

**REPORT ON
THE SEVENTY-NINTH VALUATION OF
THE EMPLOYEES' RETIREMENT SYSTEM
OF THE CITY OF PROVIDENCE
AS OF JUNE 30, 2006**



November 21, 2006

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-ninth actuarial valuation of the system, prepared as of June 30, 2006, which develops the appropriation required by the City for the fiscal year beginning July 1, 2007.

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

Respectfully submitted,

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Director and Consulting Actuary

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REPORT ON THE SEVENTY-NINTH VALUATION OF THE
EMPLOYEES' RETIREMENT SYSTEM OF THE
CITY OF PROVIDENCE
AS OF JUNE 30, 2006

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	6/30/2005	6/30/2006
Number of active members		
Vested	1,603	1,808
Nonvested	1,405	1,235
Total	3,008	3,043
Annual salaries of active members	\$ 118,824,745	\$ 126,457,520
Average salary of active members	\$ 39,503	\$ 41,557
Number of retirees and beneficiaries	2,940	2,891
Annual retirement allowances	\$ 62,442,755	\$ 64,620,754
Average retirement allowance	\$ 21,239	\$ 22,352
No. of non-active members w/contributions	318	312
Accumulated member contributions	\$ 6,710,717	\$ 6,336,972
Market value of plan assets (accrual basis)	\$ 381,791,548	\$ 409,987,125
Assets for valuation purposes (accrual basis)	\$ 376,689,759	\$ 393,768,316
Unfunded accrued liability	\$ 616,339,388	\$ 659,036,246
Contribution rates required		
Class A	24.53%	24.67%
Class B Fire	64.88%	76.84%
Class B Police	77.56%	73.03%

2. Comments on the valuation results as of June 30, 2006 are given in Section IV and the appropriation payable by the City during the fiscal period beginning July 1, 2007 is set out in Section V.
3. The valuation was based on the assumptions as outlined in Schedule B. A new assumption was added regarding the estimation of purchased service for Fire and Police to address the lack of provided data. It resulted in a liability loss of 16,122,897, as seen in Schedule G.
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. In particular, the valuation reflected the following with respect to annual cost of living adjustments (COLAs):

<u>GROUP</u>	<u>COLA</u>	<u>Number of Recipients</u>
a) Class A		
(i) Retired prior to 12/18/1991	- 3%, compounded	698
(ii) Retired after 12/18/1991	- None	<u>928</u>
Total of Class A		1,626
b) Class B – Police		
(i) Retired prior to 1/1/1990	- 5%, compounded	334
(ii) Retired between 1/1/1990 and 12/18/1991	- 6% compounded	41
(iii) Retired after 12/18/1991	- 3% compounded	238
(iv) Special Award	- 5% compounded	<u>12</u>
Total of Police		625

<u>GROUP</u>	<u>COLA</u>	<u>Number of Recipients</u>
c) Class B – Fire		
(i) Retired prior to 1/1/1990	- 5% compounded	324
(ii) Retired between 1/1/1990 and 12/18/1991	- 6% compounded	73
(iii) Special Award	- 5% compounded	8
(iv) Retired between 7/1/1992 and 6/30/1993	- 3% compounded	28
(v) Retired between 7/1/2001 and 6/30/2004	- 3% compounded	53
(vi) All others	- 3% simple, on first \$12,000 of annual benefit	<u>133</u>
Total of Fire		619
d) Total Number of Class A and Class B retirees and beneficiaries		2,870*

*Excludes elected officials and 21 Class A and B employees who retired prior to June 30, 2006 but were not processed on the June 30, 2006 payroll.

There is a three-year deferral of the initial COLA for current active members when they retire.

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, 2006.

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, 2006 on a "cash basis" was \$363,366,076. 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 7/1/2006 – 6/30/2007 fiscal year (\$50,583,838) but assumed not to be deposited until 6/30/2007. The discounted value of this contribution is \$46,621,049. Therefore, the market value of the assets of the system as of June 30, 2006 on an "accrual basis" was \$409,987,125.
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 \$393,768,316 on an "accrual basis." Schedule C outlines the calculation of this adjusted value which was modified for purposes of this year's valuation.

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, 2006. Actuarial accrued liabilities consist of \$329,631,610, which equals the actuarial accrued value of prospective benefits of active members; plus \$716,835,979, which equals the present value of obligations to retired members and their beneficiaries; plus \$6,336,973, which equals the value of contributions of non-active members remaining in the fund. These liabilities amount to \$1,052,804,562, which is met by the City and members through annual contributions. Against these prospective liabilities, the system has present assets of \$393,768,316 leaving \$659,036,246 as the unfunded accrued liability.
2. Section V discusses the portion of the total prospective City obligation we recommend for current payment.
3. Schedule G of the report discusses experience gain/(loss) in the last year. The system's actual experience was worse than expected, resulting in a loss of \$28,551,264. Asset experience accounted for \$4,616,342 of the loss, while losses from assumption changes and liability were \$16,122,897 and \$7,812,025, respectively. For more detail on gain/(loss), please see Schedule G.

SECTION V - APPROPRIATION PAYABLE BY CITY

1. Schedule A gives the basis for determining the appropriation payable by the City during the fiscal period beginning July 1, 2007. In accordance with the law governing the operation of the retirement system, we recommend contribution rates of 24.67% for Class A members, 76.84% for Class B Fire and 73.03% for Class B Police. These rates are based on amortizing the unfunded accrued liability as of June 30, 2006 on a level percentage-of-payroll basis over a 24-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, 2006 and contributions are paid on June 30, 2008, contributions payable by the City for the fiscal year beginning July 1, 2007 are as shown below:

Group	Amount
Class A:	
General	\$ 7,944,762
School	6,891,752
School Crossing Guards	382,729
Water	2,826,717
Workforce Development (JTPA)	196,043
Fire Civilians	213,045
Police Civilians	878,675
Total Class A	\$ 19,333,723
Class B:	
Fire	\$ 17,538,249
Police	18,457,023
Total Class B	\$ 35,995,272
Grand Total	\$ 55,328,995 (see #2 below)

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 30-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

Based on our interpretation of Statement 25 of the Governmental Accounting Standards Board, the results of the June 30, 2005 and 2006 actuarial valuations are shown below:

	June 30, 2005	June 30, 2006
1. Normal cost for employees	\$ 9,803,354	\$ 10,351,833
2. Normal cost for employers	\$ 8,597,302	\$ 9,243,167
3. Actuarial liability for active members	\$ 288,320,340	\$ 329,631,610
4. Actuarial liability for retired members	\$ 704,708,807	\$ 723,172,952
5. Total actuarial liability	\$ 993,029,147	\$ 1,052,804,562
6. System assets	\$ 376,689,759	\$ 393,768,316
7. Unfunded actuarial accrued liability	\$ 616,339,388	\$ 659,036,246
8. Ratio of assets to actuarial liability	37.93%	37.40%
9. Investment return assumption	8.5%	8.5%
10. Rate of salary increase	graded%*	graded%*

* See Schedule B

SCHEDULE OF EMPLOYER CONTRIBUTIONS
(dollar amounts in thousands)

Year Ended June 30	Annual Required Contribution	Percentage Contribution
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	\$42,442	64.18%
2003	\$42,008	80.25%
2004	\$46,321	85.99%
2005	\$49,329	92.15%
2006	\$51,454	96.22%

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)
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	\$867,457	\$526,907	39.26%	\$114,265	461.13%
2003	\$334,929	\$899,336	\$564,407	37.24%	\$115,015	490.72%
2004	\$372,128	\$1,025,345	\$653,217	36.29%	\$115,548	565.32%
2005	\$376,690	\$993,029	\$616,339	37.93%	\$118,825	518.70%
2006	\$393,768	\$1,052,805	\$659,036	37.40%	\$126,458	521.15%

ANNUAL PENSION COST AND NET PENSION OBLIGATION FOR
FISCAL YEARS BEGINNING JULY 1, 2005 AND JULY 1, 2006

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

Fiscal year beginning July 1, 2005

Net Pension Obligation (NPO) at June 30, 2005	\$ 116,394,096
a. Annual Required Contribution	51,453,606
b. Interest on NPO	9,893,498
c. Amortization of NPO	<u>(7,704,928)</u>
Annual Pension Cost	53,642,176
Contributions Paid (not discounted)	<u>(49,509,965)</u>
Increase in NPO	4,132,211
NPO of June 30, 2006	120,526,307

Fiscal year beginning July 1, 2006

Net Pension Obligation (NPO) at June 30, 2006	\$ 120,526,307
a. Annual Required Contribution	50,583,838
b. Interest on NPO	10,244,736
c. Amortization of NPO	<u>(8,181,134)</u>
Annual Pension Cost	52,647,440
Expected Contributions to be Paid (not discounted)	<u>(50,583,838)</u>
Increase in NPO	2,063,602
Expected NPO of June 30, 2007	122,589,909

SCHEDULE ARESULTS OF THE VALUATION AS OF JUNE 30, 2006
(Excluding Elected Officer Funds)

	Class A	Class B			Grand Total
		Fire	Police	Total	
1. Actuarial Accrued Liabilities					
(a) Actuarial accrued value of all future benefits payable to active members	\$ 153,114,524	\$ 83,993,220	\$ 92,523,866	\$ 176,517,086	\$ 329,631,610
(b) Actuarial accrued value of benefits payable to retirees and beneficiaries including benefits payable on death	197,608,611	266,924,442	252,302,926	519,227,368	716,835,979
(c) Employee contributions of non-active members	5,764,617	356,095	216,261	572,356	6,336,973
(d) Total accrued actuarial liabilities	\$ 356,487,752	\$ 351,273,757	\$ 345,043,053	\$ 696,316,810	\$ 1,052,804,562
2. Assets of the System	\$ 133,332,992	\$ 131,382,861	\$ 129,052,463	\$ 260,435,324	\$ 393,768,316
3. Unfunded Value of Total Prospective Contributions by the City (1(d) minus 2)	\$ 223,154,760	\$ 219,890,896	\$ 215,990,590	\$ 435,881,486	\$ 659,036,246
4. Amortization (24 years)	\$ 15,438,217	\$ 15,212,417	\$ 14,942,588	\$ 30,155,005	\$ 45,593,222

	Class A	Class B			Grand Total
		Fire	Police	Total	
5. Total Individual Entry Age Normal Cost	\$ 9,348,207	\$ 4,163,817	\$ 5,018,357	\$ 9,182,174	\$ 18,530,381
6. Employee Normal Cost	\$ 6,053,688	\$ 2,244,034	\$ 2,054,111	\$ 4,298,145	\$ 10,351,833
7. Net City Normal Cost with Interest	\$ 3,723,374	\$ 2,169,685	\$ 3,350,108	\$ 5,519,793	\$ 9,243,167
8. Net City Normal Cost without Interest as a Percent of Pay	4.20%	8.41%	11.73%	10.15%	6.47%
9. Amortization of 1995 Deferral	\$ 172,132	\$ 156,147	\$ 164,327	\$ 320,474	\$ 492,606
10. Total City Appropriation (4 plus 7 plus 9)*	\$ 19,333,723	\$ 17,538,249	\$ 18,457,023	\$ 35,995,272	\$ 55,328,995
11. Total Contribution Rate for Fiscal Year Beginning July 1, 2005	24.67%	76.84%	73.03%	74.84%	43.75%

* Assumed payment date, June 30, 2008

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		.00025	.00010
25		.00030	.00015
30		.00030	.00015
35		.00050	.00025
40		.00080	.00040
45	.0671	.00125	.00060
50	.0925	.00185	.00090
55	.0859	.00255	.00130
59	.1138	.00370	.00185
60	.1229	.00415	.00210
64	.1741	.00625	.00310
65	.2500	.00680	.00340
70	.2500	.00680	.00340
75	1.0000		

Age	Withdrawal and Deferred Retirement	Ordinary and Accidental Death	
		Men	Women
20	.1413	.00035	.00019
25	.1206	.00038	.00021
30	.0644	.00044	.00026
35	.0473	.00077	.00048
40	.0389	.00108	.00071
45	.0272	.00151	.00112
50	.0174	.00214	.00168
54	.0101	.00281	.00232
55		.00303	.00253
60		.00488	.00393
65		.00757	.00582
70		.00992	.00761

CLASS B

Age	Withdrawal and Deferred Disability	Disability		Ordinary and Accidental Death	
		Ordinary	Accidental	Men	Women
20	.0258	.0001	.0008	.00035	.00019
25	.0183	.0001	.0011	.00038	.00021
30	.0104	.0002	.0017	.00044	.00026
35	.0046	.0025	.0023	.00077	.00048
40	.0029	.0004	.0034	.00108	.00071
45	.0024	.0007	.0060	.00151	.00112
50		.0011	.0104	.00214	.00168
55			.0149	.00281	.00232
59			.0194	.00303	.00253
				.00488	.00393

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

SALARY INCREASES NOT INCLUDING LONGEVITY: Next 3 years – 4.5%, following 5 years – 4.75%, thereafter – 5%.

ANNUAL INCREASE IN AMORTIZATION PAYMENT: 5%

LONGEVITY TABLES:

CLASS A:

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

<u>YEAR OF SERVICE</u>	<u>PERCENTAGE AMOUNT</u>
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 RP-2000 Mortality Table producing the following life expectancies.

Age	CLASS A and CLASS B			
	Service		Disability	
	Male	Female	Male	Female
50	30.074	33.268	27.550	30.526
55	25.858	28.686	23.318	26.009
60	21.636	24.272	19.190	21.750
65	17.615	20.126	15.354	17.776
70	13.917	16.270	11.877	14.124

VALUATION METHOD: Individual entry age method. Gains and losses are reflected in the period remaining to liquidate the unfunded accrued liability.

ASSET VALUATION METHOD: Five-year smoothed market value. The actuarial value of assets is determined according to the following general formula, provided such value is within a 20% corridor of the market value:

$$VA = MV - .8I_1 - .6I_2 - .4I_3 - .2I_4$$

where

VA = Valuation assets.

MV = Market value of assets as of the valuation date.

I_n = Investment gain (loss) during n^{th} year preceding the valuation date.

PURCHASED SERVICE LOAD: Due to a lack of purchased service data, loads have been added on to Fire and Police service. The loads were determined by retirement trends found in the preceding two years and are as follows:

Fire Service Load = +0.63 years of service

Police Service Load = +2.11 years of service

Class A did not receive a load as trends showed the impact of purchased service was insignificant.

SCHEDULE C

DETERMINATION OF ADJUSTED ASSET VALUE

Reconciliation of Market Value of Plan Assets (accrual basis), 7/1/2002 - 7/1/2006				
	7/1/2002- 6/30/2003	7/1/2003- 6/30/2004	7/1/2004- 6/30/2005	7/1/2005- 6/30/2006
Market value at beginning of period	296,510,834	284,231,528	324,641,608	336,498,228
Contributions during period	43,420,094	49,323,326	55,524,329	60,510,427
Total investment income (from auditor's reports)	10,607,665	20,265,697	26,252,786	35,280,488
Benefit payments and expenses	(57,490,294)	(62,776,945)	(68,492,967)	(67,993,906)
Market value at end of period	284,231,528	324,641,608	336,498,228	363,366,076
Expected market value at end of period	304,997,106	292,047,234	336,113,976	354,486,546
Investment gain/(loss) for the year	(20,765,578)	32,594,374	384,252	8,879,530

<u>Year Ended</u>	<u>Investment Gain / (Loss)</u>		<u>Weight</u>		<u>Weighted Gain / (Loss)</u>
6/30/2006	8,879,530	x	0.80	=	7,103,624
6/30/2005	384,252	x	0.60	=	230,551
6/30/2004	32,594,374	x	0.40	=	13,037,750
6/30/2003	(20,765,578)	x	0.20	=	(4,153,116)
					<u>16,218,809</u>

Actuarial Value of Assets = Market Value <u>minus</u> weighted gain / (loss) =	347,147,267
Plus discounted value of contribution due to be paid on June 30, 2007	<u>46,621,049</u>
Total	393,768,316

The return on the actuarial value of assets was 7.09% for the prior plan year. This created an asset loss of about \$4.6 million. The return on a market value basis was about 10.6%.

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 $\frac{9}{10}$ of $\frac{1}{40}$ 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.

Amount of Allowance

Provided by Member

Non-Police:

An annuity that 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.

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:

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; 5% compounded for special court awarded members; 3% compounded for other retired members.

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; 3% compounded for members who retired between 7/1/1992 and 6/30/1993 and between 7/1/2001 and 6/30/2004; 5% compounded for special court awarded members; and, 3%, simple, on first \$12,000 of annual benefit for other retired members.

The initial COLA payment is deferred until the January 1 that 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 their 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, 2006

CLASS A

SERVICE AGE	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-36	37+	TOTAL	
<20	1										1	NUMBER
	33,731										33,731	SALARY
20-24	12	13	1								26	NUMBER
	379,877	432,142	40,081								852,100	SALARY
25-29	16	51	54	5							126	NUMBER
	809,032	1,684,609	1,527,489	112,513							4,133,643	SALARY
30-34	16	55	96	40	2						209	NUMBER
	570,244	1,826,002	3,073,777	1,213,395	56,829						6,740,247	SALARY
35-39	11	66	81	77	36	2					273	NUMBER
	377,510	2,451,958	2,871,239	2,556,857	1,443,364	63,582					9,764,509	SALARY
40-44	14	70	100	64	56	11	1				316	NUMBER
	458,398	2,618,836	3,345,493	2,339,445	2,438,635	505,932	51,810				11,758,550	SALARY
45-49	10	48	112	76	72	24	17	7			366	NUMBER
	381,407	1,854,052	3,304,076	2,689,094	3,089,491	1,111,979	780,240	356,857			13,567,197	SALARY
50-54	9	45	90	82	68	26	22	41	1		384	NUMBER
	467,240	1,927,962	2,739,899	2,733,866	2,396,409	1,124,492	1,217,587	2,091,568	53,734		14,752,758	SALARY
55-59	10	36	47	40	47	8	11	26	4	8	237	NUMBER
	527,913	1,801,349	1,462,760	1,290,309	1,741,295	366,903	460,161	1,537,399	172,214	381,348	9,741,650	SALARY
60-64	5	14	29	30	19	5	7	4	1	5	119	NUMBER
	167,151	732,318	923,610	1,117,170	660,066	258,897	342,182	160,463	20,594	278,747	4,661,198	SALARY
65-69	1	9	11	11	10	2	3	1			48	NUMBER
	18,582	301,782	322,118	419,021	365,355	52,937	147,810	47,329			1,674,935	SALARY
70-74		4	4	1		2			1		12	NUMBER
		126,638	87,106	20,925		127,456			53,601		415,727	SALARY
75-76		1	1		2					2	6	NUMBER
		36,376	20,594		83,466					77,297	217,733	SALARY
77+					2						2	NUMBER
					46,607						46,607	SALARY
TOTAL	105	412	626	426	314	80	61	79	7	15	2,125	NUMBER
	4,191,086	15,794,024	19,718,243	14,492,595	12,321,517	3,612,179	2,999,791	4,193,616	300,143	737,392	78,360,585	SALARY

TABLE 2
The Number and Annual Salaries
of Members Distributed By 5th Age and Service
As of June 30, 2006

CLASS B

SERVICE AGE	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-36	TOTAL	
20-24	3	2	1							6	NUMBER
	130,514	87,009	49,908							267,430	SALARY
25-29	5	46	10							61	NUMBER
	217,523	2,161,838	508,560							2,887,921	SALARY
30-34	1	41	38	8						88	NUMBER
	43,505	1,966,335	1,968,606	384,323						4,362,769	SALARY
35-39	1	40	38	110	36					225	NUMBER
	43,505	1,925,502	1,972,655	5,651,826	1,908,901					11,502,388	SALARY
40-44	1	12	12	80	123	17	1			246	NUMBER
	43,505	578,099	623,128	4,003,779	6,454,532	937,481	59,436			12,699,959	SALARY
45-49	1	4	7	29	70	45	26			182	NUMBER
	46,574	294,074	356,084	1,421,812	3,670,176	2,620,646	1,571,201			9,980,567	SALARY
50-54			1	11	12	14	35	9		82	NUMBER
			50,474	573,333	619,931	759,811	2,166,364	572,826		4,742,739	SALARY
55-59		1			2	4	12	7	2	28	NUMBER
		92,118			99,407	215,414	642,400	476,660	127,163	1,653,162	SALARY
TOTAL	12	146	107	238	243	80	74	16	2	918	NUMBER
	525,123	7,104,974	5,529,415	12,035,074	12,752,947	4,533,351	4,439,401	1,049,486	127,163	48,096,935	SALARY

TABLE 3

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

SERVICE RETIREMENTS

CLASS A

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
46	2	52,939
47	3	65,243
48	2	53,479
49	6	117,428
50	5	108,568
51	11	220,080
52	5	142,729
53	14	293,132
54	21	602,029
55	20	463,098
56	22	350,390
57	29	644,600
58	29	480,752
59	40	832,588
60	24	480,101
61	35	556,647
62	30	509,009
63	46	750,042
64	25	429,880
65	36	521,657
66	55	774,874
67	34	504,091
68	46	522,125
69	43	595,510
70	43	541,527
71	34	449,881
72	46	688,869
73	59	882,937
74	47	628,627
75	54	846,775

TABLE 3 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

SERVICE RETIREMENTS

CLASS A

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
76	59	926,057
77	48	717,413
78	42	599,416
79	41	588,601
80	39	540,576
81	31	388,601
82	38	518,181
83	19	184,160
84	23	286,575
85	23	244,269
86	24	308,574
87	25	329,379
88	17	207,903
89	15	149,797
90	12	120,601
91	11	102,836
92	3	25,516
93	8	60,688
94	3	12,884
95	2	9,584
96	4	37,655
98	2	20,911
99	1	3,630
102	1	3,050
TOTAL	1,357	20,496,464

TABLE 4
 THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
 OF RETIRED MEMBERS DISTRIBUTED BY
 AGE AS OF JUNE 30, 2006
 SERVICE RETIREMENTS
 CLASS B

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
41	1	5,200
42	0	0
43	4	104,612
44	1	25,153
45	4	96,714
46	3	84,826
47	3	67,039
48	7	197,957
49	9	239,181
50	7	257,103
51	11	316,078
52	19	563,293
53	13	388,699
54	15	417,798
55	17	527,204
56	18	674,523
57	15	460,926
58	23	654,120
59	30	990,327
60	18	551,175
61	21	749,147
62	18	622,259
63	15	526,006
64	7	236,341
65	8	228,053
66	12	409,170
67	9	219,426
68	11	348,230
69	16	447,462

TABLE 4 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

SERVICE RETIREMENTS

CLASS B

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
70	10	297,222
71	12	392,094
72	10	319,118
73	14	459,040
74	13	377,459
75	9	177,723
76	18	429,845
77	17	536,123
78	15	400,310
79	16	483,634
80	10	239,529
81	18	429,638
82	9	162,678
83	14	383,670
84	8	214,034
85	10	202,222
86	5	95,423
87	0	0
88	3	65,069
89	0	0
90	2	28,511
91	0	0
92	1	14,256
105	1	14,256
TOTAL	550	16,129,876

TABLE 5

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

ELECTIVE OFFICIALS AND DEPENDENTS
OF ELECTIVE OFFICIALS

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
57	1	2,258
59	1	2,847
64	2	7,158
66	2	7,716
68	3	13,688
70	1	3,246
76	3	17,017
79	1	3,179
80	1	5,989
82	3	8,707
86	1	10,113
91	1	4,900
94	1	5,644
96	1	1,732
TOTAL	22	94,194

TABLE 6

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

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>
39	1	28,595	1	3,218	2	31,813
40	0	0	0	0	0	0
41	1	6,432	0	0	1	6,432
42	0	0	1	23,768	1	23,768
43	0	0	0	0	0	0
44	1	17,703	0	0	1	17,703
45	1	13,851	0	0	1	13,851
46	1	12,906	1	28,926	2	41,832
47	2	9,333	1	15,905	3	25,238
48	0	0	0	0	0	0
49	2	22,418	0	0	2	22,418
50	1	6,230	0	0	1	6,230
51	0	0	2	38,780	2	38,780
52	1	4,828	2	54,826	3	59,654
53	0	0	3	58,845	3	58,845
54	1	8,585	1	17,796	2	26,381
55	0	0	1	15,971	1	15,971
56	0	0	3	50,774	3	50,774
57	2	49,873	1	16,849	3	66,722
58	0	0	3	72,426	3	72,426
59	1	4,087	5	97,832	6	101,919
60	0	0	0	0	0	0
61	0	0	0	0	0	0
62	0	0	3	45,735	3	45,735
63	1	17,881	2	40,540	3	58,421
64	0	0	5	93,459	5	93,459
65	0	0	3	36,840	3	36,840
66	1	8,978	5	76,580	6	85,558
67	0	0	3	53,296	3	53,296
68	1	9,404	1	7,569	2	16,973

TABLE 6 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

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>
69	0	0	3	24,170	3	24,170
70	0	0	3	44,175	3	44,175
71	0	0	6	121,461	6	121,461
72	0	0	4	59,898	4	59,898
73	0	0	0	0	0	0
74	0	0	0	0	0	0
75	1	19,559	3	46,466	4	66,025
76	1	23,331	2	35,398	3	58,729
77	0	0	1	20,748	1	20,748
78	0	0	0	0	0	0
79	0	0	2	23,851	2	23,851
80	0	0	1	5,300	1	5,300
81	1	6,534	2	24,827	3	31,361
82	1	10,891	0	0	1	10,891
83	0	0	2	24,092	2	24,092
84	0	0	0	0	0	0
85	0	0	1	5,059	1	5,059
86	0	0	0	0	0	0
87	0	0	1	10,869	1	10,869
92	1	10,891	0	0	1	10,891
102	0	0	1	13,095	1	13,095
TOTAL	23	292,310	79	1,309,344	102	1,601,654

TABLE 7

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

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>
36	1	16,797	1	36,054	2	52,851
37	0	0	0	0	0	0
38	0	0	3	108,236	3	108,236
39	0	0	4	113,848	4	113,848
40	1	16,688	2	63,095	3	79,783
41	0	0	2	42,332	2	42,332
42	1	16,917	4	122,543	5	139,460
43	0	0	4	135,425	4	135,425
44	1	16,872	7	220,553	8	237,425
45	0	0	4	165,537	4	165,537
46	1	18,839	6	208,905	7	227,744
47	1	15,414	5	241,665	6	257,079
48	0	0	14	520,473	14	520,473
49	1	16,992	5	179,048	6	196,040
50	0	0	10	317,795	10	317,795
51	0	0	10	398,501	10	398,501
52	0	0	10	393,833	10	393,833
53	0	0	11	459,855	11	459,855
54	0	0	11	367,263	11	367,263
55	0	0	15	629,658	15	629,658
56	0	0	13	518,870	13	518,870
57	0	0	14	597,111	14	597,111
58	1	31,200	22	1,037,871	23	1,069,071
59	1	30,783	25	1,012,562	26	1,043,345
60	1	18,195	18	767,174	19	785,369
61	0	0	20	821,770	20	821,770
62	0	0	15	778,314	15	778,314
63	0	0	15	654,593	15	654,593
64	0	0	11	437,136	11	437,136
65	0	0	13	538,724	13	538,724

TABLE 7 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

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>
66	0	0	19	945,347	19	945,347
67	0	0	18	967,573	18	967,573
68	1	17,347	3	111,311	4	128,658
69	0	0	8	349,758	8	349,758
70	0	0	11	653,964	11	653,964
71	0	0	3	103,605	3	103,605
72	0	0	13	754,299	13	754,299
73	0	0	7	480,364	7	480,364
74	0	0	10	551,741	10	551,741
75	0	0	9	511,206	9	511,206
76	0	0	5	238,072	5	238,072
77	0	0	6	286,469	6	286,469
78	1	14,256	6	338,950	7	353,206
79	0	0	7	249,132	7	249,132
80	0	0	6	283,500	6	283,500
81	0	0	4	185,239	4	185,239
82	0	0	3	83,694	3	83,694
83	0	0	1	23,392	1	23,392
84	0	0	1	13,577	1	13,577
85	1	15,483	1	27,169	2	42,652
91	0	0	2	48,825	2	48,825
99	0	0	1	16,241	1	16,241
TOTAL	13	245,783	438	19,112,172	451	19,357,955

TABLE 8

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

DISABILITY RETIREMENTS

GRAND TOTAL

<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>
36	1	16,797	1	36,054	2	52,851
37	0	0	0	0	0	0
38	0	0	3	108,236	3	108,236
39	1	28,595	5	117,066	6	145,661
40	1	16,688	2	63,095	3	79,783
41	1	6,432	2	42,332	3	48,764
42	1	16,917	5	146,311	6	163,228
43	0	0	4	135,425	4	135,425
44	2	34,575	7	220,553	9	255,128
45	1	13,851	4	165,537	5	179,388
46	2	31,745	7	237,831	9	269,576
47	3	24,747	6	257,570	9	282,317
48	0	0	14	520,473	14	520,473
49	3	39,410	5	179,048	8	218,458
50	1	6,230	10	317,795	11	324,025
51	0	0	12	437,281	12	437,281
52	1	4,828	12	448,659	13	453,487
53	0	0	14	518,700	14	518,700
54	1	8,585	12	385,059	13	393,644
55	0	0	16	645,629	16	645,629
56	0	0	16	569,644	16	569,644
57	2	49,873	15	613,960	17	663,833
58	1	31,200	25	1,110,297	26	1,141,497
59	2	34,870	30	1,110,394	32	1,145,264
60	1	18,195	18	767,174	19	785,369
61	0	0	20	821,770	20	821,770
62	0	0	18	824,049	18	824,049
63	1	17,881	17	695,133	18	713,014
64	0	0	16	530,595	16	530,595
65	0	0	16	575,564	16	575,564

TABLE 8 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES
OF RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

DISABILITY RETIREMENTS

GRAND TOTAL

<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>
66	1	8,978	23	997,414	24	1,006,392
67	0	0	21	1,020,869	21	1,020,869
68	2	26,751	4	118,880	6	145,631
69	0	0	11	373,928	11	373,928
70	0	0	14	698,139	14	698,139
71	0	0	9	225,066	9	225,066
72	0	0	17	814,197	17	814,197
73	0	0	7	480,364	7	480,364
74	0	0	10	551,741	10	551,741
75	1	19,559	12	557,672	13	577,231
76	1	23,331	7	273,470	8	296,801
77	0	0	7	307,217	7	307,217
78	1	14,256	6	338,950	7	353,206
79	0	0	9	272,983	9	272,983
80	0	0	7	288,800	7	288,800
81	1	6,534	6	210,066	7	216,600
82	1	10,891	3	83,694	4	94,585
83	0	0	3	47,484	3	47,484
84	0	0	1	13,577	1	13,577
85	1	15,483	2	32,228	3	47,711
86	0	0	0	0	0	0
87	0	0	1	10,869	1	10,869
91	0	0	2	48,825	2	48,825
92	1	10,891	0	0	1	10,891
99	0	0	1	16,241	1	16,241
102	0	0	1	13,095	1	13,095
105+	0	0	1	24,513	1	24,513
TOTAL	36	538,093	517	20,421,516	553	20,959,609

TABLE 9

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF
BENEFICIARIES OF DECEASED ACTIVE AND RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
33	1	7,948
34	1	31,278
37	1	27,762
39	1	20,943
41	2	57,563
45	1	22,836
46	1	31,976
47	3	91,586
48	2	28,037
49	3	87,704
50	1	24,420
51	2	62,906
52	5	140,727
53	4	98,369
54	4	58,285
55	1	18,651
56	9	205,837
57	2	48,353
58	4	105,225
59	3	53,520
60	5	85,489
61	8	266,453
62	3	61,092
63	6	109,871
64	7	143,731
65	5	153,437
66	8	241,914
67	8	218,608
68	9	205,151
69	7	80,979

TABLE 9 (CONTINUED)

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF
BENEFICIARIES OF DECEASED ACTIVE AND RETIRED MEMBERS DISTRIBUTED BY
AGE AS OF JUNE 30, 2006

<u>AGE</u>	<u>NUMBER</u>	<u>AMOUNT</u>
70	11	180,218
71	9	133,522
72	13	209,208
73	12	221,772
74	11	289,899
75	11	199,996
76	13	215,478
77	13	247,237
78	16	211,757
79	21	358,548
80	18	247,987
81	9	116,718
82	18	255,573
83	11	148,768
84	13	174,520
85	9	109,061
86	11	133,554
87	11	102,338
88	10	105,828
89	11	109,755
90	5	57,561
91	8	81,095
92	4	31,548
93	10	128,612
94	2	28,511
95	4	42,555
96	3	39,402
97	2	22,170
98	1	4,647
100	2	25,146
103	1	11,170
TOTAL	410	7,034,805

SCHEDULE F

30 YEAR APPROPRIATION FORECAST

Fiscal Year Ending	Normal Cost	Past Service Amortization	Deferral Amortization	Total
6/30/2007	\$ 8,597,301	\$ 41,493,931	\$ 492,606	\$ 50,583,838
6/30/2008	9,243,167	45,593,222	492,606	55,328,995
6/30/2009	9,659,110	47,872,883	492,606	58,024,599
6/30/2010	10,093,770	50,266,527	492,606	60,852,903
6/30/2011	10,547,990	52,779,853	492,606	63,820,449
6/30/2012	11,049,020	55,418,846	492,606	66,960,472
6/30/2013	11,573,848	58,189,788	492,606	70,256,242
6/30/2014	12,123,606	61,099,277	492,606	73,715,489
6/30/2015	12,699,477	64,154,241	492,606	77,346,324
6/30/2016	13,302,702	67,361,953	492,606	81,157,261
6/30/2017	13,967,837	70,730,051	492,606	85,190,494
6/30/2018	14,666,229	74,266,554	492,606	89,425,389
6/30/2019	15,399,540	77,979,882	492,606	93,872,028
6/30/2020	16,169,517	81,878,876	492,606	98,540,999
6/30/2021	16,977,993	85,972,820	492,606	103,443,419
6/30/2022	17,826,893	90,271,461	492,606	108,590,960
6/30/2023	18,718,238	94,785,034	492,606	113,995,878
6/30/2024	19,654,150	99,524,286	492,606	119,671,042
6/30/2025	20,636,858	104,500,500	492,606	125,629,964
6/30/2026	21,668,701	109,725,525	492,606	131,886,832
6/30/2027	22,752,136	115,211,801	492,606	138,456,543
6/30/2028	23,889,743	120,972,391	492,606	145,354,740
6/30/2029	25,084,230	127,021,011	492,606	152,597,847
6/30/2030	26,338,442	133,372,062	492,606	160,203,110
6/30/2031	27,655,364	140,040,665	492,606	168,188,635
6/30/2032	29,038,132	-	-	29,038,132
6/30/2033	30,490,039	-	-	30,490,039
6/30/2034	32,014,541	-	-	32,014,541
6/30/2035	33,615,268	-	-	33,615,268
6/30/2036	35,296,031	-	-	35,296,031

SCHEDULE G

GAIN/(LOSS) BREAKDOWN

7/1/05 Unfunded Liability	616,339,388
With interest to 7/1/06	668,728,236
Amortization of Unfunded as of 7/1/06	<u>38,243,254</u>
Expected Unfunded as of 7/1/06	630,484,982
Actual Unfunded as of 7/1/06	659,036,246
Gain/(Loss)	(28,551,264)
Assumption Changes *	(16,122,897)
Asset Gain/(Loss)	(4,616,342)
Liability Gain/(Loss)	(7,812,025)
Active Decrements	25,412,766
Salary Increases	(3,758,667)
New Active Participants	(4,776,805)
Inactive Mortality	5,185,868
Retiree Status Transitions	(5,773,360)
New Pensioners	(24,101,827)

* Purchased service load