

**REPORT ON  
THE SEVENTY-FIFTH VALUATION OF  
THE EMPLOYEES' RETIREMENT SYSTEM  
OF THE CITY OF PROVIDENCE  
AS OF JUNE 30, 2002**

January 15, 2003

Retirement Board  
Employees' Retirement System of the  
City of Providence  
City Hall  
Providence, Rhode Island 02903

Dear Board Members:

This report presents the results of the seventy-fifth actuarial valuation of the system, prepared as of June 30, 2002, which develops the appropriation required by the City for the fiscal year beginning July 1, 2003.

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

Respectfully submitted,



Mitchell L. Barlas, ASA, MCA, MAAA, EA  
Principal and Consulting Actuary



Robert G Brau, CEBS  
Associate Principal, Retirement Actuary

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REPORT ON THE SEVENTY-FIFTH VALUATION OF THE  
EMPLOYEES' RETIREMENT SYSTEM OF THE  
CITY OF PROVIDENCE  
AS OF JUNE 30, 2002

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the current and preceding valuations are summarized below:

Valuation Date	6/30/2002	6/30/2001
Number of active members		
Vested	1,742	1,688
Nonvested	<u>1,458</u>	<u>1,491</u>
Total	3,200	3,179
Annual salaries of active members	\$ 114,264,923	\$ 114,935,828
Average salary of active members	\$ 35,708	\$ 36,155
Number of retirees and beneficiaries	2,793	2,825
Annual retirement allowances	\$ 52,132,381	\$ 50,391,922
Average retirement allowance	\$ 18,665	\$ 17,838
No. of vested terminated members	175	174
Accumulated member contributions	\$ 1,854,742	\$ 1,557,344
Market value of plan assets (accrual basis)	\$ 327,451,331	\$ 347,352,039
Assets for valuation purposes (5-year average, accrual basis)	\$ 340,549,815	\$ 341,986,258
Unfunded accrued liability	\$ 526,482,008	\$ 479,377,017
Contribution rates required		
Class A	25.14%	23.44%
Class B		
- Fire	57.35%	56.39%
- Police	62.50%	48.47%



2. Comments on the valuation results as of June 30, 2002 are given in Section IV and the appropriation payable by the City during the fiscal period beginning July 1, 2003 is set out in Section V.
3. The valuation was based on the assumptions as outlined in Schedule B.
4. Schedule D of this report presents a summary of the main provisions of the act governing the system, as interpreted in preparing the actuarial valuation. The July 1, 2002 valuation reflects the changes in provisions included in the recently ratified Police Contract. In particular, the valuation reflected the following with respect to annual cost of living adjustments (COLAs):

a)	GROUP	COLA	Number of Recipients
	Class A retired prior to 12/18/91	- 3%, compounded	910
	Class A retired after 12/18/91	- None	670
	Class B Police	- 3%, compounded	564
	Class B Fire –		
	Retired prior to 1/1/90	- 5% compounded	401
	Retired between 1/1/90 and 12/18/91	- 6% compounded	87
	Retired after 12/18/91	- 3% simple, on first \$12,000 of annual benefit	138
	Total Number of Class A and Class B retirees and beneficiaries		2,770*

\*Excludes elected officials

- b) Three-year deferral of initial COLA for current active members.

SECTION II - EMPLOYEE DATA

1. Employee data were furnished by the City Controller.
2. Tables 1 and 2 of Schedule E show the number and annual salaries of active members, while the remaining tables of Schedule E show the number and annual retirement allowances of beneficiaries as of June 30, 2002.

SECTION III - ASSETS

1. The amount of the assets taken into account in the valuation was obtained from information submitted by the City Controller.
2. The market value of the assets of the system as of June 30, 2002 on a "cash basis" was \$296,510,834. To convert this amount to an "accrual basis," this amount should be increased by the discounted value of the City's contribution already appropriated for the 7/1/2002 – 6/30/2003 fiscal year (\$33,570,439) but assumed not to be deposited until 6/30/2003. The discounted value of this contribution is \$30,940,497. Therefore, the market value of the assets of the system as of June 30, 2002 on an "accrual basis" was \$327,451,331.
3. The amount of assets used for valuation purposes was determined by the use of a five-year moving average of market values. This procedure produced a value of \$340,549,815 on an "accrual basis." Schedule C outlines the calculation of this adjusted value.

SECTION IV - COMMENTS ON VALUATION

1. Schedule A of this report presents the results of the valuation and shows the present and prospective assets and liabilities of the retirement system of June 30, 2002. Actuarial liabilities consist of \$446,779,262, which equals the value of prospective benefits of active members; plus \$588,126,505, which equals the present value of obligations to retired members and their beneficiaries; plus \$8,633,956, which equals the value of prospective benefits of deferred vested members. These liabilities amount to \$1,043,539,723. Against these prospective liabilities, the system has present assets of \$340,549,815. Expected future contributions of active members have a present value of \$79,135,439. This leaves \$623,854,470 to be met by the City through its annual contributions.
  
2. Section V discusses the portion of the total prospective City obligation we recommend for current payment.

SECTION V - APPROPRIATION PAYABLE BY CITY

1. Schedules A gives the basis for determining the appropriation payable by the City during the fiscal period beginning July 1, 2003. In accordance with the law governing the operation of the retirement system, we recommend contribution rates of 25.14% for Class A members, 57.35% for Class B Fire and 62.50% for Class B Police. These rates are based on amortizing the unfunded accrued liability as of June 30, 2002 on a level percentage-of-payroll basis over a 28-year period (one year less than the amortization period used by the prior actuarial valuation). If these rates are applied to the annual compensation of active

members included in the actuarial valuation as of June 30, 2002 and contributions are paid on June 30, 2004, contributions payable by the City for the fiscal year beginning July 1, 2003 are as shown below:

Group	Amount
Class A:	
General	\$ 10,357,840
School	4,334,809
School Crossing Guards	264,572
Water	2,493,655
JTPA	263,792
School Miscellaneous	0
Chapter I	1,051,202
Indirect Cost	17,288
Other Funds	66,188
Federal Funds*	59,556
Total Class A	= \$ 18,908,901
Class B:	
Fire	\$ 13,817,801
Police	13,568,628
Total Class B	\$ 27,386,429
Grand Total	\$ 46,295,330 (see # 2 below)

\* \$59,556 for Special Education.

2. The above contribution includes an additional contribution of \$492,606, which is needed to amortize the remaining deferred contribution as of June 30, 1996 over a 28-year period.



3. The assets and liabilities in the valuation do not take the elected officials' pensions into account. Therefore, in addition, the City should contribute an amount sufficient to provide for the payment of the special pensions to elected officials on a pay-as-you-go basis. Any deficiency which arises on account of elected officials whereby the contribution paid for a fiscal year is not sufficient to cover the special pensions paid that year to such retired members should be met by a special contribution by the City.



SECTION VI - ACCOUNTING INFORMATION

1. Based on our interpretation of Statement 5 of the Governmental Accounting Standards Board, the pension benefit obligations for the system were \$828,348,000 and \$910,481,000 computed as of June 30, 2001 and June 30, 2002, respectively. The pension benefit obligation exceeded the market value of assets by \$480,996,000 as of June 30, 2001 and by \$583,030,000 as of June 30, 2002 as shown below:

1.	Pension benefit obligation	<u>June 30, 2001</u>	<u>June 30, 2002</u>
	A. Retirees and beneficiaries currently receiving benefits	\$ 564,801,000	\$ 588,127,000
	B. Vested terminated members not yet receiving benefits		\$ 8,634,000
	C. Current active members		
	i. accumulated employee contributions	\$ 72,924,000	\$ 83,437,000
	ii. employer-financed vested	\$ 75,742,000	\$ 63,115,000
	iii. employer financed non-vested accrued	\$ 42,440,000	\$ 68,648,000
	iv. additional value of accrued benefits due to future salary increases	\$ 72,441,000	\$ 98,520,000
	D. Total	\$ 828,348,000	\$ 910,481,000
2.	Market value of assets including discounted value of receivable contribution	\$ 347,352,000	\$ 327,451,000
3.	Excess of pension benefit obligation over market value of assets	\$ 480,996,000	\$ 583,030,000
4.	Funded ratio (2. ÷ 1D.)	41.9%	35.96%

The above values do not reflect future credited service for active members.

2. Statement No. 5 has been superseded by Statement No. 25. The previous information in this section has been shown for transitional purposes. The following schedules show the information required by Statement No. 25:

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
(dollar amounts in thousands)

Year Ended June 30	Annual Required Contribution	Percentage Contributed
1991	12,726	100.00
1992	15,466	100.36
1993	17,221	100.13
1994	18,612	99.90
1995	21,159	53.81
1996	16,136	100.00
1997	21,089	93.58
1998	35,701	57.52
1999	37,445	56.15
2000	37,415	60.00
2001	38,899	60.60
2002	39,763	68.51

**SCHEDULE OF FUNDING PROGRESS**  
(dollar amounts in thousands)

Year Ended June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
1991	246,159	431,936	185,777	56.99	74,075	250.79
1992	266,166	403,404	137,238	65.98	78,347	175.17
1993	278,544	465,943	187,399	59.78	78,200	239.64
1994	286,956	500,119	213,163	57.38	84,176	253.23
1995	293,454	460,567	167,113	63.72	88,335	189.18
1996	287,320	699,265	411,945	41.09	84,178	489.38
1997	288,800	732,373	443,573	39.43	88,959	498.63
1998	315,000	732,775	417,775	42.99	99,182	421.22
1999	325,576	746,264	420,688	43.63	106,717	394.21
2000	341,817	798,292	456,475	42.82	114,164	399.84
2001	341,986	821,363	479,377	41.64	116,493	411.51
2002	340,550	867,032	526,482	39.28	114,265	460.76

ANNUAL PENSION COST AND NET PENSION OBLIGATION FOR  
FISCAL YEAR BEGINNING JULY 1, 2002

3. The pension cost and net pension obligation as required by Statement 27 of the Governmental Accounting Standards Board are:

Net Pension Obligation (NPO) at June 30, 2002	\$ 91,382,313
Annual Required Contribution	42,500,321
Interest on NPO	7,767,497
Amortization of NPO	(5,655,466)
Annual Pension Cost	44,612,352
Contributions Paid (not discounted)	33,570,439
Increase in NPO	11,041,913
NPO of June 30, 2003	102,424,226



SCHEDULE ARESULTS OF THE VALUATION AS OF JUNE 30, 2002  
(Excluding Elected Officer Funds)

	Class A	Class B			Grand Total
		Fire	Police	Total	
1. Actuarial Liabilities					
(a) Present value of all future benefits payable to active members	\$ 210,817,619	\$ 114,795,608	\$ 121,166,035	\$ 235,961,643	\$ 446,779,262
(b) Present value of benefits payable to retirees and beneficiaries including benefits payable on death	170,323,900	230,521,250	187,281,355	417,802,605	588,126,505
(c) Present value of benefits payable to vested terminated members	7,372,663	127,996	1,133,297	1,261,293	8,633,956
(d) Total actuarial liabilities	388,514,182	345,444,854	309,580,687	655,025,541	1,043,539,723
2. Assets of the System for Valuation Purposes	\$ 108,748,036	\$ 127,895,890	\$ 103,905,889	\$ 231,801,779	\$ 340,549,815
3. Present Value of Future Employee Contributions	\$ 40,544,763	\$ 21,516,085	\$ 17,074,591	\$ 38,590,676	\$ 79,135,439
4. Present Value of Total Prospective Contributions by the City (1(d) minus 2 and 3)	\$ 239,221,384	\$ 196,032,879	\$ 188,600,207	\$ 384,633,086	\$ 623,854,470

	Class A	Class B			Grand Total
		Fire	Police	Total	
5. Normal Contribution Rates (For Average New Entrant)	8.10%	9.57%	13.12%	11.25%	
6. Present Value of Future Salaries of Present Active Members	\$ 610,876,100	\$ 219,842,200	\$ 204,669,200	\$ 424,511,400	
7. Present Value of Future Normal Contributions By City (5. x 6.)	\$ 49,480,964	\$ 21,038,899	\$ 26,852,599	\$ 47,891,498	\$ 97,372,462
8. Balance-Unfunded Accrued Liability (4 minus 7)	\$ 189,740,420	\$ 174,993,981	\$ 161,747,607	\$ 336,741,588	\$ 526,482,008
9. Total Contribution Rates					
(a) Contribution rate to liquidate unfunded accrued liability over 28 years	17.04%	47.78%	49.38%		
(b) Normal contribution rates	8.10%	9.57%	13.12%		
(c) Total contribution rates	25.14%	57.35%	62.50%		
10. Payroll	\$ 70,402,936	\$ 23,154,123	\$ 20,707,864	\$ 43,861,987	\$ 114,264,923
11. Contribution payable for fiscal year beginning July 1, 2003	\$ 18,707,701	\$ 13,670,773	\$ 13,424,250	\$ 27,095,023	\$ 45,802,724*

\* Assumed payment date, June 30, 2004



SCHEDULE B

## OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

INTEREST RATE: 8½% per annum, compounded annually for General Funds and School Teacher Funds.

SEPARATIONS FROM ACTIVE SERVICE: Representative values of the assumed annual rates of withdrawal and deferred retirement, disability, death and service retirement among members in active service are as follows:

CLASS A

Age	Retirement	Disability	
		Ordinary	Accidental
20		.0005	.0002
25		.0006	.0003
30		.0006	.0003
35		.0010	.0005
40		.0016	.0008
45	.0671	.0025	.0012
50	.0925	.0037	.0018
55	.0859	.0051	.0026
59	.1138	.0074	.0037
60	.1229	.0083	.0042
64	.1741	.0125	.0062
65	.2500	.0136	.0068
70	.2500	.0136	.0068
75	1.0000		

Age	Withdrawal and Deferred Retirement	Death	
		Ordinary	Accidental
20	.1413	.00025	.00002
25	.1206	.00032	.00002
30	.0644	.00039	.00002
35	.0473	.00049	.00003
40	.0389	.00064	.00004
45	.0272	.00099	.00006
50	.0174	.00163	.00010
54	.0101	.00241	.00015
55		.00266	.00016
60		.00382	.00023
65		.00562	.00034
70		.00796	.00048
74		.01052	.00064

CLASS B

Age	Withdrawal and Deferred Disability	Disability		Death	
		Ordinary	Accidental	Ordinary	Accidental
20	.0258	.0003	.0010	.0006	.0004
25	.0183	.0005	.0015	.0007	.0004
30	.0104	.0007	.0023	.0008	.0005
35	.0046	.0010	.0030	.0011	.0007
40	.0029	.0014	.0045	.0014	.0010
45	.0024	.0026	.0080	.0018	.0012
50		.0044	.0138	.0026	.0017
55			.0198	.0034	.0023
59			.0258	.0049	.0032

Age	Retirement
40	.07403
45	.07599
50	.08004
55	.08860
59	.10238
60	.25000
64	.25000
65	1.00000

SALARY INCREASES NOT INCLUDING LONGEVITY: 5%

LONGEVITY TABLES:

CLASS A:

FOR EMPLOYEE HIRED ON OR PRIOR TO OCTOBER 23, 1999:

YEAR OF SERVICE

PERCENTAGE AMOUNT

5 years but less than 10 years	5%
10 years but less than 15 years	6%
15 years but less than 20 years	7%
20 years or more	8%

FOR EMPLOYEES HIRED AFTER OCTOBER 23, 1999:

<u>YEAR OF SERVICE</u>	<u>PERCENTAGE AMOUNT</u>
7 years but less than 12 years	4%
12 years but less than 17 years	5%
17 years but less than 20 years	6%
20 years or more	7%

CLASS B:FIRE:FOR EMPLOYEE HIRED ON OR PRIOR TO JUNE 30, 1996

<u>YEAR OF SERVICE</u>	<u>PERCENTAGE AMOUNT</u>
5 years but less than 10 years	8%
10 years but less than 15 years	9%
15 years but less than 20 years	10%
20 years or more	11%

FOR EMPLOYEES HIRED AFTER JUNE 30, 1996

<u>YEAR OF SERVICE</u>	<u>PERCENTAGE AMOUNT</u>
5 years but less than 10 years	7%
10 years but less than 15 years	8%
15 years but less than 20 years	9%
20 years or more	10%

POLICE:FOR EMPLOYEE HIRED ON OR PRIOR TO JUNE 30, 1998

<u>YEAR OF SERVICE</u>	<u>PERCENTAGE AMOUNT</u>
0 year but less than 6 years	0%
6 years but less than 11 years	8%
11 years but less than 16 years	9%
16 years but less than 21 years	10%
21 years or more	11%

FOR EMPLOYEES HIRED AFTER JUNE 30, 1998

<u>YEAR OF SERVICE</u>	<u>PERCENTAGE AMOUNT</u>
0 year but less than 6 years	0%
6 years but less than 11 years	7%
11 years but less than 16 years	8%
16 years but less than 21 years	9%
21 years or more	10%

DEATHS AFTER RETIREMENT: Based on the 1983 GAM Table revised for retirements on and after June 30, 1990 to produce the following life expectancies.

Age	CLASS A				CLASS B	
	Service		Disability		Service	Disability
	Male	Female	Male	Female		
50	29.183	34.917	26.265	31.425	29.183	26.265
55	24.825	30.235	22.343	27.212	24.825	22.343
60	20.641	25.672	18.577	23.105	20.641	18.577
65	16.693	21.286	15.024	19.157	16.693	15.024
70	13.182	17.130	11.864	15.417	13.182	11.864

VALUATION METHOD: Projected benefit method with aggregate level entry age normal cost and open-end accrued liability. Gains and losses are reflected in the period remaining to liquidate the unfunded accrued liability.

ASSET VALUATION METHOD: 5-year moving average of market values.



SCHEDULE C

## DETERMINATION OF ADJUSTED ASSET VALUE

The adjusted asset value is determined under a five-year moving average method as follows:

<b>June 30</b>	<b>Market Value</b>	<b>Net Cash Flow During Preceding Year</b>
2002	\$296,510,834	\$ (12,379,011) x 4 = \$(49,516,043)
2001	322,045,955	(13,940,085) x 3 = (41,820,255)
2000	351,949,390	(12,464,465) x 2 = (24,928,930)
1999	353,200,424	(12,387,948) x 1 = (12,387,948)
1998	352,993,163	
<b>Total</b>	<b>\$1,676,699,766</b>	<b>\$(128,653,176)</b>

Adjusted Asset Value =  $(\$1,676,699,766 \div 5) + ((\$128,653,176) \div 5)$  or \$309,609,318 plus \$30,940,497 (discounted value of \$33,570,439 payable June 30, 2003 for FY03) or \$340,549,815.

Net cash flow consists of contributions and investment income, excluding capital gains and losses, minus benefit payments and expenses, if any, charged to the trust.

The adjusted net cash flows serve to bring each market value up to the valuation date except for realized and unrealized capital gains and losses.



SCHEDULE D

## SUMMARY OF MAIN PROVISIONS OF RETIREMENT SYSTEM

## AS INTERPRETED FOR VALUATION PURPOSES

## 1 – BENEFITS

Final compensation is the average of the highest three years of base compensation including longevity pay earned by a member during his total service as an employee.

Service is total employment by the City plus any purchased service.

## Service Retirement Allowance

## Conditions for Allowance

The minimum age for service retirement for Class A members is age 55 or the age at which 25 years of service (30 years for members hired after July 1, 1995) are completed if earlier, and for Class B members age 55 or the age at which 20 years of service are completed if earlier.

## Amount of Allowance

## Provided by Member

An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement, and

## Provided by City

For Class A members hired prior to July 1, 1996:

A pension which when added to his normal annuity, exclusive of any excess annuity, will give a total retirement allowance of 1/40 of his final compensation for each year of total service credited not in excess of 20 years plus 1/50 of his final compensation for each year of total service credited in excess of 20 years.

For Class A members hired on or after July 1, 1996:

A pension which when added to his normal annuity, exclusive of any excess annuity, will give a total retirement allowance of 1/50 of his final compensation for each year of total service credited.

For Police:

A pension which when added to his normal annuity, exclusive of any excess annuity, equals:

1. For members of the bargaining unit hired on or after September 1, 2001:

<u>Eligible Years of Service</u>	<u>Designated Percentage</u>
Prior to 20 years of service	2.5% per year
20 years of service	50%
21 years of service	52%
22 years of service	54%
23 years of service	56%
24 years of service	58%
25 years of service	60%
26 years of service	62%
27 years of service	64%
28 years of service	66%
29 years of service	68%
30 years of service	70%
31 years of service	72%
32 years of service	75%

2. For members of the bargaining unit hired prior to September 1, 2001:

<u>Eligible Years of Service</u>	<u>Designated Percentage</u>
Prior to 20 years of service	2.5% per year
20 years of service	50%
21 years of service	52%
22 years of service	54%
23 years of service	56%
24 years of service	58%
25 years of service	65%
26 years of service	62%
27 years of service	64%
28 years of service	66%
29 years of service	68%
30 years of service	75%
31 years of service	72%
32 years of service	80%

For all other Class B:

A pension which when added to his normal annuity, exclusive of any excess annuity, will give a total retirement allowance of 1/40 of his final compensation for each year of total service credited not in excess of 20 years plus 1/50 of his final compensation for each year of total service credited in excess of 20 years but not in excess of 32 years and 6 months.

Deferred Retirement Allowance

Conditions for Allowance

A member who has completed at least 10 years of service may retire and receive a deferred retirement allowance commencing at the minimum age for service retirement.

Amount of Allowance

Provided by Member

A deferred annuity which is the actuarial equivalent of his accumulated contributions, and

Provided by City

See "Service Retirement Allowance."

Ordinary Disability Retirement Allowance

Conditions for Allowance

For Police:

After 10 years but less than 20 years of service.

For All Others:

After 10 years of service, a member under the minimum age for service retirement may be retired for disability upon his own request or upon the request of the head of the department employing him.

Amount of Allowance

Provided by Member

An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement, and

Provided by City

If the member is a Class A member:

A pension which when added to his normal annuity, exclusive of any excess annuity, will give a total retirement allowance of 9/10 of 1/50 of his final



compensation for each year of total service which would have been credited had he continued in service to the minimum age for service retirement, but such retirement allowance, exclusive of any excess annuity, is not to exceed 45% of his final compensation.

For Police:

A pension which when added to his normal annuity will give a total retirement allowance, equal to a percentage of his final compensation, as described in the following table:

<u>Eligible Years of Service</u>	<u>Percentage</u>
10 years of service	22.50%
11 years of service	24.75%
12 years of service	27%
13 years of service	29.25%
14 years of service	31.50%
15 years of service	33.75%
16 years of service	36%
17 years of service	38.25%
18 years of service	40.50%
19 years of service	42.75%

For All other Class B:

A pension which when added to his normal annuity, exclusive of any excess annuity, will give a total retirement allowance of 9/10 of 1/40 of his final compensation for each year of total service which would have been credited had he continued in service to the minimum age for service retirement, but such retirement allowance, exclusive of any excess annuity, is not to exceed 45% of his final compensation.

Accidental Disability Retirement Allowance

Conditions for Allowance

A member may be retired on account of accidental disability occurring in the performance of duty regardless of age or length of service. Any condition or impairment of health of Class B employees who are firefighters caused by any disease of the heart or cardiovascular system or lungs or respiratory tract resulting in total or partial disability shall be presumed to be accidental and suffered in the line of duty unless the contrary be shown by competent evidence.

Amount of Allowance

Provided by Member

Non-Police:

An annuity which is the actuarial equivalent of his accumulated contributions at the time of his retirement.

Police:

In light of the member's receipt of the pension stated below, the only annuity payable is the actuarial equivalent of any accumulated additional contributions at the time of his retirement.

and

Provided by City

For All:

A pension of 66-2/3% of his final compensation, but not less than the service retirement allowance. Upon the death of a member within 5 years after accidental disability retirement as a result of an accident while in the performance of duty, a pension of one-half of the member's final compensation is paid to his widow until she dies or remarries, at which point the pension is paid to his child or children until they attain age 19.

Accidental Death Benefit

Conditions for Benefit

An accidental death benefit is payable upon the death of any member due to an accident in the performance of duty. Any condition or impairment of health of Class B employees who are firefighters caused by any disease of the heart or cardiovascular system or the lungs or respiratory tract resulting in death shall be presumed to be accidental and suffered in the line of duty unless the contrary be shown by competent evidence.

Amount of Benefit

A pension of one-half of the member's final compensation is paid to his widow until she dies or remarries, at which point the pension is payable to his child or children until they attain age 19. If there are no other dependents, the pension is payable to his dependent parents. In addition, a lump sum payment of the member's accumulated contributions is made.



### Withdrawal or Ordinary Death Benefit

A member who withdraws prior to eligibility for retirement receives his accumulated contributions. Should a member die before retirement his accumulated contributions are paid to his estate or beneficiary; provided, however, if he has attained minimum retirement age and has not made an optional election as described below, and is survived by a spouse, such spouse is entitled, in lieu of the return of the member's accumulated contributions, to a benefit equal to that which would have been payable to such spouse upon the death of the member had the member retired on the day of his death and elected to receive a benefit under the provisions of Option 2, as described below, and nominated his spouse as his designated beneficiary, except that for a Class B member the benefit to the spouse shall not be less than 67½% of the benefit that would have been paid to such retired member without reduction.

### Benefit upon Death after Retirement

#### For Class A:

Benefits under any option. Also, the excess, if any, of the member's accumulated contributions at retirement over all payments paid out on the member's account.

#### For Class B:

Upon the death of a Class B pensioner, 67½% of his retirement allowance is paid to his widow until she dies or remarries, at which point the benefit is paid to his dependent children until they attain age 18. Also, the excess, if any, of the member's accumulated contributions at retirement over the total of all payments paid out on the member's account.

### Minimum Benefits

The minimum monthly retirement allowance is \$600, prorated for members whose credited service at retirement is less than 25.

Special Privileges at Retirement

At retirement, a member may elect to convert his allowance into a benefit of equivalent actuarial value in accordance with one of the options described below:

Option 1. A reduced retirement allowance payable during the retired member's life, with a provision that in case of death before such payments have equaled the present value of his retirement allowance at the date of retirement, the balance shall be paid to the heirs or assigns; or

Option 2. A reduced retirement allowance payable during the retired member's life, with a provision that after his death it shall be continued during the life of and paid to the person nominated by him by written designation at the time of his retirement; or

Option 3. A reduced retirement allowance payable during the retired member's life, with a provision that after his death an allowance at one-half the rate of his reduced allowance shall be continued during the life of and paid to the person nominated by him by written designation at the time of his retirement; or

Option 4. A reduced retirement allowance payable during the retired member's life, with some other benefit payable after his death, provided that the benefit shall be certified by the actuary and approved by the retirement board. This Option is not available to Police who retire on an Accidental Disability Allowance.

Class B members may not elect Options 2 or 3.

Married Class B members may also not elect Option 1.

Special Privileges upon Attainment of Minimum Retirement Age

Any member who has attained minimum retirement age may elect, in accordance with Option 2, 3, or 4 above, a reduced retirement allowance with provision for benefits to a person having an insurable interest in his life, other than his wife. The benefit is determined as of the member's date of death or retirement, if prior thereto, in accordance with the provisions of the option selected and is in lieu of the return of the member's

accumulated contributions if death occurs during the member's continuance in service after attainment of minimum retirement age. Such election is irrevocable after the option becomes effective unless the designated beneficiary predeceases the member prior to his retirement.

Cost of Living Adjustment

For Class A:

3% compounded, for members who retired prior to 12/18/91; no adjustment for other Class A members.

For Police:

3% compounded not to exceed the annual base salary of an active member at the same rank.

For all other Class B Retirees:

5%, compounded, for members who retired prior to 1/1/90; 6%, compounded, for members who retired between 1/1/90 and 12/18/91; and, 3%, simple, on first \$12,000 of annual benefit for other retired members.

The initial COLA payment is deferred until the January 1 which occurs three years after the member's retirement date.

Special Provisions for Certain  
Elected Officials

Any person who has served as Mayor or City Councilman for at least eight full legislative years is entitled to a retirement allowance on the basis of such service as an elected official upon attainment of age 52 or the completion of 20 consecutive years as an elected official, whichever is earlier, or the occurrence of total and permanent disability prior thereto.

Such retirement allowance is currently \$350 for each year of service, provided that no more than 20 years of such service are to be used in determining the allowance.

Upon the death of any such elected official, benefits are payable in accordance with the Class A provisions of the act.



An elected official may elect to withdraw his accumulated contributions in lieu of his rights to the allowance based on service as an elected official.

## 2 – CONTRIBUTIONS

Provided by Members

For Class A: 8% of their salaries.

For Police: 8% of this salaries

For all other Class B Members: 9½% of their salaries.

The Mayor and members of the City Council are required to contribute at the rate of \$350 per year.

Provided by City

The City makes the balance of contributions needed to fund the system.

In addition the City shall contribute from time to time amounts sufficient with the contributions of elected officials to provide the special pensions granted to elected officials.



SCHEDULE E

TABLES OF EMPLOYEE DATA

TABLE 1  
The Number and Annual Salaries  
of Members Distributed By 5th Age and Service  
As of June 30, 2002

CLASS A

SERVICE AGE	1	5	10	15	20	25	30	35	OVER 37	TOTAL
20	15 361,038	1 37,960	0 0	0 0	0 0	0 0	0 0	0 0	0 0	16 NUMBER 398,998 SALARY
25	26 751,978	87 1,974,419	9 230,246	1 15,188	0 0	0 0	0 0	0 0	0 0	123 NUMBER 2,971,831 SALARY
30	36 891,890	117 2,923,880	65 1,809,450	12 370,009	0 0	0 0	0 0	0 0	0 0	230 NUMBER 5,995,229 SALARY
35	29 722,641	101 2,664,335	81 2,537,424	67 2,448,208	4 139,233	0 0	0 0	0 0	0 0	282 NUMBER 8,511,841 SALARY
40	32 861,338	94 2,459,038	82 2,563,166	93 3,343,052	21 901,002	4 163,898	0 0	0 0	0 0	326 NUMBER 10,291,494 SALARY
45	21 525,326	117 2,977,602	90 2,709,998	80 2,912,448	35 1,365,469	26 1,123,361	23 944,087	0 0	0 0	392 NUMBER 12,558,291 SALARY
50	13 362,583	86 2,193,850	79 2,320,234	79 2,627,668	23 875,861	31 1,223,063	55 2,429,913	10 429,389	0 0	376 NUMBER 12,462,561 SALARY
55	8 217,453	44 1,216,564	42 1,336,514	45 1,621,427	26 1,055,247	23 959,911	32 1,308,736	14 584,746	5 232,220	239 NUMBER 8,532,818 SALARY
60	6 199,118	27 570,494	46 1,483,608	36 1,148,604	15 618,432	9 326,879	12 442,048	7 241,576	4 147,241	162 NUMBER 5,178,000 SALARY
65	4 135,686	16 329,843	17 478,345	15 473,461	6 264,334	6 205,809	4 173,710	1 18,601	1 46,936	70 NUMBER 2,126,725 SALARY
70	2 70,683	1 17,212	1 19,247	6 150,820	4 172,677	0 0	4 172,477	0 0	0 0	18 NUMBER 603,116 SALARY
75	1 37,716	2 36,623	1 28,787	4 177,965	3 79,324	1 57,716	1 56,011	1 34,760	1 34,918	15 NUMBER 543,820 SALARY
OVER 77	0 0	1 19,234	2 37,472	4 156,842	0 0	1 14,664	0 0	0 0	0 0	8 NUMBER 228,212 SALARY
TOTAL	193 5,137,450	694 17,421,054	515 15,554,491	442 15,445,692	137 5,471,579	101 4,075,301	131 5,526,982	33 1,309,072	11 461,315	2257 NUMBER 70,402,936 SALARY

TABLE 2

The Number and Annual Salaries  
of Members Distributed By 5th Age and Service  
As of June 30, 2002

## CLASS B

SERVICE AGE	1	5	10	15	20	25	30	OVER 32	TOTAL	
20	6	0	0	0	0	0	0	0	6	NUMBER
	264,038	0	0	0	0	0	0	0	264,038	SALARY
25	18	2	1	0	0	0	0	0	21	NUMBER
	540,775	92,386	12,792	0	0	0	0	0	645,953	SALARY
30	33	32	31	11	0	0	0	0	107	NUMBER
	1,030,655	1,435,616	1,431,229	496,041	0	0	0	0	4,393,541	SALARY
35	12	21	90	83	1	0	0	0	207	NUMBER
	269,619	960,622	4,090,466	3,876,639	50,447	0	0	0	9,247,793	SALARY
40	11	6	44	147	40	1	0	0	249	NUMBER
	388,236	275,236	1,985,997	6,770,044	1,972,030	43,881	0	0	11,435,424	SALARY
45	2	2	14	59	42	70	4	0	193	NUMBER
	83,554	89,112	636,877	2,711,940	2,064,695	3,672,796	244,806	0	9,503,780	SALARY
50	1	6	9	15	34	32	3	0	100	NUMBER
	12,792	285,475	440,630	718,166	1,698,706	1,856,835	164,604	0	5,177,208	SALARY
55	0	0	0	4	2	8	19	15	48	NUMBER
	0	0	0	176,533	87,762	388,199	1,062,807	822,292	2,537,593	SALARY
60	0	0	0	0	0	1	2	9	12	NUMBER
	0	0	0	0	0	56,380	91,711	508,566	656,657	SALARY
OVER 62	0	0	0	0	0	0	0	0	0	NUMBER
	0	0	0	0	0	0	0	0	0	SALARY
TOTAL	83	69	189	319	119	112	28	24	943	NUMBER
	2,589,669	3,138,447	8,597,991	14,749,363	5,873,640	6,018,091	1,563,928	1,330,858	43,861,987	SALARY

TABLE 3

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## SERVICE RETIREMENTS

## CLASS A

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
46	3	\$69,566
47	2	33,185
48	4	100,860
49	5	104,694
50	11	366,291
51	4	93,151
52	5	89,383
53	8	140,046
54	12	251,282
55	12	225,639
56	17	395,942
57	26	466,001
58	19	294,820
59	20	348,151
60	25	338,798
61	15	316,685
62	28	342,990
63	38	533,022
64	31	411,304
65	47	608,215
66	34	394,296
67	38	527,684
68	41	534,748
69	57	793,851
70	55	767,135
71	54	750,651
72	62	880,575
73	58	817,271
74	49	684,099
75	56	716,724
76	46	592,817



TABLE 3 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## SERVICE RETIREMENTS

## CLASS A

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
77	43	\$549,193
78	49	623,617
79	27	232,921
80	28	306,772
81	41	433,180
82	39	417,723
83	23	226,562
84	33	358,453
85	31	305,651
86	23	188,228
87	17	146,890
88	14	91,670
89	6	33,508
90	17	114,053
91	7	32,033
92	5	34,068
93	4	36,064
94	3	13,934
95	4	25,010
96	3	29,029
98	1	3,870
99	3	19,640
101	1	774
TOTAL	1,304	\$17,212,719

TABLE 4

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## SERVICE RETIREMENTS

## CLASS B

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
41	1	\$17,178
44	1	19,161
45	3	84,341
46	2	25,838
47	2	44,927
48	4	87,080
49	9	191,561
50	4	73,798
51	11	264,965
52	9	189,229
53	9	247,687
54	10	294,873
55	28	699,081
56	20	547,984
57	10	302,381
58	11	313,016
59	8	201,930
60	8	290,021
61	7	150,321
62	12	299,917
63	9	286,229
64	10	202,949
65	13	335,597
66	15	350,601
67	13	371,309
68	10	250,806
69	13	426,398
70	19	441,797
71	15	349,438
72	17	404,310

## TABLE 4 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## SERVICE RETIREMENTS

## CLASS B

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
73	16	\$362,492
74	14	336,837
75	22	526,880
76	11	261,566
77	21	339,324
78	20	363,371
79	17	397,164
80	12	268,973
81	14	266,024
82	10	157,773
83	2	41,074
84	6	97,218
85	3	52,224
86	2	23,456
87	2	30,425
88	2	23,736
89	2	23,456
90	2	40,317
91	1	12,147
96	1	11,728
99	1	11,728
101	1	11,728
TOTAL	485	\$11,424,364

TABLE 5

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

ELECTIVE OFFICIALS AND DEPENDENTS  
OF ELECTIVE OFFICIALS

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
60	1	\$3,489
62	1	3,766
63	1	3,950
64	3	13,391
71	1	7,307
72	3	16,655
73	1	9,133
74	1	10,314
75	1	9,818
76	2	10,465
77	1	5,989
79	3	11,772
86	1	6,089
92	1	1,426
93	2	4,422
TOTAL	23	\$117,986



TABLE 6

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## DISABILITY RETIREMENTS

## CLASS A

<u>AGE</u>	<u>ORDINARY</u>		<u>ACCIDENTAL</u>		<u>TOTAL</u>	
	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>
43			1	\$15,905	1	\$15,905
44	1	\$8,371			1	8,371
46	2	22,418			2	22,418
47			1	23,143	1	23,143
48	1	5,722	2	29,010	3	34,732
49	1	4,828	2	53,753	3	58,581
50			2	35,830	2	35,830
51			1	17,796	1	17,796
52			4	63,524	4	63,524
53	1	2,855	2	31,704	3	34,559
54	3	52,889	1	13,011	4	65,900
55	1	4,087	2	50,915	3	55,002
56	1	8,585	2	39,337	3	47,922
57	1	6,230	2	45,216	3	51,446
58			1	11,954	1	11,954
59	1	15,887	3	52,978	4	68,865
60			3	55,629	3	55,629
61			5	63,229	5	63,229
62			2	26,385	2	26,385
63	1	7,976	7	111,210	8	119,186
65	2	12,660	1	15,138	3	27,798
66			3	33,899	3	33,899
67	1	5,032	5	94,184	6	99,216
68			2	21,539	2	21,539
69	1	7,635	1	15,924	2	23,559
71	2	25,926	2	40,978	4	66,904
72			2	34,860	2	34,860

TABLE 6 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## DISABILITY RETIREMENTS

## CLASS A

<u>AGE</u>	<u>ORDINARY</u>		<u>ACCIDENTAL</u>		<u>TOTAL</u>	
	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>
73	1	\$20,729	3	\$55,999	4	\$76,728
74			1	17,288	1	17,288
75			2	22,290	2	22,290
76			4	74,233	4	74,233
77			2	22,058	2	22,058
78	1	5,806			1	5,806
79	1	9,676	1	8,409	2	18,085
80			1	4,118	1	4,118
81	1	4,257	1	4,495	2	8,752
82			1	9,657	1	9,657
89	1	9,676	1	13,073	2	22,749
99			1	4,885	1	4,885
TOTAL	25	\$241,245	77	\$1,233,556	102	\$1,474,801

TABLE 7

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## DISABILITY RETIREMENTS

## CLASS B

<u>AGE</u>	<u>ORDINARY</u>		<u>ACCIDENTAL</u>		<u>TOTAL</u>	
	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>
34			1	\$23,835	1	\$23,835
35			1	29,723	1	29,723
37			1	28,080	1	28,080
38			1	29,799	1	29,799
39			4	112,249	4	112,249
40			3	82,315	3	82,315
41			2	77,207	2	77,207
42	1	\$18,119	5	148,326	6	166,445
43	1	14,529	3	112,173	4	126,702
44			5	202,670	5	202,670
45			12	369,140	12	369,140
46	1	16,016	7	210,784	8	226,800
47			11	305,673	11	305,673
48			12	391,836	12	391,836
49			5	163,699	5	163,699
50			9	301,724	9	301,724
51			14	467,980	14	467,980
52			18	617,280	18	617,280
53			14	485,772	14	485,772
54	1	25,669	16	588,033	17	613,702
55	2	41,316	27	955,487	29	996,803
56			16	562,844	16	562,844
57	1	14,969	25	784,789	26	799,758
58			13	516,569	13	516,569
59			16	588,617	16	588,617
60			17	605,427	17	605,427
61			15	494,002	15	494,002
62			15	632,729	15	632,729
63			22	919,117	22	919,117
64			12	511,685	12	511,685

TABLE 7 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## DISABILITY RETIREMENTS

## CLASS B

<u>AGE</u>	<u>ORDINARY</u>		<u>ACCIDENTAL</u>		<u>TOTAL</u>	
	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>	<u>NUMBER</u>	<u>AMOUNT</u>
65	1	\$14,271	6	\$220,365	7	\$234,636
66			10	532,843	10	532,843
67			6	217,386	6	217,386
68			10	441,561	10	441,561
69			13	584,986	13	584,986
70			12	594,114	12	594,114
71			10	486,546	10	486,546
72			10	326,517	10	326,517
73			6	226,198	6	226,198
74	1	11,728	3	162,476	4	174,204
75			9	301,315	9	301,315
76			6	207,315	6	207,315
77			9	346,329	9	346,329
78			5	124,906	5	124,906
79			1	18,143	1	18,143
80			3	73,113	3	73,113
81			1	11,169	1	11,169
82	1	12,738			1	12,738
83			1	10,389	1	10,389
85			1	17,011	1	17,011
88			1	11,728	1	11,728
95			3	38,424	3	38,424
<b>TOTAL</b>	<b>10</b>	<b>\$169,355</b>	<b>448</b>	<b>\$16,272,398</b>	<b>458</b>	<b>\$16,441,753</b>



TABLE 8

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## DISABILITY RETIREMENTS

## GRAND TOTAL

AGE	ORDINARY		ACCIDENTAL		TOTAL	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
34			1	\$23,835	1	\$23,835
35			1	29,723	1	29,723
37			1	28,080	1	28,080
38			1	29,799	1	29,799
39			4	112,249	4	112,249
40			3	82,315	3	82,315
41			2	77,207	2	77,207
42			6	166,445	6	166,445
43	1	\$15,905	4	126,702	5	142,607
44	1	8,371	5	202,670	6	211,041
45			12	369,140	12	369,140
46	2	22,418	8	226,800	10	249,218
47	1	23,143	11	305,673	12	328,816
48	3	34,732	12	391,836	15	426,568
49	3	58,581	5	163,699	8	222,280
50	2	35,830	9	301,724	11	337,554
51	1	17,796	14	467,980	15	485,776
52	4	63,524	18	617,280	22	680,804
53	3	34,559	14	485,772	17	520,331
54	4	65,900	17	613,702	21	679,602
55	3	55,002	29	996,803	32	1,051,805
56	3	47,922	16	562,844	19	610,766
57	3	51,446	26	799,758	29	851,204
58	1	11,954	13	516,569	14	528,523
59	4	68,865	16	588,617	20	657,482
60	3	55,629	17	605,427	20	661,056
61	5	63,229	15	494,002	20	557,231
62	2	26,385	15	632,729	17	659,114
63	8	119,186	22	919,117	30	1,038,303
64			12	511,685	12	511,685

TABLE 8 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

## DISABILITY RETIREMENTS

## GRAND TOTAL

AGE	ORDINARY		ACCIDENTAL		TOTAL	
	NUMBER	AMOUNT	NUMBER	AMOUNT	NUMBER	AMOUNT
65	3	\$27,798	7	\$234,636	10	\$262,434
66	3	33899	10	532,843	13	566,742
67	6	99,216	6	217,386	12	316,602
68	2	21539	10	441,561	12	463,100
69	2	23,559	13	584,986	15	608,545
70			12	594,114	12	594,114
71	4	66,904	10	486,546	14	553,450
72	2	34860	10	326,517	12	361,377
73	4	76,728	6	226,198	10	302,926
74	1	17288	4	174,204	5	191,492
75	2	22290	9	301,315	11	323,605
76	4	74233	6	207,315	10	281,548
77	2	22058	9	346,329	11	368,387
78	1	5,806	5	124,906	6	130,712
79	2	18,085	1	18,143	3	36,228
80	1	4118	3	73,113	4	77,231
81	2	8,752	1	11,169	3	19,921
82	1	9657	1	12,738	2	22,395
83			1	10,389	1	10,389
85			1	17,011	1	17,011
88			1	11,728	1	11,728
89	2	22,749			2	22,749
95			3	38,424	3	38,424
99	1	4885			1	4,885
TOTAL	102	\$1,474,801	458	\$16,441,753	560	\$17,916,554

TABLE 9

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF  
BENEFICIARIES OF DECEASED ACTIVE AND RETIRED MEMBERS DISTRIBUTED BY  
AGE AS OF JUNE 30, 2002

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
29	1	\$7,948
33	1	11,728
34	1	21,496
37	1	20,346
43	1	25,989
46	1	19,417
47	1	22,453
48	2	77,518
49	1	6,691
50	2	43,763
51	3	65,768
52	3	67,648
53	1	18,607
54	2	36,392
55	4	75,881
56	1	24,013
57	4	100,103
58	2	37,840
59	4	69,930
60	6	135,139
61	4	86,317
62	2	67,434
63	5	87,126
64	7	79,807
65	6	119,201
66	6	94,361
67	11	139,411
68	8	135,888
69	13	159,884
69	10	172,994
71	9	100,633

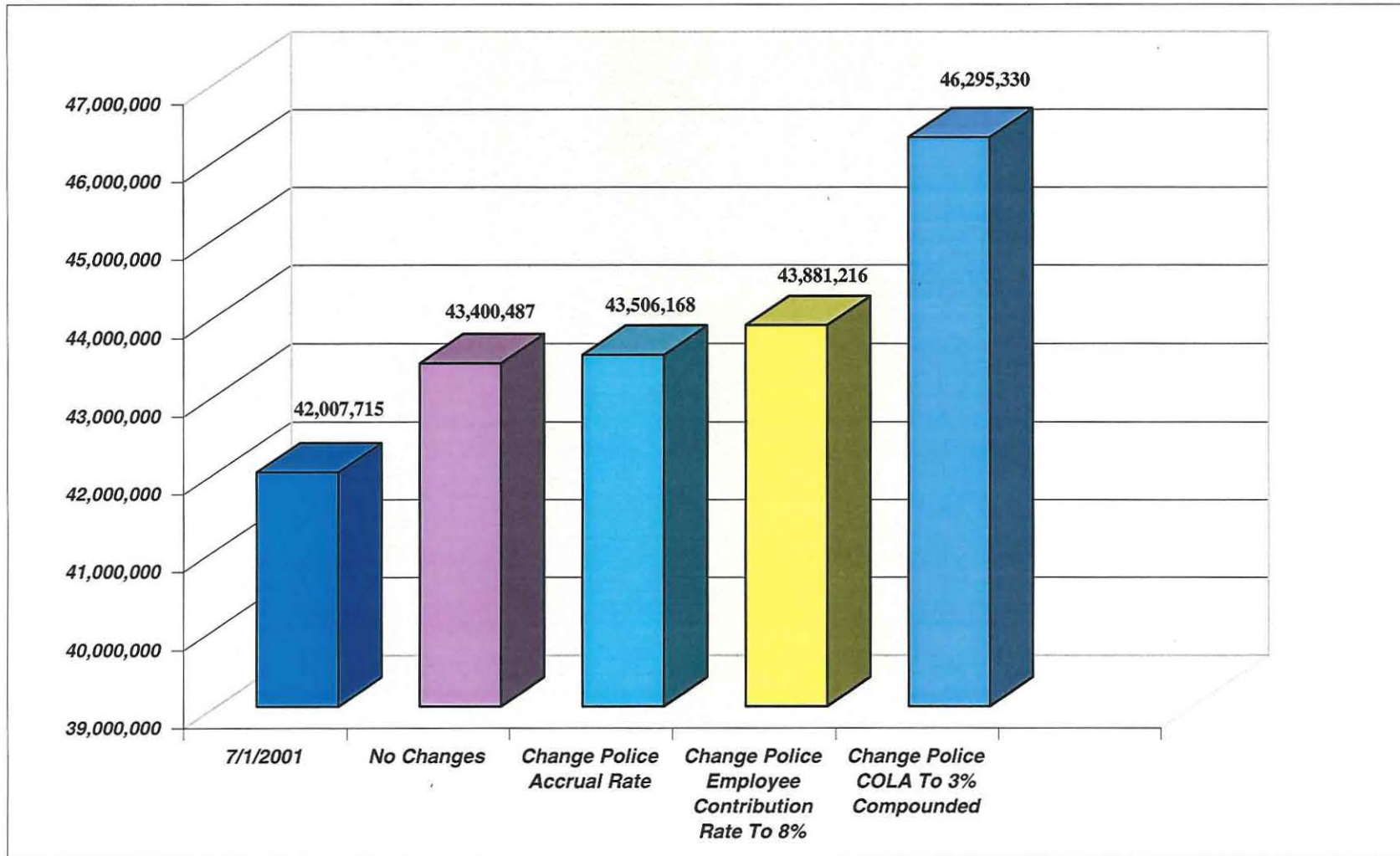
TABLE 9 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF  
 BENEFICIARIES OF DECEASED ACTIVE AND RETIRED MEMBERS DISTRIBUTED BY  
 AGE AS OF JUNE 30, 2002

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
72	7	137,788
73	9	122,978
74	17	251,151
75	17	195,048
76	16	224,461
77	20	242,616
78	16	206,444
79	19	183,349
80	16	189,785
81	15	150,832
82	14	174,140
83	13	118,700
84	15	133,706
85	11	97,903
86	12	105,035
87	13	113,633
88	11	98,349
89	9	90,483
90	9	98,235
91	8	80,971
92	8	74,707
93	4	34,757
94	5	47,180
95	4	44,860
96	3	35,184
97	2	21,404
98	1	10,960
99	2	23,456
100	2	20,917
TOTAL	421	\$5,460,758



**Cost Impact Of Benefit Changes From Ratified Police Contract On  
City Appropriations From July 1, 2001 to July 1, 2002**



**EMPLOYEES RETIREMENT SYSTEM  
of the  
CITY OF PROVIDENCE**

**JANUARY 22, 2003**

**10:30 A.M.**

**MEMBERS**

Mayor David N. Cicilline  
Pasquale T. D'Amico - Chairman  
Betty J. Jackson - Vice-Chairwoman  
Daniel J. McCarthy  
Edward J. Maroney

Pasquale Grieco  
Councilman Kevin Jackson  
Melvin Hershkowitz, MD  
Carla Dowben  
Joseph L. Chiodo, Controller

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Edward J. Lynch, Jr.  
Pension Administrator

1. **Approval of Minutes:** November 2002 and January 8, 2003-Special Meeting
  
2. **Disability Committee Report:** Dr. Guy Geffroy, Medical Advisor  
**Closed Session:** RIGL 42-46-4 and RIGL 42-46-5 (a) (1) (Specific to discussion regarding physical or mental health of a person).
  - a. Keith Grant - Accidental Disability
  - b. Barbara LaPlante - Accidental Disability
  - c. Michael Herchen - Accidental Disability
  - d. Hope Varone - Accidental Disability
  
3. **Invoices for Payment:**
  - a. Medical Consultant - None
  - b. Attorney Skolnik - None

4. **Loans Approved:**

Total number of loans since last Board Meeting: 177

Total amount of loans since last Board Meeting: \$434,940.00

5. **Purchase of Service: See Attached**

6. **Service Retirements:**

A. Maximum: Joseph W. Caprio  
Diana Gomes

B. Option I: None

C. Option II: None

D. Option III: None

E. Option IV: Normand L. Roussell

7. **New Business:**

a. Discussion Regarding Actuarial Report-Buck Consultants – Joseph L. Chiodo

b. Ad-hoc Committee regarding 18 month rule for Accidental Disability applicants – Councilman Kevin Jackson

c. Investment Sub-Committee – Daniel McCarthy

d. Forensic Audit request to City Council – Edward Maroney

e. Decrease in health benefits over the last 10 years – Edward Maroney

f. Retirement Benefits for John Reis – Daniel McCarthy

g. Chief Joseph Scolardi's pension – Edward Maroney

- h. Police and Fire COLAs – Discussion regarding Funding – Buck Consultants – Edward J. Maroney
- i. Reimbursement of medical bills for Thomas Whelan – Edward J. Maroney
- j. Request to Buck Consultants for information regarding the funded percentage of the ERS based on the 3% compounded COLAs – Edward J. Maroney
- k. Request of Anthony Campanelli to address the Retirement Board regarding limits on Blue Cross Coverage – Edward J. Lynch
- l. Immediate Appointment by the City Solicitor of an Independent Hearing Officer for revocation and/or suspension of the pension benefits of Vincent A. Cianci, Jr. and Frank Corrente – Carla Dowben
- m. Legal opinion from the City Solicitor regarding the Appointment of an Independent Hearing Officer – Carla Dowben
- n. Discussion relative to termination and replacement of Buck Consultants – Edward Maroney
- o. Resignation of David J. Peters as Class B Fire Representative – Edward J. Lynch, Jr.



Vincent A. Cianci, Jr., Mayor  
Pasquale T. D'Amico, Chairman  
Betty J. Jackson, Vice Chairman  
David J. Peters  
Edward J. Maroney  
Daniel J. McCarthy



**RETIREMENT BOARD  
EMPLOYEES' RETIREMENT SYSTEM**

Room 409, Providence City Hall, 25 Dorrance Street  
Providence, Rhode Island 02903

Tel. 421-7740, ext. 299 - Fax 453-6175

Pasquale Grieco  
Kevin Jackson, Councilman  
Dr. Melvin Hershkowitz  
Carla Dowben, Esq.  
Joseph L. Chiodo, Controller

Edward J. Lynch, Jr.  
Pension Administrator

**PURCHASE OF SERVICE  
DECEMBER 17, 2002**

- (1) ALESSANDRO GERARDI- 1 YEAR 8 MONTHS 21 DAYS  
CONTINUOUS TEMP. TIME- PUBLIC WORKS
- (2) ESTER L. PERSON- 1 YEAR 9 MONTHS 17 DAYS  
CONTINUOUS TEMP. TIME-  
SUBSTITUTE CLERK, SCHOOL DEPARTMENT  
\$3,284.60
- (3) DENNIS LAMBERT- 4 MONTHS 4 DAYS  
POLICE ACADEMY TIME  
\$2,376.43