

**REPORT ON AN ACTUARIAL VALUATION OF THE
SOUTH CAROLINA POLICE OFFICERS
RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 1994**

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State Budget and Control Board
South Carolina Police Officers
Retirement System
Columbia, South Carolina 29211

Gentlemen:

Subsection 9-11-30(6) of the law governing the operation of the South Carolina Police Officers Retirement System provides that the actuary shall make an annual valuation of the assets and liabilities of the System. We submitted herewith our report on the actuarial valuation of the South Carolina Police Officers Retirement System prepared as of July 1, 1994.

The valuation indicates that the total employer contribution rates for regular benefits should be 7.80 per cent of compensation for Class One members and 10.30 per cent of compensation for Class Two members. In addition, employer contributions at the rate of .20 per cent of compensation to cover the cost of the Pre-retirement Death Benefit Program and at .20 per cent of compensation to cover the cost of the Accidental Death Benefit Program should be continued. The liquidation period for the unfunded accrued liability is 11 years from July 1, 1994.

In our opinion, the Schedule of Valuation Results included in this report correctly presents the condition of the South Carolina Police Officers Retirement System as to those benefits which are funded on an actuarial reserve basis.

Respectfully submitted,

(Signed) DONALD M. OVERHOLSER

Donald M. Overholser
Consulting Actuary

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**REPORT ON AN ACTUARIAL VALUATION OF THE
SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM
PREPARED AS OF JULY 1, 1994**

SECTION I - SUMMARY OF PRINCIPAL RESULTS

1. For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized below:

<u>Valuation Date</u>	<u>7/1/94</u>	<u>7/1/93</u>
Number of active members:		
Men	15,042	14,377
Women	<u>3,623</u>	<u>3,383</u>
Total	18,665	17,760
Annual compensation of active members during year:		
Men	\$ 355,291,265	\$ 334,658,557
Women	<u>73,972,417</u>	<u>68,590,515</u>
Total	\$ 429,263,682	\$ 403,249,072
Number of retired members and beneficiaries		
	4,133	3,691
Annual retirement allowances	\$ 46,173,587	\$ 40,743,019
Assets for valuation purposes	\$ 1,096,530,000	\$ 981,524,000
Normal contribution as percent of compensation:		
Class One Service	4.59%	4.59%
Class Two Service	7.59	7.59
Unfunded accrued liability (UAL)	\$ 104,560,037	\$ 82,349,887
UAL contribution as per cent of compensation:		
Class One Service	3.21%	3.21%
Class Two Service	2.71	2.71
UAL liquidation period (years)	11	9
Pre-retirement death benefit contribution as percent of compensation	.20%	.20%
Accidental death benefit contribution as per cent of compensation	.20%	.20%
Total contribution as per cent of compensation:		
Class One Service	8.20%	8.20%
Class Two Service	10.70	10.70

2. Comments on the valuation results as of July 1, 1994 are given in Section IV and further discussion of the contribution levels is set out in Section V.
3. Schedule B of this report outlines the full set of actuarial assumptions and methods employed. The provisions of the System are summarized in Schedule C.

SECTION II - MEMBERSHIP DATA

1. Data needed with respect to each active member, retired member and beneficiary of the System and also with respect to terminations during the valuation year were furnished to the actuary by the Retirement System office.
2. From the data, tabulations were made showing as of July 1, 1994 the number and annual compensation of members classified by age and years of service and the number and retirement allowances of retired members and beneficiaries as of July 1, 1994 classified by age. These tabulations are presented in Scheduled D.
3. The following table shows the number and annual compensation of active members of the Retirement System as of July 1, 1994.

TABLE I

**ACTIVE MEMBERSHIP OF THE
SOUTH CAROLINA POLICE OFFICERS RETIREMENT SYSTEM
AS OF JULY 1, 1994**

<u>GROUP</u>	<u>NUMBER</u>	<u>ANNUAL COMPENSATION</u>
Men	15,042	\$ 355,291,265
Women	<u>3,623</u>	<u>73,972,417</u>
Total	18,665	\$ 429,263,682

Note: There are in addition 5,808 members not on the payroll as of July 1, 1994 but included in the individual accounts maintained by the System. The results of the valuation were adjusted to take these members into account.

4. The following table shows the number and annual retirement allowances of retired members and beneficiaries as of July 1, 1994.

TABLE II
THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF
RETIRED MEMBERS AND BENEFICIARIES
AS OF JULY 1, 1994

<u>GROUP</u>	<u>NUMBER</u>	<u>ANNUAL RETIREMENT ALLOWANCES</u>
Service and Early Retirements:		
Men	2,788	\$ 34,328,030
Women	<u>186</u>	<u>1,146,451</u>
Total	2,974	\$ 35,474,481
Disability Retirements:		
Men	554	\$ 6,419,292
Women	<u>52</u>	<u>401,967</u>
Total	606	\$ 6,821,259
Beneficiaries of Deceased Members:		
Men	17	\$ 77,327
Women	<u>536</u>	<u>3,800,520</u>
Total	553	\$ 3,877,847
Grand Total	4,133	\$ 46,173,587

SECTION III - ASSETS

- The amounts of the present assets taken into account in this valuation are at adjusted amortized cost. The values of the assets were taken from a statement furnished by the Director of the System and exclude reserve assets creditable to separate funds for the Accidental and Group Life Insurance Pre-retirement Death Benefit Programs.
- Included in the valuation are the assets of the members' account which represent the accumulated contributions of members together with interest thereon. As of July 1, 1994, these assets amounted to \$226,608,000. Also included in the valuation are the assets of the accumulation account to which the contributions made by employers are credited and from

which are paid all benefits on account of retired members and their beneficiaries. The assets of the accumulation account amounted to \$869,922,000 as of July 1, 1994. The total value of assets as of July 1, 1994 amounted to \$1,096,530,000.

3. During the year ended June 30, 1994, the investment rate of return on assets was 8.91%. This compares with an investment rate of return of 9.48% during the previous year.

SECTION IV - COMMENTS ON THE VALUATION

Schedule A of this report contains the results of the valuation which show present and prospective assets and liabilities of the System as of July 1, 1994. The following comments on the valuation are pertinent:

The schedule shows that the System has actuarial liabilities of \$1,939,728,394 of which \$547,189,312 is for the prospective benefits payable on account of present retired members and beneficiaries, and \$1,392,539,082 is for the prospective benefits payable on account of present active and inactive members. These liabilities include the reserves for all current and future cost-of-living increases to current retired members and beneficiaries and active members currently eligible for service retirement. Against these liabilities, the System has present assets of \$1,096,530,000 and anticipated future contributions by members of \$340,677,583 leaving a balance of \$502,520,811 to be provided by future contributions of employers.

In accordance with the law each employer shall contribute 7.80 per cent of compensation of Class One members in its employ and 10.30 per cent of compensation of Class Two members in its employ. The normal rate on the basis of Class One service for the average new entrant was determined to be 4.59 per cent of compensation. Therefore, if employers contribute 7.80 per cent of payroll for Class One members in their employ and 4.59 per cent is attributable to normal contributions, then the resulting 3.21 per cent is attributable to unfunded accrued liability contributions. For Class Two service the normal rate for the average new entrant was determined to be 7.59 per cent of compensation. Subtracting 7.59 per cent from 10.30 per cent (the amount employers contribute for Class Two members in their employ) results in an unfunded accrued liability contribution of 2.71 per cent of compensation for Class Two members. Future normal contributions at the above rates have a present value of \$397,960,774. If this amount is subtracted from \$502,520,811, the present value of future contributions to be made by employers, \$104,560,037 remains as the present value of the unfunded accrued liability contributions. On this basis and assuming that active payroll will increase by 4% each year, it is anticipated that the unfunded accrued liability of \$104,560,037 will be liquidated within a period of 11 years from the valuation date.

SECTION V - CONTRIBUTIONS PAYABLE UNDER THE SYSTEM

The following table gives the recommended rates of contribution payable by employers, as determined on the basis of the present valuation.

TABLE III
RATES OF CONTRIBUTION RECOMMENDED FOR
PAYMENT BY EMPLOYERS

<u>RATE OF CONTRIBUTION</u>	<u>CLASS ONE</u>	<u>CLASS TWO</u>
Regular Benefits	7.80%	10.30%
Pre-retirement Death Benefits*	.20	.20
Accidental Death Benefits*	<u>.20</u>	<u>.20</u>
Total	8.20%	10.70%

*Payable by participating employers.

It is recommended that participating employers contribute .20 per cent of compensation for pre-retirement lump sum death benefits, and .20 per cent of compensation for accidental death benefits, the same rates as were recommended last year.

SECTION VI - VALUATION BASIS

The valuation of the Retirement System was based on rates of separation, salary scales and mortality tables last adopted by the Board. An outline of the actuarial assumptions and methods used is presented in Schedule B.

SECTION VII - ACCOUNTING INFORMATION

1. Governmental Accounting Standards Board Statement No. 5 sets forth certain items of information to be disclosed in the financial statements of the System and the employer. One such item is a distribution of the number of employees by type of membership, as follows:

**NUMBER OF ACTIVE AND RETIRED MEMBERS
AS OF JULY 1, 1994**

<u>GROUP</u>	<u>NUMBER</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	9,941
Active members:	
Vested	10,042
Non-vested	<u>8,623</u>
Total active members	18,665

Another such item is the pension benefit obligation, a standardized measure of the System's liabilities. It is the amount owed for benefits allocated to employee service before the balance sheet date, when total projected benefits (including the effects of projected salary increases) are allocated equally over all years of employee service before and after the balance sheet date.

2. The pension benefit obligation, prepared in accordance with Governmental Accounting Standards Board Statement No. 5, and a comparison with net assets available for benefits as of July 1, 1994, are presented below.

Pension Benefit Obligation
(in \$ thousand)

◦ Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving benefits	\$ 562,417
◦ Current employees:	
Accumulated contributions	226,608
Employer-financed vested	125,870
Employer-financed nonvested	<u>369,347</u>
Total Pension Benefit Obligation	\$ 1,284,242
◦ Net assets available for benefits	\$ 1,096,530
◦ Unfunded Pension Benefit Obligation	\$ 187,712

3. The following first nine years of the ten-year historical trend information, prepared in accordance with Governmental Accounting Standards Board Statement No. 5, provides information on progress made in accumulating sufficient assets to pay benefits when due. A purpose of the chart is to establish a consistent method for analyzing and making comparisons among different public retirement systems.

Required Supplementary Information Analysis of Funding Progress
(in \$ thousand)

Fiscal Year Beginning	(1) Net Assets Available for Benefits	(2) Pension Benefit Obligation	(3) Percentage Funded (1) ÷ (2)	(4) Unfunded Pension Benefit Obligation (2) - (1)	(5) Annual Covered Payroll	(6) Unfunded PBO as % of Covered Payroll (4) ÷ (5)
7/1/86	\$ 353,269	\$ 397,165	88.9%	\$ 43,896	\$204,405	21.5%
7/1/87	414,685	445,158	93.2	30,473	239,527	12.7
7/1/88	475,020	540,583	87.9	65,563	269,171	24.4
7/1/89	553,732	682,164	81.2	128,432	304,752	42.1
7/1/90	666,699	808,887	82.4	142,188	355,760	40.0
7/1/91	765,510	920,553	83.2	155,043	375,706	41.3
7/1/92	870,615	1,019,872	85.4	149,257	390,220	38.2
7/1/93	981,524	1,132,439	86.7	150,915	403,249	37.4
7/1/94	1,096,530	1,284,242	85.4	187,712	429,264	43.7

Analysis of the dollar amounts of net assets available for benefits, pension benefit obligation, and unfunded pension benefit obligation in isolation can be misleading. Expressing the net assets available for benefits as a percentage of the pension benefit obligation provides one indication of the Retirement System's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the System is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Retirement System.

SCHEDULE A

RESULTS OF THE VALUATION AS OF JULY 1, 1994

(1) Actuarial liabilities	
Present value of prospective benefits payable in respect of:	
(a) Present retired members and beneficiaries	\$ 547,189,312
(b) Present active and inactive members	<u>1,392,539,082</u>
(c) Total actuarial liabilities	\$ 1,939,728,394
(2) Assets of the System	<u>1,096,530,000</u>
(3) Present value of future contributions = (1)(c) - (2)	\$ 843,198,394
(4) Present value of future contributions by members	<u>340,677,583</u>
(5) Present value of future contributions by employers = (3) - (4)	\$ 502,520,811
(6) Present value of future normal contributions by employers	\$ 397,960,774
(7) Present value of unfunded accrued liability contributions by employers = (5) - (6)	\$ 104,560,037
(8) Unfunded accrued liability rates:	
(a) Class One Service	3.21%
(b) Class Two Service	2.71%
(9) Unfunded accrued liability liquidation period	11 years
(10) Pre-retirement death benefit contribution rate	.20%
(11) Accidental death benefit contribution rate	.20%

SCHEDULE B**OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS**

INTEREST RATE: 8.0% per annum, compounded annually.

SEPARATION FROM SERVICE AND SALARY INCREASES: Representative values of the adopted annual rates of separation and annual rates of salary increases are as follows:

<u>Age</u>	<u>Annual Rate of</u>				
	<u>Withdrawal</u>	<u>Death</u>	<u>Disability</u>	<u>Service Retirement*</u>	<u>Salary Increases</u>
20	3.45%	.10%	.14%		12.29%
25	3.21	.13	.16		11.39
30	2.28	.16	.20		10.01
35	1.40	.20	.26		8.29
40	.86	.27	.34		7.50
45	.58	.40	.50		7.10
50	.44	.57	.84	5.00%	6.80
55		.88		6.50	6.60
60		1.42		9.90	6.40
64		2.03		15.98	6.30

*An additional 20% are assumed to retire when first eligible for unreduced service retirement.

DEATHS AFTER RETIREMENT: 1971 Group Annuity Mortality Tables for service retirement and dependent beneficiaries set forward two years. A special mortality table is used for disability retirements.

VALUATION METHOD: Projected benefit method with level percentage entry age normal cost and open-end unfunded accrued liability. Gains and losses are reflected in the period remaining to liquidate the unfunded accrued liability. Lump sum death benefits are provided on a one-year term cost basis.

ASSET VALUATION METHOD: Adjusted amortized cost.

SCHEDULE C**SUMMARY OF MAIN SYSTEM PROVISIONS
AS INTERPRETED FOR VALUATION PURPOSES**BACKGROUND

The South Carolina Police Officers Retirement System was established as of July 1, 1962. Firemen were eligible to participate in the System on July 1, 1976. Membership in the System is open to any police officer or fireman of the State or other employer (county, municipality or other political subdivision of the State and any agency or department thereof) that has been admitted to the System. A police officer or fireman whose period of active duty during a year is at least 1,600 hours and whose compensation for such service is at least \$2,000 per year is eligible to join. Membership is compulsory with employees who become police officers or firemen of the State or other employers after the employer's date of admission to the System. Police officers and firemen in service on the employer's date of admission become members as of such date unless they file elections not to become members of the System and execute a waiver of all present and prospective benefits which would otherwise inure to them on account of their participation in the System. Contributions to provide the benefits under the System are made jointly by the members and the employers.

A summary of the main benefit and contribution provisions of the System as interpreted for the valuation is presented in the following digest. Credited service of a member includes all service as a police officer or fireman since he last became a member of the System and also includes, in the case of a member who became such on or before June 30, 1963, remains a member until death or retirement under the System and who immediately prior to his becoming a member was a participant in another fund, service which was credited to him under such other fund. "Supplemental Allowance Program" is the Supplemental Allowance Program established under the System as of July 1, 1966 and as in effect on June 30, 1974. There are two classes of members under the System. Class Two includes each member who was a participant in the Supplemental Allowance Program as of June 30, 1974 and any other police officer who became a member prior to July 1, 1974 and is employed by the State or by an employer which was participating in the Supplemental Allowance Program as of

June 30, 1974 or which elected to provide Class Two membership for police officers in its employ and elected by written notice filed with the Board within 60 days after July 1, 1974 to become a Class Two member as of said date, provided that any such member who was not in service as of July 1, 1974 may make such election within 60 days after his return to service. Any police officer becoming a member on or after July 1, 1974 who is employed by the State or by an employer which has elected to provide Class Two membership for police officers in its employ and any police officer or fireman who is a member and is employed by an employer whose date of admission is on or after July 1, 1974 is a Class Two member. Any member who is not a Class Two member is a Class One member. "Class Two service" is credited service subsequent to June 30, 1974 as a Class Two member, and credited service prior to July 1, 1974, or date of membership, if later, with respect to which required contributions have been made. "Class One service" is credited service which is not "Class Two service". "Average final compensation" is the average annual compensation of a member during the twelve consecutive quarters of credited service producing the highest such average.

BENEFITS

Service Retirement Allowance

Condition for Allowance

A member may retire on a service retirement allowance upon the attainment of age 55 and the completion of 5 years of credited service, or at any age upon the completion of 25 years of credited service.

Amount of Allowance

Upon service retirement a member receives a service retirement allowance which is equal to:

- (1) A monthly retirement allowance equal to \$10.97 multiplied by the number of years of his Class One service.
- (2) A monthly retirement allowance equal to 1/12 of 2.14% of his average final compensation multiplied by the number of years of his Class Two service.
- (3) An additional monthly retirement allowance which is the actuarial equivalent of the member's accumulated additional contributions at retirement.

The sum of the retirement allowances under (1) and (2) above is not to be less than the allowance which would have been provided under (1) if all of the member's credited service were Class One service. In the case of a police officer who became a member prior to July 1, 1974

and who was a participant in the Supplemental Allowance Program, the portion of his service retirement allowance not provided by his accumulated contributions is not to be less than it would have been if the provisions of the System in effect on June 30, 1974 had continued in effect until his date of retirement.

Early Retirement Allowance

Condition for Allowance

A member who has completed 5 years of credited service may retire on an early retirement allowance.

Amount of Allowance

Upon early retirement a member is entitled to a deferred allowance commencing at age 55 which is equal to a service retirement allowance computed on the basis of his average final compensation and credited service at his early retirement date.

Disability Retirement Allowance

Condition for Allowance

A member who has completed 5 or more years of credited service or who is disabled as a result of an injury arising out of and in the course of the performance of his duties regardless of length of service and who is permanently incapacitated for duty, mentally or physically, may retire or be retired on a disability retirement allowance.

Amount of Allowance

Upon disability retirement a member receives a disability retirement allowance computed as a service retirement allowance based on the years of credited service the member would have completed had he remained in active service until age 55, and his accumulated additional contributions at disability retirement. For the purpose of calculating the disability retirement allowance, the additional credited service so determined is either Class One service or Class Two service depending upon the classification of the member at time of retirement. The compensation to be used for purposes of computing this benefit is the average final compensation as of the date of disability.

Return of Contribution

Should a member cease to be a police officer or fireman except by death or retirement his accumulated contributions are returned to him. Should a member die before retirement the amount of his accumulated contributions is paid to his designated beneficiary or estate.

Death Benefit

Upon the death of a member in service a lump sum amount is paid to his designated beneficiary or estate equal to:

- (1) The amount of his accumulated contributions, excluding any additional contributions, or \$1,000, whichever is greater; plus
- (2) The amount of his accumulated additional contributions.

Upon the death of a retired member who has not elected Option 1 or Option 2, the excess of his total accumulated contributions at the time his allowance commenced over the sum of the retirement allowance payments made to him is paid to his designated beneficiary or estate.

In the event of the death before retirement of a member who has attained age 55 and completed 20 or more years of credited service, or who, regardless of age, has completed 25 or more years of credited service, his designated beneficiary may elect to receive in lieu of the lump sum settlement otherwise payable based on (1) above an allowance for life in the same amount as if the member had retired at the time of death and had chosen Option 1.

Upon the death of a member before retirement who had 15 years of creditable service, the person nominated to receive the amount of the member's accumulated contributions may elect to receive, in lieu of such accumulated contributions and the Group Life Insurance payment, an allowance for life in an amount as if the member had retired on the date of his death and had elected for payment to commence at age 55 under Option 1 as described below. The compensation to be used for purposes of computing this benefit is the average final compensation as of the date of death.

Such beneficiary may elect to receive in lieu of the member's accumulated additional contributions, an allowance for life which is the actuarial equivalent of the amount of contributions left on deposit in the System.

Pre-retirement Death Benefit Program

Upon the death of a contributing member in service who had completed at least one full year of membership or who had died as a result of an injury arising out of and in the course of the performance of his duties regardless of length of service, a death benefit is payable to his designated beneficiary or estate, equal to the annual compensation of the member at the time his death occurs. Such death benefit is payable apart and separate from the payment of the member's accumulated contributions. Benefits under this program are to be provided in the form of group life insurance.

**Accidental Death
Benefit Program**

Upon the death in active service as a result of the actual performance of duty of a member whose employer participates under the Program, a pension equal to 50% of the member's compensation at the time of death is paid to his widow during her widowhood. If there is no eligible widow before the youngest child attains age 18 the pension is paid to surviving children under age 18 or, if at the time of the member's death there is no widow or child under age 18, the pension is paid to his surviving father or mother. Such death benefit is payable apart and separate from any other benefits payable upon death.

Optional Allowances

Until the first payment on account of a retirement allowance becomes normally due, any member may elect to receive his retirement allowance in accordance with one of the following forms, which are computed to be actuarially equivalent:

Option 1. A reduced retirement allowance payable during the retired member's life, with the provision that after his death the reduced allowance will be continued to his designated beneficiary.

Option 2. A reduced retirement allowance payable during the retired member's life, with the provision that after his death one-half of the reduced allowance will be continued to his designated beneficiary.

Option 3. A retirement allowance in such amount that, together with his Social Security benefit, he will receive approximately the same income per annum before and after the earliest age at which he is eligible for a Social Security benefit.

Option 4. A member may elect Option 1 or Option 2 with the added provision that in the event the designated beneficiary predeceases the member, the retirement allowance payable to the member after the designated beneficiary's death shall be equal to the retirement allowance which would have been payable had the member not elected the option.

**Cost-of-Living Adjustments
in Allowance**

If the increase in the Consumer Price Index for the previous year ending December 31 equals or exceeds 3%, the retirement allowance, exclusive of any part thereof derived from accumulated additional contributions, of each beneficiary in receipt of an allowance for at least one year as of said December 31, is to be increased by 4%. Any such increase in allowances becomes effective only if the additional liabilities on account of such increase in allowance do not require an increase in the employer rate of contribution. Any increase in allowance granted hereunder is to be permanent, irrespective of any

subsequent decrease in the Consumer Price Index, and is to be included in determining any subsequent increase.

The allowance of a surviving annuitant of a beneficiary whose allowance is increased under this section is to be increased by the same per cent, when and if payable.

CONTRIBUTIONS

By Members

Each Class One member contributes \$21 per month. Each Class Two member contributes 6.5% of compensation.

By Employers

Each employer contributes 7.80% of the compensation of Class One members and 10.30% of the compensation of Class Two members in its employ. Such rates are subject to adjustment on the basis of actuarial valuations. In addition each employer contributes .40% of the compensation of both Class One and Class Two members to cover the cost of the Accidental and Group Life Insurance Pre-retirement Death Benefit Programs.

SCHEDULE D

TABLE 1

**THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE
AS OF JULY 1, 1994**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
19	2	\$ 30,441		
20	18	259,034	3	\$ 45,959
21	34	445,354	8	88,095
22	144	2,160,345	32	456,557
23	278	4,560,517	67	985,437
24	413	7,322,000	81	1,335,598
25	513	9,701,323	83	1,399,693
26	549	10,758,259	120	2,131,512
27	604	12,237,296	120	2,104,136
28	615	12,781,986	142	2,672,044
29	611	13,000,122	126	2,319,356
30	633	13,566,896	154	2,934,269
31	610	13,323,946	155	2,998,065
32	576	12,807,495	161	3,144,776
33	527	11,865,417	129	2,386,744
34	510	11,809,225	162	3,190,567
35	482	11,122,499	131	2,615,644
36	405	9,679,485	152	3,249,368
37	420	10,326,805	145	2,913,488
38	440	10,474,172	138	2,884,619
39	436	10,630,163	114	2,492,872
40	440	11,319,636	112	2,476,144
41	432	11,074,010	140	3,034,566
42	387	9,876,330	116	2,577,188
43	418	11,157,885	105	2,302,955
44	413	10,867,490	100	2,170,799
45	457	12,240,679	96	2,138,644
46	423	11,603,848	90	2,131,231
47	397	10,587,145	81	1,814,987
48	345	9,739,277	75	1,720,692
49	277	7,536,227	55	1,156,116
50	248	6,359,673	49	1,104,866
51	277	7,730,429	63	1,477,126
52	231	6,526,319	48	1,153,256
53	195	5,183,285	56	1,437,843
54	179	4,608,933	34	800,697
55	174	4,650,769	31	672,038

TABLE 1

**THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY AGE
AS OF JULY 1, 1994**

CONTINUED

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
56	167	\$ 4,474,968	26	\$ 579,970
57	125	3,410,625	27	608,294
58	113	2,962,492	28	659,899
59	121	3,570,587	20	475,371
60	97	2,564,015	13	315,765
61	98	2,732,438	7	150,860
62	62	1,653,980	7	179,029
63	41	1,193,262	5	134,712
64	31	924,910	6	149,152
65	29	742,229	3	77,944
66	12	241,530	1	17,310
67	11	288,887	1	22,157
68	5	156,874		
69	4	99,799	1	19,464
70	1	13,953		
71	2	63,677		
72	3	58,827	3	47,297
73	5	126,905		
74	2	86,592	1	17,246
TOTAL	15,042	\$ 355,291,265	3,623	\$ 73,972,417

See footnote Table I

TABLE 2

**THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY SERVICE
AS OF JULY 1, 1994**

YEARS OF SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	752	\$ 7,825,127	270	\$ 2,844,259
1	1,765	32,732,694	536	9,764,290
2	1,146	23,237,324	276	5,401,796
3	1,209	25,971,035	285	5,697,739
4	1,204	26,205,396	352	6,994,926
5	1,091	25,075,765	325	6,773,354
6	1,126	25,591,721	423	8,421,106
7	758	18,219,299	212	4,600,262
8	952	23,271,126	315	7,512,626
9	636	15,846,755	122	2,855,394
10	477	12,339,476	72	1,785,439
11	410	11,257,068	72	1,818,021
12	354	9,461,910	44	1,038,065
13	304	8,442,076	60	1,434,467
14	251	6,983,597	39	935,512
15	290	8,344,114	44	1,160,416
16	287	8,278,948	38	1,033,005
17	246	7,269,349	33	879,720
18	265	7,879,850	28	788,554
19	228	6,980,027	26	742,961
20	243	7,543,238	14	387,247
21	190	5,936,114	12	356,246
22	156	5,224,076	14	415,692
23	134	4,512,585	4	100,987
24	106	3,617,851	3	111,021
25	109	3,724,458	3	77,122
26	97	3,506,404	1	42,190
27	63	2,305,340		
28	46	1,746,324		
29	28	1,092,626		
30	27	1,014,259		
31	17	659,624		
32	19	803,413		
33	13	526,477		
34	15	654,821		
35	9	340,483		

TABLE 2

THE NUMBER AND ANNUAL COMPENSATION OF
ACTIVE MEMBERS DISTRIBUTED BY SERVICE
AS OF JULY 1, 1994

CONTINUED

YEARS OF SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
36	4	\$ 142,404		
37	4	172,342		
38	3	165,666		
39	2	83,532		
40	1	24,638		
41	2	146,969		
42	1	46,789		
43	1	49,018		
44	1	39,157		
TOTAL	15,042	\$ 355,291,265	3,623	\$ 73,972,417

See footnote Table I

TABLE 3

THE DISTRIBUTION OF THE NUMBER AND ANNUAL
RETIREMENT ALLOWANCES OF RETIRED MEMBERS
BY AGE AS OF JULY 1, 1994

SERVICE AND EARLY RETIREMENTS

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
40			1	\$ 123
43	1	\$ 1,755		
44	3	44,960		
45	7	119,358	1	1,656
46	18	298,226		
47	31	532,714		
48	27	431,945	1	14,715
49	32	609,636	1	3,501
50	27	561,026	2	21,264
51	27	508,966	2	31,373
52	39	667,895		
53	35	700,440		
54	43	776,380		
55	48	1,053,203		
56	60	875,258	8	67,483
57	80	1,310,491	7	68,693
58	101	1,353,909	10	84,591
59	94	1,399,152	14	130,299
60	101	1,677,510	11	57,692
61	108	1,444,909	11	50,839
62	109	1,452,174	6	32,512
63	114	1,344,888	7	32,449
64	167	1,687,378	8	24,868
65	114	1,055,351	7	30,601
66	149	1,653,260	10	25,669
67	132	1,649,990	10	47,589
68	106	1,177,020	6	25,021
69	94	1,214,830	9	46,377
70	116	1,296,823	9	82,343
71	71	818,603	7	29,203
72	72	885,049	6	29,524
73	81	826,150	7	22,842
74	86	933,479	6	30,118
75	56	496,234	3	16,698
76	80	913,282	2	11,799
77	48	338,889	4	18,021
78	46	386,981	1	2,264
79	38	337,843		

TABLE 3

**THE DISTRIBUTION OF THE NUMBER AND ANNUAL
RETIREMENT ALLOWANCES OF RETIRED MEMBERS
BY AGE AS OF JULY 1, 1994**

SERVICE AND EARLY RETIREMENTS

CONTINUED

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
80	53	\$ 399,806	2	\$ 11,343
81	32	195,456	1	4,601
82	18	115,507	1	1,077
83	31	163,563	2	66,895
84	22	148,060		
85	19	169,645		
86	22	130,958	3	22,408
87	9	48,715		
88	9	49,360		
89	2	16,202		
90	3	15,682		
91	3	15,147		
92	2	12,606		
94	1	2,667		
96	1	8,699		
TOTAL	2,788	\$ 34,328,030	186	\$ 1,146,451

SUMMARY

LIFE ANNUITY	1,206	\$ 11,475,003	132	\$ 769,146
100% J+S	215	1,988,218	3	9,937
50% J+S	213	3,035,553		
SOC. SEC. LEVELING	749	11,792,112	43	328,984
100% POP-UP	157	1,731,185	3	16,626
50% POP-UP	248	4,305,959	5	21,758

TABLE 4

THE DISTRIBUTION OF THE NUMBER AND ANNUAL
RETIREMENT ALLOWANCES OF RETIRED MEMBERS
BY AGE AS OF JULY 1, 1994

DISABILITY RETIREMENTS

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
29	1	\$ 14,688	1	\$ 2,470
30	1	13,347	1	8,269
31			2	30,420
32	3	33,447	1	11,007
33	5	61,313	1	11,988
34	3	37,205	1	8,025
35	4	61,576	1	11,863
36	2	29,898	1	7,047
37	5	68,741	3	38,234
38	8	119,482	2	19,659
39	6	68,361	1	12,408
40	9	131,600	2	22,388
41	15	207,535	1	12,645
42	14	186,839		
43	16	252,723		
44	15	200,840	1	6,836
45	19	200,639	2	17,517
46	10	142,150	2	18,794
47	23	301,209	2	13,694
48	21	248,100		
49	22	312,827	3	24,453
50	21	269,983	2	15,620
51	13	141,321	3	15,620
52	25	352,631	3	20,153
53	18	199,778	4	21,124
54	30	308,398	1	2,666
55	19	183,680	1	1,504
56	18	170,790	1	2,606
57	12	125,278	1	5,812
58	24	298,105	2	11,360
59	10	132,819	3	14,950

TABLE 4
THE DISTRIBUTION OF THE NUMBER AND ANNUAL
RETIREMENT ALLOWANCES OF RETIRED MEMBERS
BY AGE AS OF JULY 1, 1994

DISABILITY RETIREMENTS

CONTINUED

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
60	13	\$ 121,453	1	\$ 2,983
61	11	127,898		
62	12	116,502	1	4,698
63	17	155,361		
64	10	131,450		
65	10	87,021	1	5,154
66	8	73,602		
67	8	74,278		
68	8	77,123		
69	10	114,192		
70	12	97,081		
71	5	12,801		
72	7	64,986		
73	8	72,049		
74	4	43,549		
75	5	29,333		
76	6	42,183		
77	4	65,495		
78	2	22,389		
80	1	11,523		
81	1	3,720		
TOTAL	554	\$ 6,419,292	52	\$ 401,967

SUMMARY

LIFE ANNUITY	398	\$ 4,810,976	45	\$ 348,421
100% J+S	61	478,595	1	4,374
50% J+S	35	415,097	3	23,588
100% POP-UP	24	219,473	1	10,710
50% POP-UP	36	495,151	2	14,874

TABLE 5
THE DISTRIBUTION OF THE NUMBER AND ANNUAL
RETIREMENT ALLOWANCES OF BENEFICIARIES
BY AGE AS OF JULY 1, 1994

BENEFICIARIES OF DECEASED ACTIVE
AND RETIRED MEMBERS

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
8			1	\$ 4,726
13	1	\$ 10,894		
18			1	8,859
21	1	8,092		
22			3	18,794
25			1	7,622
27	1	3,724		
30			1	1,135
31			1	3,302
34			2	8,782
35	1	869	1	1,135
36			1	6,056
37			4	32,232
38	1	1,277		
39	1	7,943		
40			1	9,023
41			1	17,564
42	1	3,797	5	42,110
43			3	17,880
44	1	4,761	2	11,788
45	1	1,691	4	31,454
46	1	5,387	5	30,126
47			8	59,615
48			4	34,884
49			3	23,825
50	1	11,711	6	67,518
51			2	9,257
52	1	6,276	4	26,301
53			7	50,263
54			6	66,148
55			13	92,909
56	1	4,064	12	90,239
57			12	113,203
58			3	49,777
59			7	59,491
60			11	60,555
61			13	86,711

TABLE 5

THE DISTRIBUTION OF THE NUMBER AND ANNUAL
RETIREMENT ALLOWANCES OF BENEFICIARIES
BY AGE AS OF JULY 1, 1994

BENEFICIARIES OF DECEASED ACTIVE
AND RETIRED MEMBERS

CONTINUED

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
62		\$	11	\$ 131,297
63	1	2,837	14	173,912
64	1	869	16	104,938
65			8	81,102
66			24	153,897
67			12	122,173
68			15	94,641
69			17	105,875
70			22	118,410
71			20	137,342
72			13	85,171
73			29	201,503
74	1	2,000	8	47,833
75			19	169,071
76			22	129,227
77			11	66,378
78			24	179,386
79			22	148,020
80			17	90,387
81			12	82,098
82			11	46,960
83			9	57,680
84			7	32,475
85			7	28,239
86			7	32,600
87			4	9,057
88			4	17,656
89			3	9,908
104	1	1,135		
TOTAL	17	\$ 77,327	536	\$ 3,800,520