reduction, compare with:

 $1/60 * Yrs * FAS * 7\%$ annuityAlso, if entry Year ≤ 1986 compare with: $1/12 * Yrs * SAL$, Maximum of 3 * SAL

ERS
Death Benefit Formulas (con't)

Death Benefit 2

*Active Death
Benefit*

SAL * Yrs (limited to 3) * Death Reductions

Tier 3 & 4

if entry Year ≤ 1986 compare with:
 $1/12 * Yrs * SAL$, maximum of $3 * SAL$

Death Reductions:

1 if age < 61

1 - .04 * (age - 60) if age ≥ 61 & < 70

.6 if age ≥ 70

Post-Retirement

Death Benefit.. (Service, Ordinary Disability, and Accidental Disability)

**Tiers 2, 3, and 4 for those
who have Death Benefit 1 or 2**

If death occurs within the first year after retirement—benefit is .50 of the Tier 2 active death benefit at retirement.

If death occurs in the second year after retirement—benefit is .25 of the Tier 2 active death benefit at retirement.

If death occurs after the second year in retirement— benefit is .1 of the Tier 2 active death benefit at age 60 or retirement, if earlier and if EA < 60.

If EA ≥ 60, the death benefit after the second year of retirement is 0.

EA = Entry Age

Active Ordinary

Death Benefit & ... First \$50,000 is paid from group term life insurance; remainder is included in the valuation.

**Post-Retirement
Death Benefit**

If a member has 10 years of service, terminates and dies prior to applying for a vested benefit, one-half of the ordinary death benefit is payable in addition to a refund of member contributions with 5% interest.

Other Benefit Formulas

Contributions

Tiers 3 and 4 Members

All Tier 3 and 4 members contribute 3% of their annual salary. These contributions end after 10 years of membership or the attainment of 10 years of service, whichever occurs first, but not before October, 2000.

Refunds

Tiers 3 and 4 Contributions

For termination in a non-vested status (less than 10 years or less than MINRA), contributions with 5% interest are refunded.

For termination in vested status and death prior to 55, contributions with 5% interest are refunded.

For ordinary deaths, contributions with 5% interest are refunded.

Sick Leave

Assumes 3 days are credited for each year of service, maximum of 165 days.

Tier 1 and 2: Assume 75-i formula with reversion to 75-g.

Tier 3 and 4: Assume Tier 4 regular member service formula.

Pending Retirements

Tier 1 and Tier 2: Assume 75-i benefits

Tier 3 and Tier 4: Assume Regular Tier 4 benefits

Inactive Members

(Vested Only)

Tier 1 and Tier 2 --- Assume 75-i benefits (no 75-g reversion) starting at 55 or current age, if greater

Tier 3 and Tier 4 --- Assume Regular Tier 4 benefits starting at age 55 current age, if greater. Refund contributions if death prior to 55.

COLA

Eligibility: Pensioners age 62 and retired 5 years
 Pensioners age 55 and retired 10 years
 Disability Pensioners retired 5 years
 Accidental Death beneficiaries receiving a benefit for 5 years

Benefit: 50% of the rate of inflation times the first \$18,000 of the single-life allowance.
 Maximum 3%. Minimum 1%

POLICE AND FIRE
RETIREMENT SYSTEM

FISCAL YEAR
BEGINNING 4/1/04
ACTUARIAL VALUATION
FOR 2/1/06 BILLING

PFRS

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INTEREST AND DISCOUNT FACTORS, AND ASSUMPTIONS
PFRS FYB 4/1/04

***** INTEREST AND DISCOUNT FACTORS *****

MONTHS	INTEREST FACTORS	DISCOUNT FACTORS
1	1.006434	0.993607
2	1.012909	0.987255
6	1.039230	0.962250
8.5	1.056027	0.946945
10	1.066235	0.937879

***** ASSUMPTIONS *****

THE VARIOUS MULTIPLE DECREMENT AND SALARY SCALE TABLES ARE THOSE ADOPTED AS A RESULT OF THE 2000 5-YEAR EXPERIENCE STUDY OF THE SYSTEMS. MORTALITY IMPROVEMENTS WERE MADE 4/1/04, ALONG WITH MODIFICATION OF THE 20 YEAR RETIREMENT RATES.

INFLATION - BOTH THE INTEREST RATE AND THE SALARY SCALE ASSUMPTION REFLECT 3.0% INFLATION.

INTEREST RATE	8.0%
SALARY SCALE (1 year expected increase)	6.8%

ACTUARIAL PRESENT VALUE OF PLAN BENEFITS
PFRS FYB 4/1/04 FOR FYE 3/31/06

PLAN	SERVICE	VESTING	ACCIDENTAL DISABILITY	COLA
TIER 1				
Contributory	\$35,382	\$0	\$1,014	\$3,609
375-c	1,187,699	10,909	19,215	69,660
375-e	0	0	0	0
375-g	2,886,096	5,982	23,895	71,768
375-h,i&j	50,864,808	247,199	532,658	1,060,003
384	4,335,957	0	60,232	142,498
384(f)	19,118,531	31,319	237,311	459,678
384-d	200,168,032	20,830	3,069,567	4,738,079
384-e	759,527,545	96,498	10,782,287	12,742,725
381-b	30,030,189	0	162,629	658,988
383-a,b&c	<u>9,721,331</u>	<u>46,100</u>	<u>207,488</u>	<u>250,381</u>
TIER 1 TOTALS	\$1,077,875,570	\$458,837	\$15,096,296	\$20,197,389
TIER 2				
Contributory	\$809,103	\$99,679	\$299,947	\$112,656
375-c&e	12,919,842	1,967,721	2,632,804	1,065,400
375-g	4,767,599	633,454	789,272	347,434
375-h, i&j	25,683,666	3,643,695	4,074,710	984,988
384	11,875,874	571,772	915,149	457,898
384(f)	33,772,027	1,358,917	2,169,426	867,205
384-d	2,244,538,195	33,228,719	142,049,397	55,675,091
384-e	5,478,989,171	66,240,165	319,219,293	87,392,279
381-b	1,728,970,559	14,442,293	87,249,535	27,137,008
383-a,b&c	<u>124,098,036</u>	<u>6,900,648</u>	<u>7,574,549</u>	<u>3,775,951</u>
TIER 2 TOTALS	\$9,666,424,072	\$129,087,063	\$566,974,082	\$177,815,910
GRAND TOTAL	\$10,744,299,642	\$129,545,900	\$582,070,378	\$198,013,299

ACTUARIAL PRESENT VALUE OF PLAN BENEFITS
PFRS FYB 4/1/04 FOR FYE 3/31/06

PLAN	ORDINARY DISABILITY	IPOD DISABILITY	ACCIDENTAL DEATH	ORDINARY DEATH*	TOTAL PLANS PVB
TIER 1					
Contributory	\$0	\$0	\$8	\$135	\$40,148
375-c	2,131	4,873	164	38,913	1,333,564
375-e	0	0	0	0	0
375-g	1,014	2,327	201	106,221	3,097,504
375-h,i&j	39,752	85,871	4,523	1,674,409	54,509,223
384	0	0	532	98,449	4,637,668
384(f)	8,048	25,423	2,094	297,347	20,179,751
384-d	6,643	43,714	27,638	3,097,440	211,171,943
384-e	27,390	107,113	98,589	13,372,325	796,754,472
381-b	0	0	1,756	143,779	30,997,341
383-a,b&c	<u>15,428</u>	<u>35,998</u>	<u>2,000</u>	<u>97,607</u>	<u>10,376,333</u>
TIER 1 TOTALS	\$100,406	\$305,319	\$137,505	\$18,926,625	\$1,133,097,947
TIER 2					
Contributory	\$70,556	\$217,234	\$7,133	46,666	\$1,662,974
375-c&e	679,197	2,011,805	63,706	807,728	22,148,203
375-g	200,497	588,184	18,704	292,748	7,637,892
375-h, i&j	1,073,465	3,151,471	94,001	1,908,485	40,614,481
384	166,180	544,030	20,022	346,027	14,896,952
384(f)	360,829	1,160,934	44,459	898,524	40,632,321
384-d	12,821,496	43,719,837	3,648,244	48,290,563	2,583,971,542
384-e	24,371,971	83,429,290	7,285,721	150,004,551	6,216,932,441
381-b	9,184,545	21,935,578	2,455,160	30,807,015	1,922,181,693
383-a,b&c	<u>2,681,799</u>	<u>6,370,265</u>	<u>233,606</u>	<u>3,747,010</u>	<u>155,381,864</u>
TIER 2 TOTALS	\$51,610,535	\$163,128,628	\$13,870,756	\$237,149,317	\$11,006,060,363
GRAND TOTAL	\$51,710,941	\$163,433,947	\$14,008,261	\$256,075,942	\$12,139,158,310

* includes non-active member death benefits and post-retirement death benefits.

PLAN MEMBERS AND THEIR COMPENSATION
PFRS FYB 4/1/04 FOR FYE 3/31/06

PLAN	MEMBERS	4/1/03-3/31/04 SALARY	PROJECTED COMPENSATION (4/1/04-3/31/05)	PRESENT VALUE PROJECTED COMPENSATION
TIER 1				
Contributory	3	\$13,618	\$8,748	\$30,545
375-c	7	225,486	177,628	590,459
375-e	0	0	0	0
375-g	7	450,406	313,476	756,796
375-h,i&j	98	8,158,583	5,624,952	16,527,865
384	13	713,307	523,671	1,853,152
384(f)	36	2,971,645	2,237,765	7,265,657
384-d	382	31,865,141	25,906,364	94,995,690
384-e	1,012	112,824,669	90,357,367	330,428,003
381-b	43	4,216,617	2,155,991	5,202,665
383-a,b&c	<u>22</u>	<u>1,643,821</u>	<u>1,415,006</u>	<u>6,589,632</u>
TIER 1 TOTALS	1,623	\$163,083,293	\$128,720,968	\$464,240,464
TIER 2				
Contributory	80	898,870	858,574	13,928,281
375-c&e	452	7,378,673	7,157,096	122,585,587
375-g	126	2,270,997	2,202,238	36,403,586
375-h, i&j	318	12,029,061	11,615,264	184,062,774
384	91	3,714,989	3,485,693	39,225,613
384(f)	126	9,131,169	8,661,526	88,614,962
384-d	9,556	607,666,853	579,697,023	6,571,259,469
384-e	14,716	1,269,471,336	1,213,433,840	13,785,055,171
381-b	4,568	378,832,557	363,037,212	4,242,983,259
383-a,b&c	<u>703</u>	<u>37,319,420</u>	<u>35,527,651</u>	<u>444,997,854</u>
TIER 2 TOTALS	30,736	\$2,328,713,925	\$2,225,676,117	\$25,529,116,556
GRAND TOTAL	32,359	\$2,491,797,218	\$2,354,397,085	\$25,993,357,020

PRESENT VALUE OF INACTIVE
AND PENDING RETIREMENT BENEFITS
PFRS FYB 4/1/04 FOR FYE 3/31/06

	MEMBERS	LIABILITY	SALARY BASE
INACTIVES			
TIER 1	107	\$6,639,485	\$2,428,529
TIER 2	<u>2,314</u>	<u>32,844,027</u>	<u>44,416,908</u>
TOTAL	2,421	\$39,483,512	\$46,845,437
 PENDING RETIREMENTS			
TIER 1			
SEC 384-d	111	\$58,931,848	\$7,782,601
SEC 384-e	183	164,360,781	19,557,082
SEC 381-b	44	29,271,025	3,726,611
ACC DISABILITY	4	2,242,762	288,005
ORD DISABILITY	0	0	0
IPOD DISABILITY	<u>1</u>	<u>303,300</u>	<u>56,914</u>
SUB TOTAL	343	\$255,109,716	\$31,411,213
 TIER 2			
SEC 384-d	127	\$50,533,444	\$8,857,508
SEC 384-e	152	104,613,397	15,515,824
SEC 381-b	79	45,390,679	6,797,402
ACC DISABILITY	38	26,267,392	3,151,157
ORD DISABILITY	7	1,665,506	380,602
IPOD DISABILITY	<u>30</u>	<u>11,227,274</u>	<u>1,851,523</u>
SUB TOTAL	433	\$239,697,692	\$36,554,016
 TOTAL	 776	 \$494,807,408	 \$67,965,229

LATE START RATES, PRESENT VALUE OF LATE START CONTRIBUTIONS
AND ONE-YEAR-FAS AND SICK LEAVE LIABILITIES
PFRS FYB 4/1/04 FOR FYE 3/31/06

***** LATE START RATES AND P. V. OF LATE START CHARGES *****

PV LATE START CHARGE = LATE START RATE * (PV PROJ. COMP. - COMP) * 2 MO INT

PLAN	LATE ST RATE	PV PROJECTED COMPENSATION	COMPENSATION	PV LATE START CHARGES
TIER 1 384E AND 384EX				
1990 ELECTIONS	0.054	159,607	43,645	\$6,343
1991 ELECTIONS	0.083	222,453,392	60,831,112	\$13,587,819
1992 ELECTIONS	0.094	44,321,784	12,120,037	\$3,066,039
1993 ELECTIONS	0.120	5,872,981	1,605,999	\$518,648
1994 ELECTIONS	0.090	21,812,479	5,964,743	\$1,444,708
1995 ELECTIONS	0.128	12,664,224	3,463,102	\$1,192,947
1996 ELECTIONS	0.142	1,154,339	315,660	\$120,630
1997 ELECTIONS	0.122	166,896	45,639	\$14,984
1998 ELECTIONS	0.137	3,590,483	981,837	\$361,998
TIER 1 383-b	0.001	2,645,461	620,190	\$2,051
SUBTOTAL TIER 1				\$20,316,167
TIER 2 384E AND 384EX				
1990-1993 ELECTIONS	0.012	9,898,045,096	871,278,549	\$109,719,517
1994 ELECTIONS	0.022	2,192,683,775	193,011,683	\$44,560,689
1995 ELECTIONS	0.026	504,763,194	44,431,940	\$12,123,115
1996 ELECTIONS	0.017	66,287,204	5,834,952	\$1,040,955
1997 ELECTIONS	0.015	27,438,193	2,415,256	\$380,189
1998 ELECTIONS	0.017	163,459,132	14,388,542	\$2,566,914
SUBTOTAL TIER 2				\$170,391,379
GRAND TOTAL				\$190,707,546

***** ONE YEAR FAS LIABILITY *****

	TIER 1 LIABILITY	TIER 2 LIABILITY
55 YEAR PLANS	\$3,112,733	\$308,627
384	179,947	206,127
384(f)	1,553,275	137,369
384-d	16,376,796	18,137,486
384-e	<u>73,014,006</u>	<u>95,222,197</u>
SUBTOTAL	\$94,236,757	\$114,011,806
GRAND TOTAL	\$208,248,563	

P.V. ONE YEAR FAS TIER 1 CONTRIBUTIONS = (P.V.COMP - COMP) * .045 * 2 MO. INT

	P.V. COMP	COMP	P.V. CONTRIBUTIONS
TIER 1	419,887,161	116,440,397	13,831,378

***** SICK LEAVE LIABILITY *****

	LIABILITY	PV SALARIES
TIER 1	493,433	15,070,419
TIER 2	<u>13,836,266</u>	<u>5,093,956,614</u>
TOTAL	\$14,329,699	\$5,109,027,033

ACTUARIAL ASSETS
FYB 4/1/04 for FYE 3/31/06

I. FIVE YEAR MOVING AVERAGE VALUE OF NON-FIXED INVESTMENTS

AVERAGE MARKET VALUE OF INVESTMENTS IS USUALLY:

$$MV_t - .8*UG_t - .6*UG_{t-1} - .4*UG_{t-2} - .2*UG_{t-3}$$

WHERE:

MV = MARKET VALUE OF NON-FIXED ASSETS

$$AG_t = \text{ACTUAL GAIN} = MV_t - MV_{t-1} - (\text{PURCHASES}_t - \text{SALES}_t)$$

EG = EXPECTED GAIN, ASSUMING A 7% INCREASE IN MARKET VALUE,
OMITTING ANY DIVIDEND PAYMENTS

$$EG_t = .07 * MV_{t-1} - (\text{SALES}_t - \text{PURCHASES}_t) * (1.07^{1/2} - 1)$$

$$UG_t = \text{UNEXPECTED GAIN} = AG_t - EG_t$$

THIS ACTUARIAL MARKET VALUE OF INVESTMENTS IS FURTHER CONSTRAINED TO BE WITHIN + OR - 20% OF THE MARKET VALUE OF INVESTMENTS.

FOR 4/1/04, WE ARE RESTARTING THE SMOOTHING METHOD FOR NON-FIXED ASSETS.

II. ACTUARIAL VALUE OF FIXED ASSETS: AMORTIZED COST

FIXED ASSETS: BONDS AND MORTGAGE LOANS

COMPARISON OF ACCOUNTING'S NET ASSETS AVAILABLE
FOR BENEFITS WITH ACTUARIAL ASSETS

	ERS	PFRS	GLIP	TOTAL
ACCOUNTING'S NET ASSETS AVAILABLE FOR BENEFITS	102,518,080,456	18,267,045,214	43,588,889	120,828,714,559
PLUS LIABILITIES PAYABLE FROM ACCOUNTING'S BALANCE SHEETS	238,418,029	44,642,083	20,138,230	303,198,342
SUBTOTAL - ACCOUNTING'S BALANCE SHEET ASSETS	102,756,498,485	18,311,687,297	63,727,119	121,131,912,901
DIFFERENCE BETWEEN MARKET VALUE AND AMORTIZED VALUE OF BONDS AND MORTGAGE LOANS	(3,073,320,598)	(554,887,219)		
NON-MEMBER CONTRIBUTIONS IN THE PA FUND	(38,282,064)	(41,916)		
ADMINISTRATIVE OVERBILL ACCT	(13,550,208)	(1,415,516)		
5-YEAR SMOOTHING ADJUSTMEN	0	0		
TOTAL - ACTUARIAL ASSETS	99,631,345,615	17,755,342,646	63,727,119	117,450,415,380

AMORTIZATION PAYMENT AMOUNTS AND PRESENT VALUES

THE ANNUAL LOCAL PAYMENT FOR THE AMORTIZATION OF THE 1988 & 1989 BILLS IS \$1,114,732, WITH LAST PAYMENT DUE 2/1/2006, AND PRESENT VALUE AS OF 4/1/04 OF \$2,013,524.

PAYMENTS FOR LOCAL MISCELLANEOUS AMORTIZATIONS, DUE TO SUCH ITEMS AS CHAPTERED LAWS AND PRIOR YEAR ADJUSTMENTS, HAVE A PRESENT VALUE AS OF 4/1/04 OF \$41,843,984.

THE ABOVE PRESENT VALUES, MINUS ANY CREDITS DUE TO ADVANCE PAYMENTS, HAVE BEEN INCLUDED IN THE "PRESENT ASSETS" OF THE SYSTEM, DESPITE THE FACT THAT THEY HAVE NOT YET BEEN RECEIVED.

PENSIONERS AND BENEFICIARIES
PFRS FYB 4/1/04 FOR FYE 3/31/06

	ANNUAL ALLOWANCE			ORDINARY DEATH BENEFIT
	<u>NUMBER</u>	<u>ANNUITY</u>	<u>PENSION</u>	
<u>SERVICE BENEFITS</u>				
PENSIONERS	20,644	2,169,282	612,765,581	
BENEFICIARIES	<u>965</u>	<u>192,715</u>	<u>11,816,390</u>	
SUB TOTAL	21,609	2,361,997	624,581,971	
<u>DISABILITY BENEFITS</u>				
PENSIONERS	4,798	160,150	137,055,642	
BENEFICIARIES	<u>188</u>	<u>17,846</u>	<u>1,774,095</u>	
SUB TOTAL	4,986	177,996	138,829,737	
ACCIDENTAL DEATH BENEFICIARIES	164		2,799,239	
DESIGNATED ANNUITANTS	70			681,305
GRAND TOTAL	26,829	2,539,993	766,210,947	681,305

RESERVES

	<u>COLA</u>	<u>ANNUITY</u>	<u>PENSION</u>	<u>RESERVE FUND</u>
<u>SERVICE BENEFITS</u>				
PENSIONERS	\$907,466,440	\$14,704,784	\$6,108,369,108	
BENEFICIARIES	<u>23,835,337</u>	<u>1,257,691</u>	<u>103,456,404</u>	
SUB TOTAL	931,301,777	15,962,475	6,211,825,512	
<u>DISABILITY BENEFITS</u>				
PENSIONERS	276,278,605	1,172,986	1,415,583,609	
BENEFICIARIES	<u>5,502,733</u>	<u>118,184</u>	<u>16,709,777</u>	
SUB TOTAL	281,781,338	1,291,170	1,432,293,386	
ACCIDENTAL DEATH BENEFICIARIES	0	0	29,594,436	
DESIGNATED ANNUITANTS	0	0	0	6,376,208
SUB TOTAL	1,213,083,115	17,253,645	7,673,713,334	6,376,208
POST RETIREMENT DEATH (excess of \$50,000)			81	
GRAND TOTAL	\$1,213,083,115	\$17,253,645	\$7,673,713,415	\$6,376,208

***** ACTUARIAL BALANCE SHEET *****

ACTUARIAL PRESENT VALUE OF BENEFITS
PFRS FYB 4/1/04 FOR FYE 3/31/06

PENSIONERS AND BENEFICIARIES

ANNUITY RESERVE FUND	\$17,253,645	
PENSION RESERVE FUND	7,673,713,415	
SPECIAL RESERVE FOR D. A.	6,376,208	
COLA	1,213,083,115	
SPECIAL ACC DTH BENEFITS-SEC 361-a	57,543,995	
TOTAL P.V. OF PENSIONER BENEFITS		\$8,967,970,378

ACTIVE MEMBERS

ANNUITY SAVINGS FUND	\$16,879,659	
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BENEFITS:

MEMBER SERVICE BENEFITS	\$10,744,299,642	
VESTING BENEFITS	129,545,900	
ACCIDENTAL DISABILITY BENEFITS	582,070,378	
ORDINARY DISABILITY BENEFITS	51,710,941	
IPOD DISABILITY BENEFITS	163,433,947	
ACCIDENTAL DEATH BENEFITS	14,008,261	
DEATH BENEFITS OVER \$50,000	256,075,942	
SICK LEAVE	14,329,699	
ONE YEAR FAS BENEFITS	208,248,563	
PENDING RETIREMENTS	494,807,408	
INACTIVES	39,483,512	
COLA - ACTIVE BILLABLES	198,013,299	
RESTORATIONS	908,928	
PENDING TRANSFER-IN RESERVES	26,201,882	

TOTAL PV BENEFITS FOR ACTIVE MEMBERS		\$12,940,017,961
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MISCELLANEOUS (ALL OTHER FUNDS)

LIABILITIES PAYABLE	44,642,083	
LOAN INSURANCE RESERVE	98,745	

TOTAL MISCELLANEOUS LIABILITY		\$44,740,828
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TOTAL ACTUARIAL PRESENT VALUE OF BENEFITS		\$21,952,729,167
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***** ACTUARIAL BALANCE SHEET *****

ACTUARIAL PRESENT VALUE OF ASSETS
PFRS FYB 4/1/04 FOR FYE 3/31/06

PRESENT ASSETS OF SYSTEM *

ANNUITY SAVINGS FUND		16,879,659
ANNUITY RESERVE FUND		17,253,645
PENSION RESERVE FUND		7,673,713,415
SPECIAL RESERVE FOR DESIGNATED ANNUITANTS		6,376,208
PENSION ACCUMULATION FUND		9,996,378,891
ALL OTHER FUNDS		
LIABILITIES PAYABLE	44,642,083	
LOAN INSURANCE RESERVE	98,745	
TOTAL OTHER FUNDS		\$44,740,828
TOTAL PRESENT VALUATION ASSETS		\$17,755,342,646

ACTUARIAL PRESENT VALUE OF PROSPECTIVE CONTRIBUTIONS
PAYABLE BY EMPLOYERS TO PENSION ACCUMULATION FUND

NORMAL CONTRIBUTIONS	3,549,012,967	
LATE START CONTRIBUTIONS	190,707,546	
1 YEAR FAS CONTRIBUTIONS	13,831,378	
RECEIVABLE - FYE 2005 EMPLOYER BILLING	443,834,630	
TOTAL PROSPECTIVE CONTRIBUTIONS		4,197,386,521
TOTAL ACTUARIAL PRESENT VALUE OF ASSETS		\$21,952,729,167

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CALCULATION OF INDICES
PFRS FYB 4/1/04 for FYE 3/31/06

$$\text{PLAN NEW ENTRANT RATE} = \frac{\text{PLAN PV BENEFITS} * 2 \text{ MO. DISCOUNT}}{\text{PLAN PV COMPENSATION}}$$

$$\text{PLAN INDEX} = \frac{\text{PLAN NEW ENTRANT RATE}}{\text{TIER 1 CONTRIBUTORY NEW ENTRANT RATE}}$$

PLAN	BENEFITS	PRESENT VALUE OF COMPENSATION	NEW ENTRANT RATE	INDEX
TIER 1				
Contributory	133,793,369	1,415,215,111	0.093334	1.000000
375-c & e	210,246,718	1,415,215,111	0.146668	1.571429
375-g	229,426,524	1,415,215,111	0.160048	1.714782
375-h, i&j	237,741,087	1,415,215,111	0.165848	1.776927
384	235,638,234	1,424,782,212	0.163278	1.749384
384(f)	239,464,177	1,419,698,648	0.166523	1.784154
384-d	255,545,366	1,332,657,080	0.189312	2.028325
384-e	276,329,671	1,386,045,285	0.196825	2.108813
384ex				2.150989
381-b	279,185,571	1,307,676,398	0.210776	2.258294
383-a,b&c	240,839,512	1,424,782,212	0.166882	1.787998
Sick Leave	2,169,978	1,307,676,398	0.001638	0.017553
TIER 2				
Contributory	123,072,992	1,520,649,871	0.079903	0.856094
375-c & e	180,987,482	1,520,649,871	0.117503	1.258946
375-g	197,992,797	1,520,649,871	0.128543	1.377235
375-h, i&j	202,857,458	1,520,649,871	0.131702	1.411073
375-ip & jp				1.460835
384	221,143,633	1,424,782,212	0.153234	1.641776
384(f)	233,522,622	1,419,698,648	0.162391	1.739885
384-d	244,754,705	1,332,657,080	0.181318	1.942677
384-d/ip			0.185963	1.992438
384-e	270,764,983	1,386,045,285	0.192861	2.066346
384-e/ip				2.077060
384ex				2.107672
381-b	277,019,461	1,307,676,398	0.209141	2.240773
383-a,b&c	229,368,561	1,424,782,212	0.158933	1.702838
Sick Leave	1698905.256	1,307,676,398	0.001283	0.013742
One Year FAS				
55 Yr. Plans	22,052,388	1,520,649,871	0.014317	0.153396
55 Yr. Plans w/ ip				0.158806
384	23,748,691	1,424,782,212	0.016456	0.176311
384,f	25,104,289	1,419,698,648	0.017457	0.187042
384-d	26,376,731	1,332,657,080	0.019540	0.209358
384d/ip			0.020051	0.214829
384-e	29,267,030	1,386,045,285	0.020846	0.223352
384e/ip				0.224510
384-ex				0.227819

INDEXED PRESENT VALUE PROJECTED FYE 3/31/05 COMPENSATION
PFRS FYB 4/1/04 for FYE 3/31/06

PLAN	P.V. PROJECTED 2005 COMPENSATION	INDEX	INDEXED PV PROJ COMPENSATION
TIER 1			
Contributory	\$30,545	1.000000	\$30,545
375-c	590,459	1.571429	927,864
375-g	756,796	1.714782	1,297,740
375-h, i&j	16,527,865	1.776927	29,368,810
384	1,853,152	1.749384	3,241,874
384(f)	7,265,657	1.784154	12,963,051
384-d	94,995,690	2.028325	192,682,133
384-e	330,289,029	2.108813	696,517,798
384-ex	138,974	2.150989	298,932
381-b	5,202,665	2.258294	11,749,147
383-a,b&c	6,589,632	1.787998	11,782,249
Sick Leave	<u>15,070,419</u>	0.017553	<u>264,531</u>
TIER 1 TOTAL	\$464,240,464 *		\$961,124,674
TIER 2			
Contributory	\$13,928,281	0.856094	\$11,923,918
375-c&e	122,585,587	1.258946	154,328,634
375-g	36,403,586	1.377235	50,136,293
375-h, i&j	184,062,774	1.411073	259,726,011
375-ip & jp	0	1.460835	0
384	39,225,613	1.641776	64,399,670
384(f)	88,614,962	1.739885	154,179,843
384-d	6,571,259,469	1.942677	12,765,834,631
384-d/ip	0	1.992438	0
384-e	13,780,295,638	2.066346	28,474,858,770
384-e/ip	0	2.077060	0
384-ex	4,759,533	2.107672	10,031,534
381-b	4,242,983,259	2.240773	9,507,562,326
383-a,b&c	444,997,854	1.702838	757,759,256
Sick Leave	5,093,956,614	0.013742	70,001,152
1 YR Fas - 55 yr plan	12,031,883	0.153396	1,845,643
1 YR FAS 55 yr. w/ IP	0	0.158806	0
1 YR Fas - 384	2,750,954	0.176311	485,023
1 YR Fas - 384 1/60	1,195,275	0.187042	223,567
1 YR Fas - 384D	410,479,010	0.209358	85,937,065
1 YR Fas - 384D w/ IP	0	0.214829	0
1 YR Fas - 384E	1,926,204,405	0.223352	430,221,606
1 YR Fas - 384E/IP	0	0.224510	0
1 YR Fas - 384EX	<u>0</u>	0.227819	<u>0</u>
TIER 2 TOTAL	\$25,529,116,556 *		\$52,799,454,942

* DOES NOT INCLUDE SICK LEAVE OR 1 YR FAS.

INDEXED PROJECTED FYE 3/31/05 COMPENSATION *
PFRS FYB 4/1/04 for FYE 3/31/06

PLAN	PROJECTED 2005 COMPENSATION	INDEX	INDEXED PROJECTED COMPENSATION
TIER 1			
Contributory	8,748	1.000000	\$8,748
375-c	177,628	1.571429	279,130
375-g	313,476	1.714782	537,543
375-h, i&j	5,624,952	1.776927	9,995,129
384	523,671	1.749384	916,102
384(f)	2,237,765	1.784154	3,992,517
384-d	25,906,364	2.028325	52,546,526
384-e	90,319,364	2.108813	190,466,649
384-ex	38,003	2.150989	81,744
381-b	2,155,991	2.258294	4,868,862
383-a,b&c	1,415,006	1.787998	2,530,028
Sick Leave	<u>6,135,649</u>	0.017553	<u>107,699</u>
TIER 1 TOTAL	\$128,720,968 **		\$266,330,677
TIER 2			
Contributory	858,574	0.856094	735,020
375-c&e	7,157,096	1.258946	9,010,397
375-g	2,202,238	1.377235	3,032,999
375-h, i&j	11,615,264	1.411073	16,389,985
375-ip & jp	0	1.460835	0
384	3,485,693	1.641776	5,722,727
384(f)	8,661,526	1.739885	15,070,059
384-d	579,697,023	1.942677	1,126,164,074
384-d/ip	0	1.992438	0
384-e	1,213,014,881	2.066346	2,506,508,447
384-e/ip	0	2.077060	0
384-ex	418,959	2.107672	883,028
381-b	363,037,212	2.240773	813,483,983
383-a,b&c	35,527,651	1.702838	60,497,834
Sick Leave	443,830,050	0.013742	6,099,113
1 YR Fas - 55 yr plan	820,961	0.153396	125,932
1 YR FAS 55 yr. w/ IP	0	0.158806	0
1 YR Fas - 384	380,836	0.176311	67,146
1 YR Fas - 384 1/60	215,725	0.187042	40,350
1 YR Fas - 384D	38,113,065	0.209358	7,979,275
1 YR Fas - 384D w/ IP	0	0.214829	0
1 YR Fas - 384E	170,464,660	0.223352	38,073,623
1 YR Fas - 384E/IP	0	0.224510	0
1 YR Fas - 384EX	<u>0</u>	0.227819	<u>0</u>
TIER 2 TOTAL	\$2,225,676,117 **		\$4,609,883,992

* PROJECTED COMPENSATION EQUALS THE COMPENSATION FOR 3/31/05
ATTRIBUTABLE TO THE MEMBERS ON ROLL AS OF 3/31/04.

** DOES NOT INCLUDE SICK LEAVE OR 1 YR FAS.

BASIC PLAN'S NORMAL RATE
PFRS FYB 4/1/04 for FYE 3/31/06

	INDEXED P.V. PROJECTED COMP.
TIER 1	\$961,124,674
TIER 2	<u>52,799,454.942</u>
TOTAL	\$53,760,579,616

	INDEXED PROJECTED COMP.
TIER 1	\$266,330,677
TIER 2	<u>4,609,883.992</u>
TOTAL	\$4,876,214,669

P. V. FUTURE NORMAL CONTRIBUTIONS 3,549,012,967

BASIC PLAN'S NORMAL RATE

P.V.FUTURE NORMAL CONTRIBUTIONS (2 MO. DISCOUNT)

BASIC RATE = $\frac{\text{INDEXED PRESENT VALUE PROJECTED COMPENSATION} - \text{INDEXED PROJECTED COMPENSATION}}{\text{INDEXED PRESENT VALUE PROJECTED COMPENSATION}}$

$$= \frac{3,549,012,967 * 0.987255}{\$48,884,364,947}$$

$$= 0.071675$$

NORMAL RATES
PFRS FYB 4/1/04 for FYE 3/31/06

PLAN	BASIC RATE (1)	INDEX (2)	REGULAR NORMAL RATE (1) * (2) = (3)	LATE START RATE (4)	BILLING * NORMAL RATE (3) + (4)
TIER 1					
Contributory	0.071675	1.000000	0.071675		0.071675
375-c	0.071675	1.571429	0.112632		0.112632
375-e	0.071675	1.571429	0.112632		0.112632
375-g	0.071675	1.714782	0.122907		0.122907
375-h,i&j	0.071675	1.776927	0.127361		0.127361
384	0.071675	1.749384	0.125387		0.125387
384(f)	0.071675	1.784154	0.127879		0.127879
384-d	0.071675	2.028325	0.145380		0.145380
384e	0.071675	2.108813	0.151149		0.151149
1990 ELECTIONS			0.151149	0.054	0.205149
1991 ELECTIONS			0.151149	0.083	0.234149
1992 ELECTIONS			0.151149	0.094	0.245149
1993 ELECTIONS			0.151149	0.120	0.271149
1994 ELECTIONS			0.151149	0.090	0.241149
1995 ELECTIONS			0.151149	0.128	0.279149
1996 ELECTIONS			0.151149	0.142	0.293149
1997 ELECTIONS			0.151149	0.122	0.273149
1998 ELECTIONS			0.151149	0.137	0.288149
1999 ELECTIONS			0.151149		0.151149
384ex	0.071675	2.150989	0.154172		0.154172
1990 ELECTIONS			0.154172	0.054	0.208172
1991 ELECTIONS			0.154172	0.083	0.237172
1992 ELECTIONS			0.154172	0.094	0.248172
1993 ELECTIONS			0.154172	0.120	0.274172
1994 ELECTIONS			0.154172	0.090	0.244172
1995 ELECTIONS			0.154172	0.128	0.282172
1996 ELECTIONS			0.154172	0.142	0.296172
1997 ELECTIONS			0.154172	0.122	0.276172
1998 ELECTIONS			0.154172	0.137	0.291172
1999 ELECTIONS			0.154172		0.154172
381-b	0.071675	2.258294	0.161863		0.161863
383-a	0.071675	1.787998	0.128155		0.128155
383-b			0.128155	0.001	0.129155
383-c			0.128155		0.128155
Sick Leave	0.071675	0.017553	0.001258		0.001258
TIER 2					
Contributory	0.071675	0.856094	0.061361		0.061361
375-c & e	0.071675	1.258946	0.090235		0.090235
375-g	0.071675	1.377235	0.098713		0.098713
375-h, i&j	0.071675	1.411073	0.101139		0.101139
375-ip & jp	0.071675	1.460835	0.104705		0.104705
384	0.071675	1.641776	0.117674		0.117674
384(f)	0.071675	1.739885	0.124706		0.124706
384-d	0.071675	1.942677	0.139241		0.139241
384-d/ip	0.071675	1.992438	0.142808		0.142808
384e	0.071675	2.066346	0.148105		0.148105
1990-1993 ELECTIONS			0.148105	0.012	0.160105
1994 ELECTIONS			0.148105	0.022	0.170105
1995 ELECTIONS			0.148105	0.026	0.174105
1996 ELECTIONS			0.148105	0.017	0.165105
1997 ELECTIONS			0.148105	0.015	0.163105
1998 ELECTIONS			0.148105	0.017	0.165105
1999 ELECTIONS			0.148105		0.148105
384-e/ip	0.071675	2.077060	0.148873		0.148873

* BILLING NORMAL RATES CAN NOT BE LESS THAN ZERO, NOR CAN THEY BE LESS THAN THE LATE START RATE.

CALCULATION OF NORMAL RATES (CONTINUED)
PFRS FYB 4/1/04 for FYE 3/31/06

PLAN	BASIC RATE (1)	INDEX (2)	REGULAR NORMAL RATE (1) * (2) = (3)	LATE START RATE (4)	BILLING * NORMAL RATE (3) + (4)
TIER 2 (CONTINUED)					
384ex	0.071675	2.107672	0.151067		
1990-1993 ELECTIONS			0.151067	0.012	0.163067
1994 ELECTIONS			0.151067	0.022	0.173067
1995 ELECTIONS			0.151067	0.026	0.177067
1996 ELECTIONS			0.151067	0.017	0.168067
1997 ELECTIONS			0.151067	0.015	0.166067
1998 ELECTIONS			0.151067	0.017	0.168067
1999 ELECTIONS			0.151067		0.151067
381-b	0.071675	2.240773	0.160607		0.160607
383-a,b&c	0.071675	1.702838	0.122051		0.122051
Sick Leave	0.071675	0.013742	0.000985		0.000985
One-year-fas					
Age 55 plans	0.071675	0.153396	0.010995		0.010995
Age 55 plans w/ IP	0.071675	0.158806	0.011382		0.011382
25 year plans	0.071675	0.176311	0.012637		0.012637
25 year w/ 1/60 plans	0.071675	0.187042	0.013406		0.013406
20 year plans	0.071675	0.209358	0.015006		0.015006
20 year plans w/ IP	0.071675	0.214829	0.015398		0.015398
20 year w/ 1/60 plans	0.071675	0.223352	0.016009		0.016009
20 year w/ 1/60 plans w/ IP	0.071675	0.224510	0.016092		0.016092
20 yr w/ 1/60 384-ex	0.071675	0.227819	0.016329		0.016329

RATES FOR PLANS NOT INDEPENDENTLY VALUED

PLAN	NON-CONTRIB RATE (1)	RATIO (2)	REGULAR NORMAL RATE (1) * (2) = (3)	BILLING * NORMAL RATE
TIER 1				
384 1/2	0.125387	0.603145	0.075627	0.075627
384 3/4	0.125387	0.736658	0.092367	0.092367
384 4/4	0.125387	0.870171	0.109108	0.109108
384-d 1/2	0.145380	0.562781	0.081817	0.081817
384-d 4/4	0.145380	0.811937	0.118039	0.118039
TIER 2				
384 1/2	0.117674	0.610620	0.071854	0.071854
384 3/4	0.117674	0.745790	0.087760	0.087760
384 4/4	0.117674	0.880960	0.103666	0.103666
384-d 1/2	0.139241	0.583308	0.081220	0.081220
384-d 4/4	0.139241	0.841556	0.117179	0.117179

* BILLING NORMAL RATES CAN NOT BE LESS THAN ZERO, NOR CAN THEY BE LESS THAN THE LATE START RATE.

ADMINISTRATIVE AND GROUP LIFE INSURANCE RATES
PFRS FYB 4/1/04 for FISCAL 2006

***** ADMINISTRATIVE RATE *****

ADMINISTRATIVE CONTRIBUTIONS IN 2005 EQUALS RATE TIMES ESTIMATED	
BILLING SALARY = .004 * 2,534,426,199 =	10,137,705
PLUS THE 3/31/04 OVERBILL	1,415,516
SUBTRACT 2005 ESTIMATED EXPENSES	<u>-8,483,055</u>
EQUALS 3/31/05 ESTIMATED ADMINISTRATIVE OVERBILL ACCOUNT	3,070,166
3/31/06 ESTIMATED EXPENSES	8,483,055
MINUS 3/31/05 EST OVERBILL	-3,070,166
TOTAL ADMINISTRATIVE EXPENSE TO BE BILLED	5,412,889

$$\text{ADMINISTRATIVE RATE} = \frac{\text{ADMINISTRATIVE EXPENSES}}{\text{ESTIMATED BILLING SALARY}} =$$

$$\frac{5,412,889}{2,655,809,230} = 0.002038 = 0.3 \%$$

ESTIMATED BILLING SALARY IS ESTIMATED SALARY TO BE USED IN THE 2/1/06
NON-STATE BILLING AND THE 9/1/05 STATE BILLING.

WE ALWAYS ROUND THE RATE TO THE NEXT HIGHEST TENTH OF A PERCENT SINCE THE
ADMINISTRATIVE EXPENSE MUST BE PAID.

***** GROUP LIFE INSURANCE RATES *****

THE PFRS PORTION OF THE GTLI EQUITY IN THE COMMON RETIREMENT FUND ON
4/1/2004 IS APPROXIMATELY \$5.7 MILLION. THE GTLI EQUITY APPRECIATES WITH INTEREST AT
THE RATE ACCRUED BY OUR SHORT-TERM INVESTMENT POOL, A NON-VOLATILE INVESTMENT
VEHICLE. CLAIMS PAID FOR THE 2004 FISCAL YEAR WERE APPROXIMATELY \$1.2 MILLION. ON AN
GIVEN DAY, THE AMOUNT PAYABLE FOR OUTSTANDING GTLI BENEFITS ARE ESTIMATED TO BE
APPROXIMATELY \$975,000. A GTLI PREMIUM RATE OF .0% IS NEEDED TO ENSURE THAT THE
GTLI EQUITY DOES NOT GO BELOW THIS AMOUNT PAYABLE BEFORE FEBRUARY 1, 2007.

PFRS TIER 1 FINAL RATES
(as a percent)
PFRS FYB 4/1/04 for FYE 3/31/06

RETIREMENT PLAN	NORMAL RATE	ADMN RATE	GROUP LIFE RATE	SICK LEAVE RATE	TOTAL FINAL RATE
CONTRIBUTORY	7.2	0.3	0.0		7.5
SEC 375-c	11.3	0.3	0.0		11.6
SEC 375-e	11.3	0.3	0.0		11.6
SEC 375-g	12.3	0.3	0.0		12.6
SEC 375-h	12.7	0.3	0.0	0.1	13.1
SEC 375-i	12.7	0.3	0.0		13.0
SEC 375-j	12.7	0.3	0.0		13.0
25 YR CONT (384 1/2)	7.6	0.3	0.0		7.9
25 YR CONT (384 3/4)	9.2	0.3	0.0		9.5
25 YR CONT (384 4/4)	10.9	0.3	0.0		11.2
25 YR (384 NON-CONTRIBUTORY)	12.5	0.3	0.0		12.8
25 YR ADDL 1/60 (384(f)) 20 YR CONT (38-	12.8	0.3	0.0		13.1
20 YR CONT (384-d 1/2)	8.2	0.3	0.0		8.5
20 YR CONT (384-d 4/4)	11.8	0.3	0.0		12.1
20 YR (384-d NON-CONTRIBUTORY)	14.5	0.3	0.0		14.8
20 YR ADDL 1/60 (384-e)					
1990 ELECTIONS	20.5	0.3	0.0		20.8
1991 ELECTIONS	23.4	0.3	0.0		23.7
1992 ELECTIONS	24.5	0.3	0.0		24.8
1993 ELECTIONS	27.1	0.3	0.0		27.4
1994 ELECTIONS	24.1	0.3	0.0		24.4
1995 ELECTIONS	27.9	0.3	0.0		28.2
1996 ELECTIONS	29.3	0.3	0.0		29.6
1997 ELECTIONS	27.3	0.3	0.0		27.6
1998 ELECTIONS	28.8	0.3	0.0		29.1
1999 & LATER ELECTIONS	15.1	0.3	0.0		15.4
20 YR ADDL 1/60 (384ex) - all service					
1990 ELECTIONS	20.8	0.3	0.0		21.1
1991 ELECTIONS	23.7	0.3	0.0		24.0
1992 ELECTIONS	24.8	0.3	0.0		25.1
1993 ELECTIONS	27.4	0.3	0.0		27.7
1994 ELECTIONS	24.4	0.3	0.0		24.7
1995 ELECTIONS	28.2	0.3	0.0		28.5
1996 ELECTIONS	29.6	0.3	0.0		29.9
1997 ELECTIONS	27.6	0.3	0.0		27.9
1998 ELECTIONS	29.1	0.3	0.0		29.4
1999 & LATER ELECTIONS	15.4	0.3	0.0		15.7
381-b STATE POLICE	16.2	0.3	0.0	0.1	16.6
383-a PARK POLICE	12.8	0.3	0.0	0.1	13.2
383-b ENCON POLICE	12.9	0.3	0.0	0.1	13.3
383-c FOREST RANGERS	12.8	0.3	0.0	0.1	13.2

OPTIONS - ADDITIONAL RATES (NON-STATE ONLY)

SICK LEAVE	0.1
5% ITHP	3.5
8% ITHP	4.1
ONE YEAR FAS	4.5

PFRS TIER 2 FINAL RATES
(as a percent)
PFRS FYB 4/1/04 for FYE 3/31/06

RETIREMENT PLAN	NORMAL RATE	ADMN RATE	GROUP LIFE RATE	SICK LEAVE RATE	TOTAL FINAL RATE
CONTRIBUTORY	6.1	0.3	0.0		6.4
SEC 375-c	9.0	0.3	0.0		9.3
SEC 375-e	9.0	0.3	0.0		9.3
SEC 375-g	9.9	0.3	0.0		10.2
SEC 375-h	10.1	0.3	0.0	0.1	10.5
SEC 375-i	10.1	0.3	0.0		10.4
SEC 375-j	10.1	0.3	0.0		10.4
SEC 375-ip and SEC 375-jp	10.5	0.3	0.0		10.8
25 YR CONT (384 1/2)	7.2	0.3	0.0		7.5
25 YR CONT (384 3/4)	8.8	0.3	0.0		9.1
25 YR CONT (384 4/4)	10.4	0.3	0.0		10.7
25 YR (384 NON-CONTRIBUTORY)	11.8	0.3	0.0		12.1
25 YR ADDL 1/60 (384(f))	12.5	0.3	0.0		12.8
20 YR CONT (384-d 1/2)	8.1	0.3	0.0		8.4
20 YR CONT (384-d 4/4)	11.7	0.3	0.0		12.0
20 YR (384-d NON-CONTRIBUTORY)	13.9	0.3	0.0		14.2
20 YR (384-d NON-CONTRIBUTORY w/ IP)	14.3	0.3	0.0		14.6
20 YR ADDL 1/60 (384-e)					
1990-1993 ELECTIONS	16.0	0.3	0.0		16.3
1994 ELECTIONS	17.0	0.3	0.0		17.3
1995 ELECTIONS	17.4	0.3	0.0		17.7
1996 ELECTIONS	16.5	0.3	0.0		16.8
1997 ELECTIONS	16.3	0.3	0.0		16.6
1998 ELECTIONS	16.5	0.3	0.0		16.8
1999 & LATER ELECTIONS	14.8	0.3	0.0		15.1
20 YR ADDL 1/60 (384-ex) - all service					
1990-1993 ELECTIONS	16.3	0.3	0.0		16.6
1994 ELECTIONS	17.3	0.3	0.0		17.6
1995 ELECTIONS	17.7	0.3	0.0		18.0
1996 ELECTIONS	16.8	0.3	0.0		17.1
1997 ELECTIONS	16.6	0.3	0.0		16.9
1998 ELECTIONS	16.8	0.3	0.0		17.1
1999 & LATER ELECTIONS	15.1	0.3	0.0		15.4
381-b STATE POLICE	16.1	0.3	0.0	0.1	16.5
383-a&b ENCOMPARK POLICE	12.2	0.3	0.0	0.1	12.6
383-c FOREST RANGERS	12.2	0.3	0.0	0.1	12.6

OPTIONS - ADDITIONAL RATES (NON-STATE ONLY)

SICK LEAVE	0.1
5% ITHP	2.8
8% ITHP	2.8
384-e/ip	0.1
ONE YEAR FAS	
AGE 55 PLANS	1.1
AGE 55 PLANS w/ IP	1.1
25 YEAR PLANS	1.3
25 YEAR W/ 1/60 PLANS	1.3
20 YEAR PLANS	1.5
20 YEAR PLANS w/ IP	1.5
20 YEAR W/ 1/60 PLANS	1.6
20 YEAR W/ 1/60 PLANS w/ IP	1.6
20 YEAR W/ 1/60 PLANS 384-ex	1.6

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- STATE

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY				
AGE 55 375-C				
AGE 55 375-E				
AGE 55 375-G				
AGE 55 375-H	27	2,022,186.39	6	409,324.87
AGE 55 375-I				
AGE 55 375-J				
STATE POLICE 381-B	43	4,216,629.54	4,568	372,445,189.84
REG PARK POL 383-A	11	836,483.50	303	13,392,157.99
ENCON POLICE 383-B	10	734,817.56	289	15,875,267.14
FOREST RANGER 383-C	1	72,529.14	111	5,988,251.93
25 YR CONTRIBUTORY				
25 YR NON-CONTRIB				
25 YR 384(F) CONTRB				
25 YR 384(F) NON-CN				
20 YR CONTRIBUTORY				
20 YR NON-CONTRIB				
384-E CONTRIBUTORY				
384-E NON-CONTRIB				
SUB-TOTAL	92	7,882,646.13	5,277	408,110,191.77
INACTIVE NON-VESTED			195	1,520,591.03
INACTIVE VESTED	16	258,733.20	185	4,493,360.66
PENDING RETIREMENTS	45	3,844,720.87	88	7,412,293.57
PENDING DEATHS				
SUB-TOTAL	61	4,103,454.07	468	13,426,245.26
TIER TOTAL	153	\$11,986,100.20	5,745	\$421,536,437.03

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- COUNTIES

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY				
AGE 55 375-C				
AGE 55 375-E				
AGE 55 375-G				
AGE 55 375-H				
AGE 55 375-I	7	919,457.93		
AGE 55 375-J				
STATE POLICE 381-B				
REG PARK POL 383-A				
ENCON POLICE 383-B				
FOREST RANGER 383-C				
25 YR CONTRIBUTORY				
25 YR NON-CONTRIB			4	245,434.50
25 YR 384(F) CONTRB				
25 YR 384(F) NON-CN	1	63,993.93	16	928,273.44
20 YR CONTRIBUTORY				
20 YR NON-CONTRIB	14	1,499,172.08	232	21,234,510.36
384-E CONTRIBUTORY				
384-E NON-CONTRIB	546	71,030,263.59	4,698	514,146,567.28
SUB-TOTAL	568	73,512,887.53	4,950	536,554,785.58
INACTIVE NON-VESTED			93	774,955.33
INACTIVE VESTED	15	519,435.56	52	2,524,241.02
PENDING RETIREMENTS	83	10,509,717.07	53	6,120,984.04
PENDING DEATHS				
SUB-TOTAL	98	11,029,152.63	198	9,420,180.39
TIER TOTAL	666	\$84,542,040.16	5,148	\$545,974,965.97

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- CITIES

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY				
AGE 55 375-C				
AGE 55 375-E				
AGE 55 375-G	2	124,463.00	15	340,230.83
AGE 55 375-H				
AGE 55 375-I	34	2,526,060.13	53	3,008,009.52
AGE 55 375-J			1	72,901.21
STATE POLICE 381-B				
REG PARK POL 383-A				
ENCON POLICE 383-B				
FOREST RANGER 383-C				
25 YR CONTRIBUTORY				
25 YR NON-CONTRIB	10	620,570.18	24	1,445,380.26
25 YR 384(F) CONTRB				
25 YR 384(F) NON-CN	26	2,235,576.94	38	2,134,958.80
20 YR CONTRIBUTORY				
20 YR NON-CONTRIB	209	15,881,251.15	4,852	285,831,514.63
384-E CONTRIBUTORY				
384-E NON-CONTRIB	308	25,001,692.53	5,862	412,282,999.55
SUB-TOTAL	589	46,389,613.93	10,845	705,115,994.80
INACTIVE NON-VESTED			232	3,280,716.03
INACTIVE VESTED	43	825,070.44	325	10,916,901.32
PENDING RETIREMENTS	145	11,376,333.42	188	14,180,976.26
PENDING DEATHS	2	151,283.83	5	458,264.92
SUB-TOTAL	190	12,352,687.69	750	28,836,858.53
TIER TOTAL	779	\$58,742,301.62	11,595	\$733,952,853.33

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- TOWNS

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY	2	13,411.25	30	258,293.31
AGE 55 375-C	3	128,247.68	141	2,973,605.17
AGE 55 375-E			11	196,901.61
AGE 55 375-G			55	900,270.95
AGE 55 375-H				
AGE 55 375-I	12	1,087,682.64	53	2,290,256.27
AGE 55 375-J				
STATE POLICE 381-B				
REG PARK POL 383-A				
ENCON POLICE 383-B				
FOREST RANGER 383-C				
25 YR CONTRIBUTORY				
25 YR NON-CONTRIB	1	3,465.28	18	739,757.31
25 YR 384(F) CONTRB				
25 YR 384(F) NON-CN	1	63,972.20	4	248,547.00
20 YR CONTRIBUTORY				
20 YR NON-CONTRIB	74	6,916,204.00	1,903	126,073,402.46
384-E CONTRIBUTORY				
384-E NON-CONTRIB	87	8,720,250.62	1,402	105,785,388.98
SUB-TOTAL	180	16,933,233.67	3,617	239,466,423.06
INACTIVE NON-VESTED			139	1,768,769.29
INACTIVE VESTED	8	184,502.94	227	6,376,947.47
PENDING RETIREMENTS	25	2,328,198.99	34	3,125,406.79
PENDING DEATHS	1	88,351.89		
SUB-TOTAL	34	2,601,053.82	400	11,271,123.55
TIER TOTAL	214	\$19,534,287.49	4,017	\$250,737,546.61

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- VILLAGES

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY	1	207.27	49	404,882.40
AGE 55 375-C	4	97,240.65	252	3,051,972.16
AGE 55 375-E			48	560,548.85
AGE 55 375-G	4	149,847.89	56	792,375.50
AGE 55 375-H				
AGE 55 375-I	15	1,326,962.05	187	4,364,727.89
AGE 55 375-J			4	274,106.33
STATE POLICE 381-B				
REG PARK POL 383-A				
ENCON POLICE 383-B				
FOREST RANGER 383-C				
25 YR CONTRIBUTORY				
25 YR NON-CONTRIB	2	89,278.53	42	913,448.93
25 YR 384(F) CONTRB				
25 YR 384(F) NON-CN	3	237,748.53	33	3,859,385.20
20 YR CONTRIBUTORY			4	51,489.05
20 YR NON-CONTRIB	84	7,486,032.42	2,363	148,428,101.36
384-E CONTRIBUTORY				
384-E NON-CONTRIB	40	4,357,566.18	698	51,786,724.49
SUB-TOTAL	153	13,744,883.52	3,736	214,487,762.16
INACTIVE NON-VESTED			378	3,122,662.47
INACTIVE VESTED	15	269,961.83	377	6,674,356.29
PENDING RETIREMENTS	28	2,603,007.98	45	3,161,121.66
PENDING DEATHS				
SUB-TOTAL	43	2,872,969.81	800	12,958,140.42
TIER TOTAL	196	\$16,617,853.33	4,536	\$227,445,902.58

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- MISCELLANEOUS

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY			1	31,944.38
AGE 55 375-C			0	18,984.68
AGE 55 375-E				
AGE 55 375-G	1	176,098.72		
AGE 55 375-H				
AGE 55 375-I	3	276,270.46	13	762,364.49
AGE 55 375-J			1	54,382.05
STATE POLICE 381-B				
REG PARK POL 383-A				
ENCON POLICE 383-B				
FOREST RANGER 383-C				
25 YR CONTRIBUTORY				
25 YR NON-CONTRIB			3	177,824.67
25 YR 384(F) CONTRB				
25 YR 384(F) NON-CN	5	370,367.83	35	1,949,734.99
20 YR CONTRIBUTORY				
20 YR NON-CONTRIB			202	14,335,485.05
384-E CONTRIBUTORY				
384-E NON-CONTRIB	32	3,727,697.20	2,056	174,792,891.82
SUB-TOTAL	41	4,550,434.21	2,311	192,123,612.13
INACTIVE NON-VESTED			60	982,165.94
INACTIVE VESTED	10	370,845.44	51	2,029,464.34
PENDING RETIREMENTS	17	2,479,660.85	25	3,628,491.17
PENDING DEATHS			2	350,222.37
SUB-TOTAL	27	2,850,506.29	138	6,990,343.82
TIER TOTAL	68	\$7,400,940.50	2,449	\$199,113,955.95

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- TOTAL BY TIER

	TIER 1		TIER 2	
	NUMBER	SALARIES	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY	3	13,618.52	80	695,120.09
AGE 55 375-C	7	225,488.33	393	6,044,562.01
AGE 55 375-E	0	0.00	59	757,450.46
AGE 55 375-G	7	450,409.61	126	2,032,877.28
AGE 55 375-H	27	2,022,186.39	6	409,324.87
AGE 55 375-I	71	6,136,433.21	306	10,425,358.17
AGE 55 375-J	0	0.00	6	401,389.59
STATE POLICE 381-B	43	4,216,629.54	4,568	372,445,189.84
REG PARK POL 383-A	11	836,483.50	303	13,392,157.99
ENCON POLICE 383-B	10	734,817.56	289	15,875,267.14
FOREST RANGER 383-C	1	72,529.14	111	5,988,251.93
25 YR CONTRIBUTORY	0	0.00	0	0.00
25 YR NON-CONTRIB	13	713,313.99	91	3,521,845.67
25 YR 384(F) CONTRB	0	0.00	0	0.00
25 YR 384(F) NON-CN	36	2,971,659.43	126	9,120,899.43
20 YR CONTRIBUTORY	0	0.00	4	51,489.05
20 YR NON-CONTRIB	381	31,782,659.65	9,552	595,903,013.86
384-E CONTRIBUTORY	0	0.00	0	0.00
384-E NON-CONTRIB	1,013	112,837,470.12	14,716	1,258,794,572.12
SUB-TOTAL	1,623	163,013,698.99	30,736	2,295,858,769.50
INACTIVE NON-VESTED	0	0.00	1,097	11,449,860.09
INACTIVE VESTED	107	2,428,549.41	1,217	33,015,271.10
PENDING RETIREMENTS	343	33,141,639.18	433	37,629,273.49
PENDING DEATHS	3	239,635.72	7	808,487.29
SUB-TOTAL	453	35,809,824.31	2,754	82,902,891.97
TIER TOTAL	2,076	\$198,823,523.30	33,490	\$2,378,761,661.47

PFRS DISTRIBUTION SCHEDULE OF MEMBERSHIP
AS OF MARCH 31, 2004 ----- GRAND TOTAL

	NUMBER	SALARIES
AGE 55/60 CONTRIBUTORY	83	\$708,738.61
AGE 55 375-C	400	6,270,050.34
AGE 55 375-E	59	757,450.46
AGE 55 375-G	133	2,483,286.89
AGE 55 375-H	33	2,431,511.26
AGE 55 375-I	377	16,561,791.38
AGE 55 375-J	6	401,389.59
STATE POLICE 381-B	4,611	376,661,819.38
REG PARK POL 383-A	314	14,228,641.49
ENCON POLICE 383-B	299	16,610,084.70
FOREST RANGER 383-C	112	6,060,781.07
25 YR CONTRIBUTORY	0	0.00
25 YR NON-CONTRIB	104	4,235,159.66
25 YR 384(F) CONTRB	0	0.00
25 YR 384(F) NON-CN	162	12,092,558.86
20 YR CONTRIBUTORY	4	51,489.05
20 YR NON-CONTRIB	9,933	627,685,673.51
384-E CONTRIBUTORY	0	0.00
384-E NON-CONTRIB	15,729	1,371,632,042.24
SUB-TOTAL	32,359	2,458,872,468.49
INACTIVE NON-VESTED	1,097	11,449,860.09
INACTIVE VESTED	1,324	35,443,820.51
PENDING RETIREMENTS	776	70,770,912.67
PENDING DEATHS	10	1,048,123.01
SUB-TOTAL	3,207	118,712,716.28
GRAND TOTAL	35,566	\$2,577,585,184.77

NUMBER OF ACTIVE MEMBERS

	<u>TIER 1</u>	<u>TIER 2</u>	<u>TOTAL</u>
STATE	92	5,277	5,369
COUNTIES	568	4,950	5,518
CITIES	589	10,845	11,434
TOWNS	180	3,617	3,797
VILLAGES	153	3,736	3,889
MISC	41	2,311	2,352
TOTAL	1,623	30,736	32,359

ACTIVE MEMBERS SALARIES

STATE	7,882,646.13	408,110,191.77	415,992,837.90
COUNTIES	73,512,887.53	536,554,785.58	610,067,673.11
CITIES	46,389,613.93	705,115,994.80	751,505,608.73
TOWNS	16,933,233.67	239,466,423.06	256,399,656.73
VILLAGES	13,744,883.52	214,487,762.16	228,232,645.68
MISC	4,550,434.21	192,123,612.13	196,674,046.34
TOTAL	163,013,698.99	2,295,858,769.50	2,458,872,468.49

Minras, Omegas and Retirement Assumptions

PFRS – Tier 1

Plan or Group		Minra	Assumed Omega	Retirement Assumption
371-a	(2020)	55	70	T1P55
375-c	(2025)	55	70	T1P55
375-e	(2030)	55	70	T1P55
375-g	(2035)	55	70	T1P55
375-h & i	(2050)	55	70	T1P55
375-j	(2038)	55	70	T1P55
384	(2060)	MIN (60,25 YRS)	70	YR25W70
384(f)	(2105)	MIN (60,25 YRS)	62	YR25W70
384-d	(2075,2039,2108)	MIN (62,20 YRS)	62	YR20W62
384-e	(2106,2107)	MIN (62,20 YRS)	62	OR20E62
381-b	(2095)	MIN (20 YRS W)	57	OR20S57
383-a	(2100)	MIN (60,25 YRS)	70	YR25W70
383-b	(2101)	MIN (60,25 YRS)	70	YR25W70
SEC 375-h	(2040)	55	70	T1P55
NON-SEC 375-h	(2045)	55	70	T1P55
1 YR FAS – REG	(2155)	55	70	T1P55
1 YR FAS – 384	(2160)	MIN (60,25 YRS)	70	YR25W70
1 YR FAS – 384(f)	(2170)	MIN (60,25 YRS)	62	YR25W70
1 YR FAS – 384-d	(2165,2166)	MIN (62,20 YRS)	62	YR20W62
1 YR FAS – 384-e	(2167)	MIN (62,20 YRS)	62	OR20E62
SICK LEAVE	(2152,2153)	MIN (20 YRS W)	57	OR20S57
PEND SERV 384-d	(2004,2011)	N/A	N/A	T1P55
PEND SERV 384-e	(2003)	N/A	N/A	T1P55
PEND SERV 381-b	(2010)	N/A	N/A	T1P55
PEND ACC DIS	(2012)	N/A	N/A	T1P55
PEND ORD DIS	(2013)	N/A	N/A	T1P55
PEND IPOD	(2014)	N/A	N/A	T1P55
INACTIVE VEST	(2006,2008)	55	N/A	T1P55

Minras, Omegas and Retirement Assumptions

PFRS – Tier 2

Plan or Group	Minra	Assumed Omega	Retirement Assumption	
371-a	(4020,4021)	MAX (55,5 YRS)	70	T2P55
375-c & e	(4025,4026)	MAX (55,5 YRS)	70	T2P55
375-g	(4030,4031)	MAX (55,5 YRS)	70	T2P55
375-h & i	(4034,4035)	MAX (55,5 YRS)	70	T2P55
375-j	(4036,4038)	MAX (55,5 YRS)	70	T2P55
384	(4048,4049)	MIN (60,25 YRS)	70	YR25W70
384(f)	(4089,4090)	MIN (60,25 YRS)	62	YR25W70
384-d	(4060,4037,4061)	MIN (62,20 YRS)	62	YR20W62
384-e	(4091,4092,4093,4094))	MIN (62,20 YRS)	62	OR20E62
381-b	(4080,4081)	MIN (20 YRS W)	57	OR20S57
383-a	(4085,4086)	MIN (60,25 YRS)	70	YR25W70
DEATH BENEFIT 0	(4115)	MIN (62,20 YRS)	62	OR20E62
DEATH BENEFIT 1	(4105)	MAX (55,5 YRS)	70	T2P55
DEATH BENEFIT 2	(4110)	MAX (55,5 YRS)	70	T2P55
SICK LEAVE	(4120,4121)	MIN (20 YRS W)	57	OR20S57
PEND SERV 384-d	(4004,4011)	N/A	N/A	T2P55
PEND SERV 384-e	(4003)	N/A	N/A	T2P55
PEND SERV 381-b	(4010)	N/A	N/A	T2P55
PEND ACC DIS	(4012)	N/A	N/A	T2P55
PEND ORD DIS	(4013)	N/A	N/A	T2P55
PEND IPOD	(4014)	N/A	N/A	T2P55
INACTIVE VEST	(4006,4008)	MAX (55,5 YRS)	N/A	T2P55

PFRS**Service Retirement Benefit Formulas****Tier 1
Plans**

- 371-a $1/120 * FAS * \text{Years of Service (Yrs)}$
 375-c $1/120 * FAS * \text{Yrs prior to 1960} + 1/60 * FAS * \text{Yrs after 4/1/60}$
 375-e $1/60 * FAS * \text{Yrs}$
 375-g $1/60 * FAS * \text{Yrs if Yrs} < 25$
 $..5 * FAS + 1/60 * FAS * (\text{Yrs} - 25) \text{ if Yrs} \geq 25$
 375h & i & j $1/60 * FAS * \text{Yrs if Yrs} < 20$
 $1/50 * FAS * \text{Yrs up to } .75 * FAS \text{ or } 375\text{-g benefit if greater, if Yrs} \geq 20$

Tier 2 limits for the above plans:

Yrs is limited to a maximum of 30 years and if retirement is age < 62, then age reductions apply.

If retire age = 60 .5%/ month reduction in benefit

If retire = 55 and < 60: 12% + .25%/month reduction for each month retire prior to age 60.

(Therefore, an age 55, 375-i retiree with 35 years of service: $.6 * FAS * .73 = .438 * FAS$.)

375 ip & jp

Same as 375 i & j, but no age reduction.

384

Tier 1: $.5 * FAS \text{ if Yrs} = 25$

$1/50 * FAS * \text{Yrs at age} = 60 \text{ if Yrs} < 25$

Assume reversion to 375-g if age ≥ 55 and benefit is greater.

Tier 2: Same as Tier 1 except 375-g reversion includes the 30 year limit and age reductions if age < 62.

384(f)

Tier 1: $.5 * FAS + 1/60 * (\text{IYrs} - 25) * FAS \text{ if Yrs} \geq 25$

$1/50 * FAS * \text{Yrs at age} = 60 \text{ if Yrs} < 25$

Assume reversion to 375-g if age ≥ 55 and benefit is greater.

Tier 2: Same as Tier 1 except Yrs is limited to 30 and the 375-g reversion includes age reductions if age < 62.

NOTE: IYrs = integer years of service

383-a*

Tier 1: $.5 * FAS + 1/60 * (\text{Yrs} - 25) * FAS \text{ if Yrs} \geq 25$

$1/50 * FAS * \text{Yrs at age} = 60 \text{ if Yrs} < 25$

Tier 2: Same as Tier 1 except Yrs is limited to 30.

***383-b members are included in the 383-a sorts.**

PFRS**Service Retirement Benefit Formulas** (con't)**384-d**

- Tier 1: $.5 * \text{FAS}$ if Yrs ≥ 20
 $1/40 * \text{FAS} * \text{Yrs}$ at age 62 if Yrs < 20
 Assume reversion to 375-i if age ≥ 55 and benefit is greater.
- Tier 2: Same as Tier 1 except 375-i reversion includes the 30 year limit and age reductions if age < 62 .

384-e

- Tier 1: $[.5 + 1/60 * (\text{Yrs} - 20)] * \text{FAS}$, Maximum of $.75 * \text{FAS}$
 $1/40 * \text{FAS} * \text{Yrs}$ AT age 62 if Yrs < 20
- Tier 2: Same as Tier 1 except that the maximum is $2/3 * \text{FAS}$ (30 year limit).

381-b

- Tier 1: $[.5 + 1/60 * (\text{Yrs} - 20)] * \text{FAS}$, Maximum of $.75 * \text{FAS}$
 $1/40 * \text{FAS} * \text{Yrs}$ at age 57 if Yrs < 20
- Tier 2: Same as Tier 1 except that the maximum is $2/3 * \text{FAS}$ (30 year limit).

The better reversion option (ip) with 384-d or 384-e: no reversion reduction

Vested Benefit Formulas**371-a and**

All 375 plans Service Retirement Benefit if Yrs ≥ 5

All other plans ... Tier 1: $1/60 * \text{FAS} * \text{Yrs}$ if Yrs ≥ 5
 Tier 2: $1/60 * \text{FAS} * \text{Yrs}$, maximum of $.5 * \text{FAS}$, if Yrs ≥ 5

Benefit is payable at age 55.

Disability Benefit Formulas**Ordinary****Disability**

Tier 1 plans except
 381-b
 requires 10 years
 of service

Maximum of: {

$1/60 * \text{FAS} * \text{Yrs}$
 Minimum of: {

$1/3 * \text{FAS}$
 $1/60 * \text{FAS} * \text{Projected Service to}$
 age 60

Tier 2 plans except
 381-b

Same as above except maximum of $.5 * \text{FAS}$ for 371-a & 375-c & e,
 Maximum of $(1/2 + 5/60) * \text{FAS}$ for 375-g, and maximum of $.6 * \text{FAS}$ for 375-h & i

Tier 1 & 2 381-b
 requires 5 years of service

$.5 * \text{FAS}$

PFRS
Disability Benefit Formulas (con't)

Accidental Reduce benefits by .05 * FAS for assumed workers compensation offset, where appropriate.

Tier 1:

$$.75 * FAS - .05 * FAS = .70 * FAS$$

Tier 2:

Same as Tier 1 except:

$$383-a \qquad (1/2 + 5/60 - .05) * FAS$$

In 1985 the IPOD disability benefit was created.

IPOD(In performance of duty) .5 * FAS

Death Benefit Formulas

Accidental

Death: Escalated Salary - .18 * FAS - .06 * SAL

Ordinary Death

Tier 1

if ineligible to retire,

371a 1/12 * Salary (SAL) for each of the first 12 years of service +
1/24 * SAL for each of the first 24 years above 12, but = 36,
i.e., Maximum of 2 * SAL

375 c, e, g, i, & j 1/12 * SAL * Yrs up to 36

375 h, non-security

384, 384(f), 384-d, 384-e

375-h Security,

381-b & 383--a 3 * SAL

..... **If eligible to retire, then the greater of the above and the Service Retirement reserve using a 4% annuity, except 383A with entry after 1970**

PFRS
Death Benefit Formulas (con't)

Tier 2

Death Benefit 0

..... 3 * SAL. If eligible to retire, than the greater of 3 * SAL and the service retirement reserve using 4% annuity value if entry was before 1989, otherwise a 7% annuity value.

Death Benefit 2

Active Death

Benefit..... SAL * Yrs (limited to 3) * 3% Death Reductions
.3% Death Reductions:

Post-Retirement

Death Benefit ..(Service, Ordinary Disability, and Accidental Disability)

**For those who have Death
Benefit 1 or 2**

- If death occurs within the first year after retirement---benefit is .50 of the active death benefit at retirement.
- If death occurs in the second year after retirement---benefit is .25 of the active death benefit at retirement.
- If death occurs after the second year in retirement--- benefit is .1 of the active death benefit at age 60 or retirement, if earlier and if Entry Age (EA) < 60.
- If EA =60, the death benefit after the second year of retirement is 0.

**Active Ordinary
Death Benefit.**

- First \$50,000 is paid from group term life insurance, remainder is included in the valuation.
- If a member has 10 years of service, terminates and dies prior to applying for a vested benefit, one-half of the ordinary death benefit is payable.

Other Benefit Formulas

Sick Leave

..... Assumes 4 days are credited for each year of service, maximum of 165 days.

..... Tier 1: $1/60 * \frac{\text{Minimum (165, 4 * Yrs)}}{260}$ * FAS if $20 < \text{Yrs} < 35$

..... Tier 2: $1/60 * \frac{\text{Minimum (164, 4 * Yrs)}}{260}$ * FAS if $20 < \text{Yrs} < 30$

1 Year FAS

..... Applied to the following 5 groups: (1) Regular---assume 375-i benefits; (2) 384; (3) 384(f); (4) 384-d; and (5) 384-e.

Calculate service benefits, vesting, ordinary disability, IPOD, accidental disability and ordinary death benefits as indicated previously (except no reduction for workers' compensation in accidental disability).

Multiply results by 0.08 to calculate the additional liability due to the 1year FAS option for Tier 1 prior to 1972, otherwise multiply by 0.11.

Pending Retirements

..... If accidental, ordinary or in-performance-of-duty disability---assume the member is in 384-d .. (with 1 year FAS, if Tier 1).

.. Tier 1 384-d & e service retirements assume a 1 year FAS.

.. Use 384-d, 384-e and 381-b service formulae for their respective groups.

Inactive Members

..... Tier 1 & 2 - $1/60 * \text{Yrs} * \text{FAS}$
Benefit begins at 55.

COLA

..... Eligibility:

Pensioners age 62 and retired 5 years

Pensioners age 55 and retired 10 years

Disability Pensioners retired 5 years

Accidental Death beneficiaries receiving a benefit for 5 years

..... Benefit:

50% of the rate of inflation times the first \$18,000 of the single-life allowance.

Maximum 3%. Minimum 1%

