

PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OF NEW JERSEY  
FORTY-EIGHTH ANNUAL REPORT  
OF THE ACTUARY  
PREPARED AS OF JULY 1, 2002

March 12, 2003

Board of Trustees  
Public Employees' Retirement System  
of New Jersey  
Trenton, New Jersey

Members of the Board:

Enclosed please find a report summarizing the results of the forty-eighth annual valuation of the assets and liabilities of the Public Employees' Retirement System of New Jersey. The valuation represents the eighty-first annual valuation of retirement benefits provided by the State and other public employers in New Jersey if the valuations made under the provisions of the State Employees' Retirement System of New Jersey, which was superseded by the present system, are included. The valuation shows the financial condition of the System as of July 1, 2002 and gives the basis for determining the appropriation payable by the employers for the fiscal year beginning July 1, 2003.

The valuation was prepared on the basis of the actuarial assumptions that were developed on the basis of the three year experience investigation for the period ended March 31, 1999 which was approved by the Board of Trustees at the October 18, 2000 Board meeting and the funding policy set forth in Chapter 41, P.L. 1992 and Chapter 62, P.L. 1994. The funding policy includes the use of the projected unit credit funding method for pension benefits and a salary scale which averages 5.95 percent. An interest rate of 8¾ percent was used in determining the liabilities of the System in accordance with the directive of the State Treasurer issued in 1992 under the terms of Chapter 41, P.L. 1992. In addition, the valuation reflects the provisions of Chapter 259, P.L. 2001, Chapter 353, P.L. 2001 and Chapter 366, P.L. 2001 which provided benefit improvements for certain members of the System and prescribed the funding policy for additional costs to the System. (In accordance with Chapter 259, P.L. 2001, any required contributions due to this legislation are payable by assets to be transferred from the Second Injury Fund. This amount has been calculated and is presented in the report.) The report also incorporates Chapter 11, P.L. 2002 which revised the funding of State-paid post-retirement medical benefits for qualified retirees and their dependents. Finally, the report reflects the effect of the Early Retirement Incentive Program due to Chapter 126, P.L. 2000 as adopted by the County of Monmouth.

In addition, please note that there are sufficient Excess Valuation Assets available to provide for the full 2% reduction in the Local employer member contributions (to 3%). Since there are no available Excess Valuation Assets for the State, member contributions of 5% per year will again be required beginning January 1, 2004.

The Table of Contents, which follows, highlights the Sections of the Report.  
Respectfully submitted,

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REPORT ON THE FORTY-EIGHTH  
VALUATION OF  
THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OF NEW JERSEY  
PREPARED AS OF JULY 1, 2002

SECTION I—SUMMARY OF KEY RESULTS

The Public Employees' Retirement System of New Jersey, which began operation January 2, 1955, was established under Chapter 84 of the Laws of 1954. It supersedes the State Employees' Retirement System of New Jersey which began operating as of January 1, 1922. This report, prepared as of July 1, 2002, presents the results of the forty-eighth actuarial valuation of the System.

For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized on the following pages.

Valuation Date	July 1, 2002	July 1, 2001
Number of members	290,969	280,828
Annual compensation	\$ 9,763,792,420	\$ 9,161,706,923
Annual compensation for contribution purposes*	\$ 9,045,474,004	\$ 8,528,722,526
Number of beneficiaries on the roll	107,549	104,925
Annual allowances		
Basic allowances	\$ 1,062,735,655	\$ 906,517,857
COLA	159,058,294	132,362,221
Total annual allowances	\$ 1,221,793,949	\$ 1,038,880,078
Number of vested terminated members	1,997	2,057
Market value of assets**	\$ 21,484,463,775	\$ 24,494,402,742
Valuation assets**	\$ 27,728,803,538	\$ 28,003,359,845
<b>CONTRIBUTION RATES</b>		
<u>STATE</u>		
Normal contribution rates due to:		
Basic allowances	2.84%	0.00%
Chapter 133, P.L. 2001***	0.00	0.00
Non-Contributory Group Insurance		
Premium Fund	0.55	0.00
Active COLA	0.62	0.00
Chapter 366, P.L. 2001	Ø	N/A
Chapter 259, P.L. 2001	ØØ	N/A
Total normal contribution rate	4.01%	0.00%
Accrued liability contribution rates due to:		
Basic allowances	0.06%	0.00%
Active COLA	0.00	0.00
Chapter 366, P.L. 2001	Ø	N/A
Chapter 259, P.L. 2001	ØØ	N/A
Total accrued liability contribution rate	0.06%	0.00%
Total pension contribution rate – STATE	4.07%	0.00%
State PRM premium contribution	##	##
<u>LOCAL EMPLOYERS</u>		
Normal contribution rates due to:		
Basic allowances	0.00%	0.00%
Chapter 133, P.L. 2001***	0.00	0.00
Non-Contributory Group Insurance		
Premium Fund	0.00	0.00
Active COLA	0.00	0.00
Chapter 366, P.L. 2001	Ø	N/A
Total normal contribution rate	0.00%	0.00%
Accrued liability contribution rate due to:		
Basic allowances	0.00%	0.00%
Active COLA	0.00	0.00
Chapter 366, P.L. 2001	Ø	N/A
ERI	#	#
Total accrued liability rate	0.00%	0.00%
Total pension contribution rate – LOCAL	0.00%	0.00%

\* Excludes inactive members.

\*\* Includes receivable contribution of \$86,051,088 for 2002 and \$86,693,289 for 2001 and excludes assets held in the Contributory Group Insurance Premium Fund of \$167,182,773 for 2002 and \$141,449,901 for 2001.

\*\*\* Includes additional cost due to Chapter 353, P.L. 2001 for 2002. Required contributions are currently covered by assets held in the Benefit Enhancement Fund.

# Rate varies by location on account of ERI.

## Contributions will be the amount necessary to pay the current year's anticipated post-retirement medical premiums plus an additional contribution of 6/10% of compensation for 2002 and 1/2% of compensation for 2001.

Ø Required contribution reflects the proposed 7.50% prosecutor member contribution. The State will pay the residual contribution while the Local Employers residual amount is covered by available excess assets.

ØØ Rate is not provided since required contributions are payable by assets to be transferred from the Second Injury Fund.

Valuation Date	July 1, 2002	July 1, 2001
<b>CONTRIBUTION AMOUNTS</b>		
<u>STATE</u>		
Normal		
Basic allowances	\$ 99,716,694	\$ 0*
Chapter 133, P.L. 2001	0**	0**
Non-Contributory Group Insurance		
Premium Fund	19,311,332	0*
Active COLA	21,769,137	0*
Chapter 366, P.L. 2001	50,423 <sup>00</sup>	N/A
Chapter 259, P.L. 2001	<u>000</u>	<u>N/A</u>
Subtotal	\$ 140,847,586	\$ 0
Accrued liability		
Basic allowances	\$ 2,106,691	\$ 0***
Active COLA	0	0***
Chapter 366, P.L. 2001	376,685	N/A
Chapter 259, P.L. 2001	<u>000</u>	<u>N/A</u>
Subtotal	\$ 2,483,376	\$ 0
STATE Total pension contribution #	\$ 143,330,962	\$ 0
STATE PRM premium contribution	\$ 175,317,404	\$ 102,493,007
<u>LOCAL EMPLOYERS</u>		
Normal		
Basic allowances	\$ 0*	\$ 0*
Chapter 133, P.L. 2001	0**	0**
Non-Contributory Group Insurance		
Premium Fund	0*	0*
Active COLA	0*	0*
Chapter 366, P.L. 2001	0 <sup>00</sup>	<u>N/A</u>
Subtotal	\$ 0	\$ 0
Accrued liability		
Basic allowances	\$ 0***	\$ 0***
Active COLA	0***	0***
Chapter 366, P.L. 2001	0***	N/A
ERI <sup>0</sup>	<u>20,882,718</u>	<u>16,987,033</u>
Subtotal	\$ 20,882,718	\$ 16,987,033
LOCAL Total pension contribution #	\$ 20,882,718	\$ 16,987,033

# Contributions were calculated assuming payment on 7/1/2002 and 7/1/2001, respectively; interest should be added from those dates to the actual payment date.

\* Required contributions have been reduced by a portion of excess valuation assets (See Section III).

\*\* Required contributions are currently covered by assets held in the Benefit Enhancement Fund. The 2002 amount includes additional normal cost contribution due to Chapter 353, P.L. 2001.

\*\*\* There is no required unfunded liability payment since a net surplus exists.

<sup>0</sup> ERI costs for Local Employers consist of \$3,893,457 in principal and \$16,989,261 in interest for 2002 and \$974,113 in principal and \$16,012,920 in interest for 2001. The contributions also include the additional cost due to Chapter 126, P.L. 2000 for Monmouth County (for 2002 only) and Chapter 59, P.L. 1999 for West Deptford Township.

<sup>00</sup> Required contribution reflects the proposed 7.50% prosecutor member contribution. For Local Employers, the residual contribution amount was covered by available excess assets.

<sup>000</sup> The following required contributions are payable by assets to be transferred from the Second Injury Fund:

Normal Cost:	\$ 259,758
Accrued Liability:	<u>266,747</u>
Total:	\$ 526,505

The major benefit and contribution provisions of the statute as reflected in the valuation are summarized in Appendix A. The valuation also reflects the provisions of the following legislation:

- Chapter 353, P.L. 2001 which increased the special veterans retirement allowance from 50% to 54.5% of the member's compensation during the highest-paid year of service, increased the minimum ordinary disability retirement allowance from 40% to 43.6% of average compensation during the three highest-paid years of service and increased the accidental disability retirement allowance from 66.66% to 72.7% of the actual annual compensation at the time of the accident. (Existing retirees, or their beneficiaries, also received these percentage increases in their retirement allowances.) The law also reduced from 62 to 60 the age at which a veteran member with 20 years of aggregate service credit may retire on the special veterans retirement allowance and provided that a veteran member who is 55 years of age with 25 years of aggregate service credit may retire on the special veterans retirement allowance. Finally, the additional annual employer normal contributions associated with this law will be paid from the Benefit Enhancement Fund established by Chapter 133, P.L. 2001. (If the assets in this fund are insufficient to pay the normal contribution, the State will pay the normal contribution not covered by the assets.) Excess valuation assets will cover the additional unfunded liability. The State will be liable for any increased cost to local government employers as a result of these changes.
- Chapter 366, P.L. 2001 which established a special Prosecutors Part for members of PERS who are working in positions which are defined as prosecutors for the purposes of this law. The benefits payable under this Part are similar to those applicable under the Police and Firemen's Retirement System and are summarized in Appendix A. The contribution rate for affected members is to be determined by the PERS Board of Trustees. The State will be liable for any increase in pension costs to a county that results from the enrollment of prosecutors in the Prosecutors Part. Any increase in



the unfunded accrued liability in Retirement System arising from the benefits established for the Prosecutors Part are to be amortized over a period of 30 years.

- Chapter 259, P.L. 2001 which created special retirement benefits for members employed as Workers Compensation Judges. The benefits provided under this Part are similar to provisions for members of the Judicial Retirement System and are summarized in Appendix A. The cost of this legislation will be paid by fund transfers from the Second Injury Fund.
- Chapter 11, P.L. 2002 revised the funding of State-paid post-retirement medical (PRM) benefits for qualified retirees and their dependents. It eliminated the State obligation to contribute an amount that would increase the fund balance by  $\frac{1}{2}$  of 1% of the salary of active members for fiscal years 2002 and 2003 and prescribed that, beginning with fiscal year 2004, a contribution will be required that would increase the fund balance by  $\frac{3}{5}$  of 1% of the salary of the active members. In addition, the law also provided that any amount in the PRM fund would be used to pay the fiscal year 2002 premium.
- The valuation reflects the effect of the Early Retirement Incentive Program due to Chapter 126, P.L. 2000 as adopted by the County of Monmouth (Location Numbers 10080, 10081 and 10082) which is summarized in Appendix G.

There were no other changes to the plan provisions since the previous valuation.

A summary of the actuarial assumptions and methods employed in the valuation is set forth in Appendix B. As a result of the eligibility requirements for certain benefits offered under the Prosecutors Part as provided by Chapter 366, P.L. 2001, additional rates of service retirement, similar to those currently used under the Police and Firemen's Retirement System of New Jersey, were used for this valuation as noted in Appendix

B. These assumptions will be reviewed as part of the triennial experience analysis. There were no other changes in actuarial assumptions and methods used since the previous valuation.

The combination of the plan provisions, actuarial assumptions and member and beneficiary data is used to generate the overall required level of employer contributions. These contributions are composed of two separate portions—an “accrued liability contribution” and a “normal contribution”. The contributions payable are discussed in detail in Section V.

The valuation also generates a balance sheet which summarizes in some detail the total present and prospective assets and liabilities of the System. Table III of Section VI presents the detailed balance sheet as of July 1, 2002. The remainder of Section VI of this report analyzes the balance sheet.

A summary comparison of the balance sheets as of July 1, 2002 and July 1, 2001 is set forth in the following table. The allocation of assets among the various investment alternatives is shown in graphic form on page 8.

**TABLE I  
COMPARATIVE BALANCE SHEET**

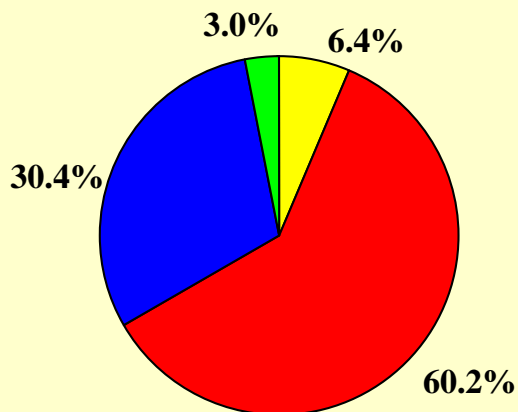
	July 1, 2001 (Total System)	July 1, 2002		
		State	Local	Total System
<b><u>ASSETS</u></b>				
Actuarial Value of Assets of System	\$ 28,003,359,845	\$ 11,225,722,484	\$ 16,503,081,054	\$ 27,728,803,538
Net Unfunded Accrued Liability/(Surplus)*	(4,043,605,262)	(312,599,483)	(1,573,746,951)	(1,886,346,434)
Total Assets	\$ 23,959,754,583	\$ 10,913,123,001	\$ 14,929,334,103	\$ 25,842,457,104
<b><u>LIABILITIES</u></b>				
Present value of benefits to present beneficiaries payable from the:				
Retirement Reserve Fund	\$ 10,042,083,233	\$ 4,348,235,404	\$ 6,678,927,326	\$ 11,027,162,730
Post Retirement Medical Fund	254,252,724	152,565,519	N/A	152,565,519
Present value of benefits to present active members:				
Basic benefits**	11,533,163,300	5,556,006,816	7,210,504,663	12,766,511,479
COLA benefits	2,130,255,326	856,315,262	1,039,902,114	1,896,217,376
Total Liabilities	\$ 23,959,754,583	\$ 10,913,123,001	\$ 14,929,334,103	\$ 25,842,457,104

\*Includes total System excess valuation assets of \$632,627,343 (\$259,587,554 for State and \$373,039,789 for Local) for 2002 and \$540,799,469 for 2001 allocated to the Benefit Enhancement Fund and excess valuation assets allocated to accumulated prior reductions in member rates of contribution of \$277,598,624 (\$107,523,205 for State and \$170,075,419 for Local) for 2002 and \$304,061,906 for 2001.

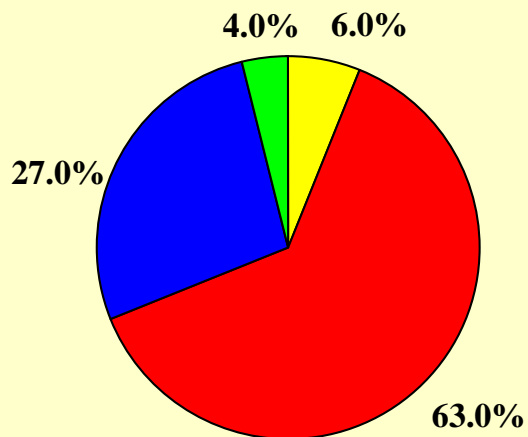
\*\*Includes pensioners' lump sum death benefits.

## PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

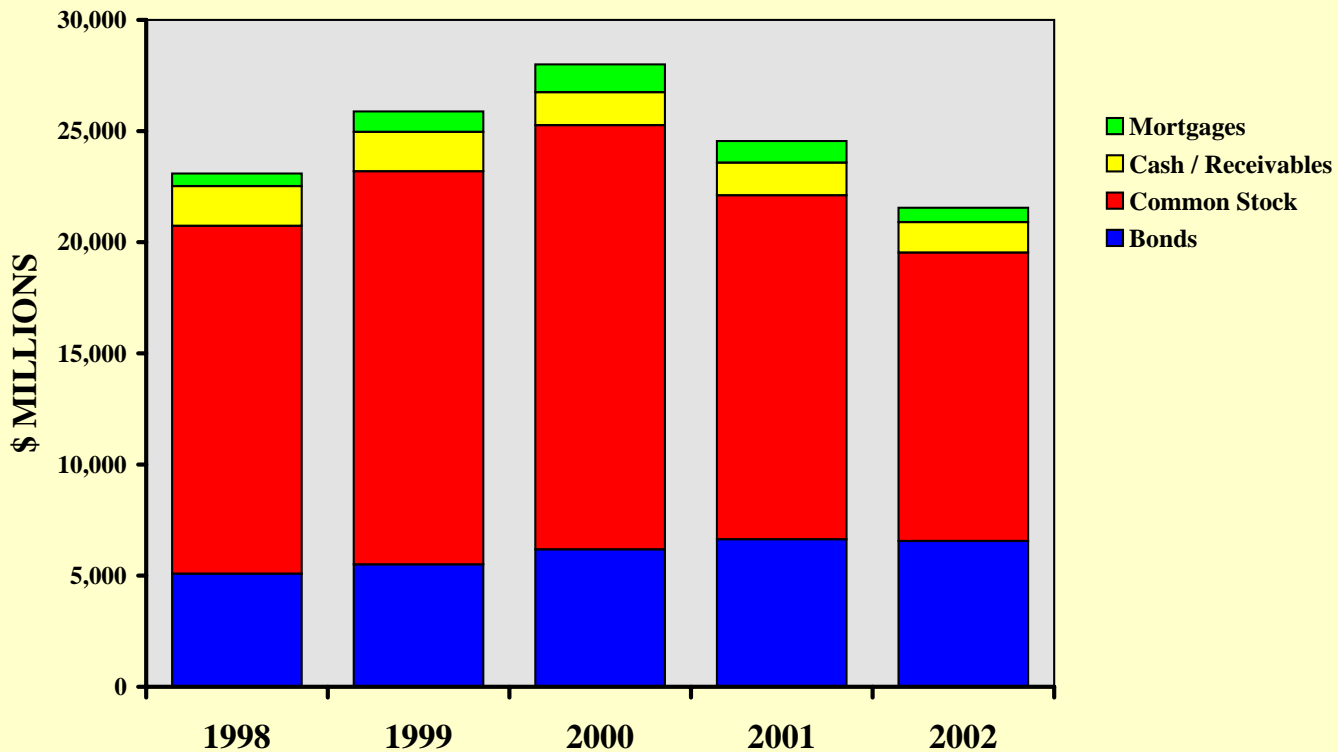
### ASSET ALLOCATION MARKET VALUE



**2002**



**2001**



Section IX of the report provides information regarding the level of funding for the System. Please refer to that Section for a discussion of this topic.

### SECTION II—EMPLOYEE DATA

The data employed for the valuations were furnished to the actuary by the Division of Pensions and Benefits. Table IV of Section X summarizes the membership as of June 30, 2002 by various categories. Appendix C includes distributions of members by age and length of service. Some key comparisons are:

#### STATE

##### MEMBERSHIP—ACTIVE AND INACTIVE

GROUP	2002		2001	
	Number	Annual Compensation	Number	Annual Compensation
Men	34,705	\$ 1,625,657,295	33,694	\$ 1,520,322,341
Women	53,851	2,167,820,043	52,077	2,008,981,434
Law Enforcement Officers	2	100,131	1	49,933
Non-Law Enforcement Officers	88,554	3,793,377,207	85,770	3,529,253,842
Veterans	4,343	225,179,772	4,494	223,403,036
Non-Veterans	84,213	3,568,297,566	81,277	3,305,900,739

##### RETIRED MEMBERS AND BENEFICIARIES

GROUP	2002		2001	
	Number	Annual Allowances	Number	Annual Allowances*
Retirements	29,504	\$ 446,686,210	28,742	\$ 380,879,979
Active Members' Death Benefits	41	\$ 481,171	45	\$ 490,952
Retired Members' Death Benefits	2,830	\$ 28,831,170	2,731	\$ 24,355,036
Vested Terminated	575	\$ 5,344,728	585	\$ 5,137,560

\*Annual allowances shown are prior to the increases due to Chapter 133, P.L. 2001 and Chapter 353, P.L.2001.

## LOCAL EMPLOYERS

## MEMBERSHIP—ACTIVE AND INACTIVE

GROUP	2002		2001	
	Number	Annual Compensation	Number	Annual Compensation
Men	80,528	\$ 2,925,175,499	78,426	\$ 2,782,224,211
Women	121,885	3,045,139,583	116,631	2,850,178,937
Law Enforcement Officers	103	5,504,480	67	3,377,482
Non-Law Enforcement Officers	202,310	5,964,810,602	194,990	5,629,025,666
Veterans	9,192	354,429,577	9,656	361,313,540
Non-Veterans	193,221	5,615,885,505	185,401	5,271,089,608

## RETIRED MEMBERS AND BENEFICIARIES

GROUP	2002		2001	
	Number	Annual Allowances	Number	Annual Allowances*
Retirements	68,499	\$ 694,758,111	66,982	\$ 590,042,763
Active Members' Death Benefits	94	\$ 1,003,168	98	\$ 987,984
Retired Members' Death Benefits	6,581	\$ 50,034,119	6,327	\$ 42,123,364
Vested Terminated	1,422	\$ 10,147,248	1,472	\$ 10,239,816

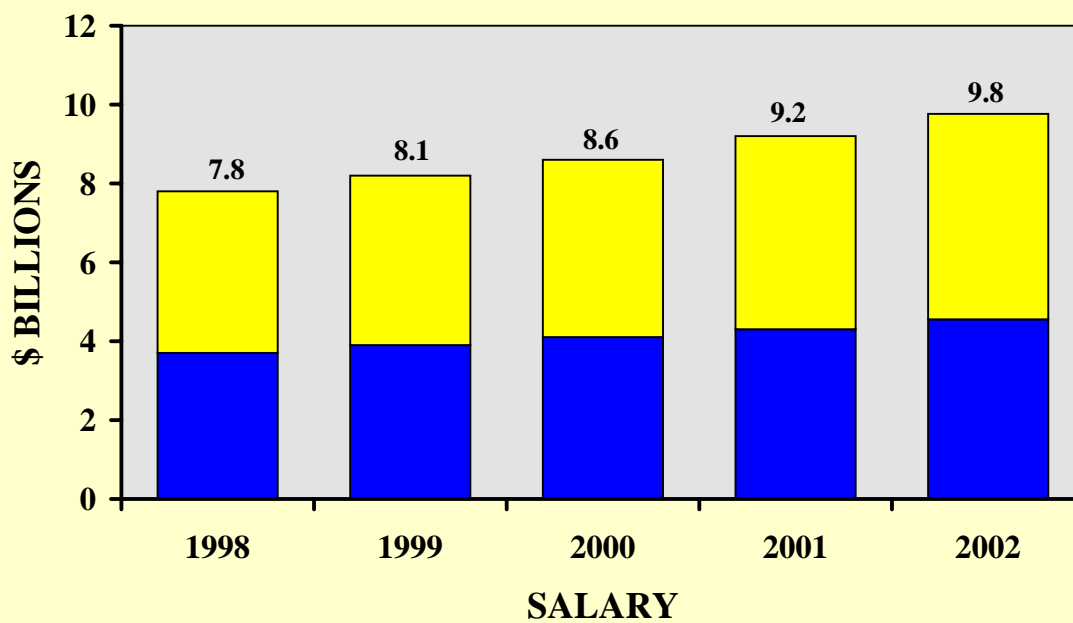
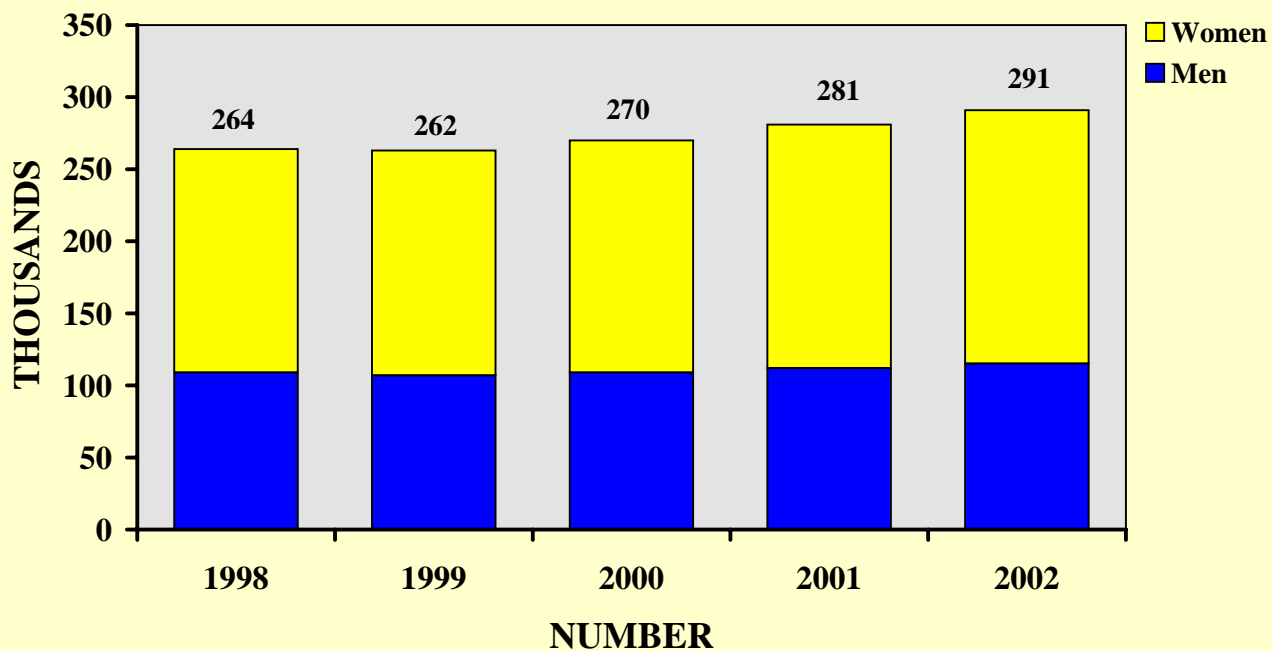
\*Annual allowances shown are prior to the increases due to Chapter 133, P.L. 2001 and Chapter 353, P.L. 2001.

The number and retirement allowances of beneficiaries on the roll as of the valuation date are indicated in Table V of Section X. Appendix C provides detailed distributions.

Graphic presentations of the statistical data on membership are shown on the following pages.

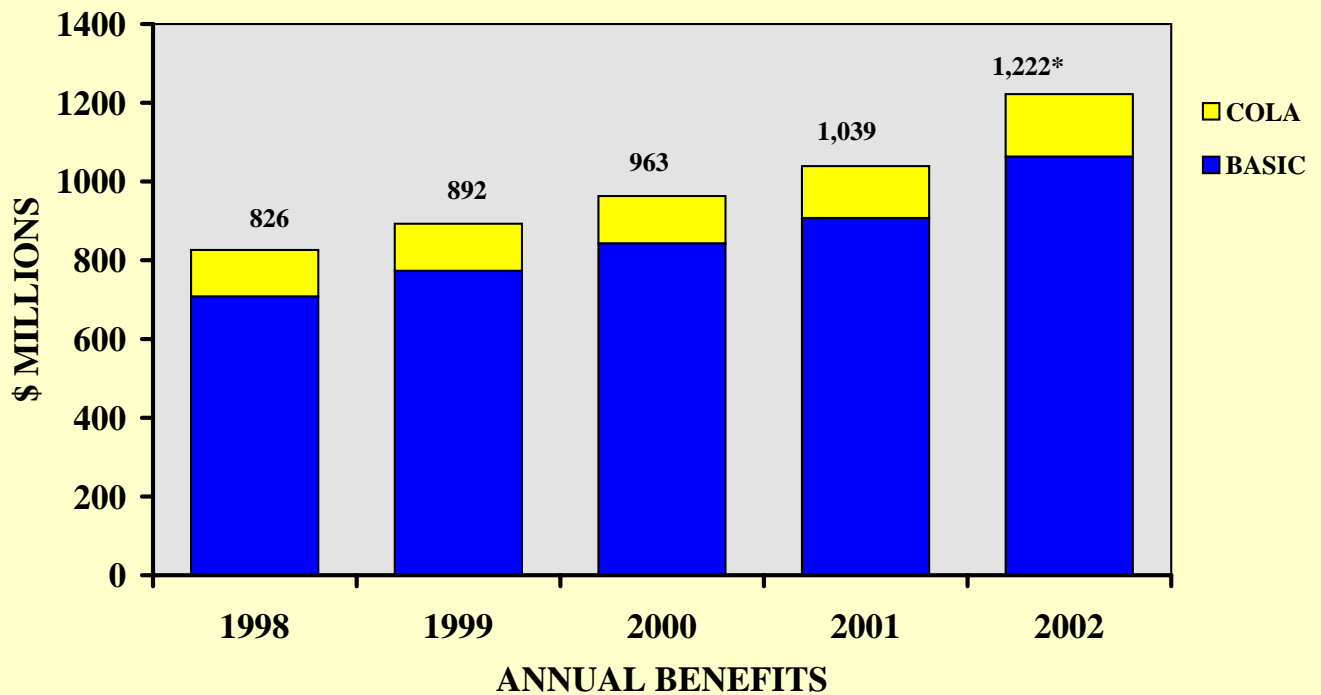
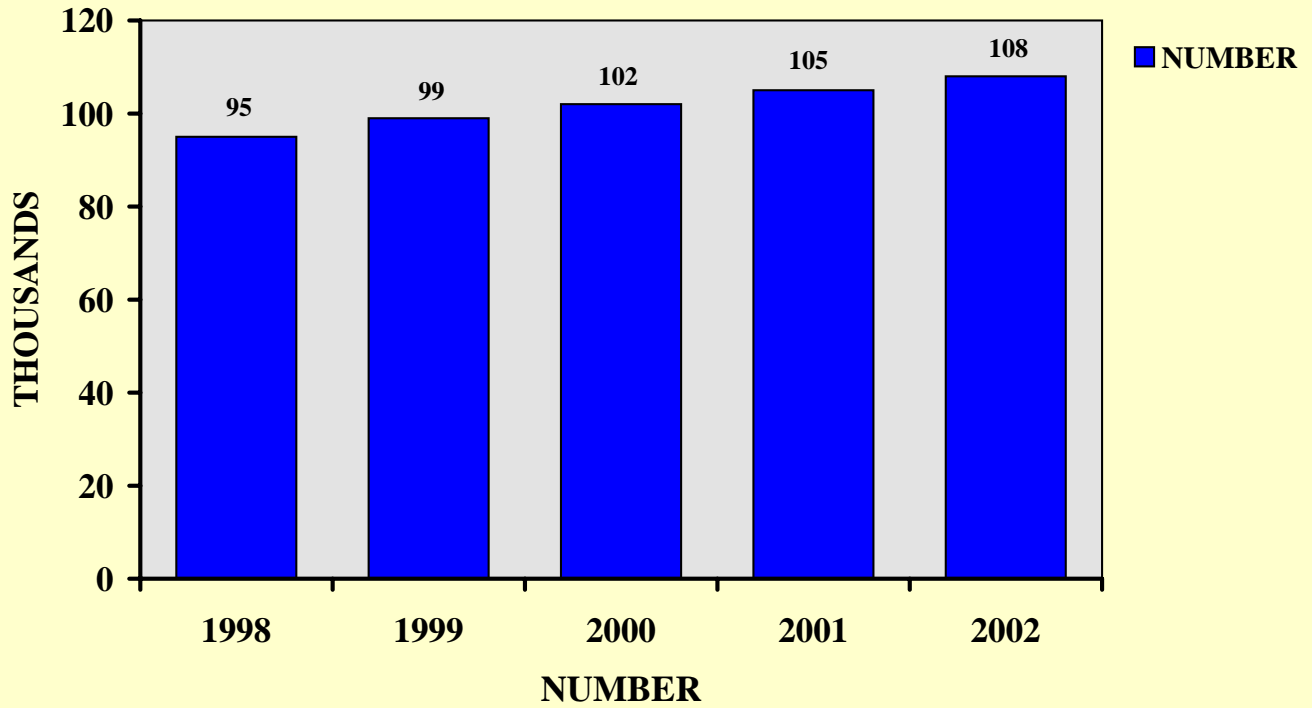
## PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

### SUMMARY OF MEMBERSHIP (TOTAL SYSTEM)



## THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

### SUMMARY OF RETIRED PARTICIPATION (TOTAL SYSTEM)



\* Includes effect of Chapter 133, P.L. 2001 and Chapter 353, P.L. 2001.



**SECTION III—ASSETS, LIABILITIES AND CONTRIBUTIONS**

**A. Reconciliation of Market Value of Assets from June 30, 2001 to June 30, 2002**

	<b>State</b>	<b>Local</b>	<b>Total System</b>
1. Market Value of Assets as of June 30, 2001	\$ 9,894,164,525	\$ 14,654,994,829	\$ 24,549,159,354
2. Increases			
a. Pension Contributions			
(1) Members' Contributions	\$ 135,492,849	\$ 202,918,052	\$ 338,410,901
(2) Transfers from Other Systems	2,205,979	445,807	2,651,786
(3) Net Transfers From Other Funds	0	0	0
(4) Total	\$ 137,698,828	\$ 203,363,859	\$ 341,062,687
b. Employers' Contributions			
(1) Appropriations	\$ 0	\$ 0	\$ 0
(2) Post-retirement Medical Contributions	0	N/A	0
(3) Additional Employers' Contributions	0	1,755	1,755
(4) Delayed Enrollments	137,412	378,536	515,948
(5) Delayed Appropriations	(3,655)	(4,654)	(8,309)
(6) Total	\$ 133,757	\$ 375,637	\$ 509,394
c. Investment Income	\$ (752,714,815)	\$ (1,137,102,982)	\$ (1,889,817,797)
d. Total Increases	\$ (614,882,230)	\$ (933,363,486)	\$ (1,548,245,716)
3. Decreases			
a. Benefits Provided by Members			
(1) Withdrawals of Members' Contributions	\$ 17,090,926	\$ 37,288,228	\$ 54,379,154
(2) Withdrawals of Transfers' Contributions	6,278,711	9,925,261	16,203,972
(3) Adjustment for Loans	(62,692)	0	(62,692)
(4) Total	\$ 23,306,945	\$ 47,213,489	\$ 70,520,434
b. Benefits Provided by Employers			
(1) Insurance Premiums	\$ 13,819,569	\$ 20,833,312	\$ 34,652,881
(2) Death Benefit Claims	18,014,991	35,964,138	53,979,129
(3) Administrative Expense	7,941,560	11,912,340	19,853,900
(4) Miscellaneous Expense	211,236	(74,566)	136,670
(5) Total	\$ 39,987,356	\$ 68,635,224	\$ 108,622,580
c. Retirement Allowances	\$ 416,758,139	\$ 619,484,221	\$ 1,036,242,360
d. Medical Benefits	\$ 86,038,027	N/A	\$ 86,038,027
e. Pension Adjustment	\$ 60,399,169	\$ 86,844,052	\$ 147,243,221
f. Total Decreases	\$ 626,489,636	\$ 822,176,986	\$ 1,448,666,622
4. a. Preliminary Market Value of Assets as of June 30, 2002 = (1)+2(d)-3(f)	\$ 8,652,792,659	\$ 12,899,454,357	\$ 21,552,247,016
b. Receivable Contributions	86,051,088	0	86,051,088
c. Adjustment to June 30, 2002 Financial Report to reflect the additional Chapter 126, P.L. 2000 receivable ERI contributions	0	13,348,444	13,348,444
d. Adjustment for NJIT transfer	46,080,711	(46,080,711)	0
e. Adjustment for Assets held in the Contributory Group Insurance Premium Fund	(56,997,436)	(110,185,337)	(167,182,773)
f. Market Value of Assets as of June 30, 2002 = 4(a)+4(b)+4(c)+4(d)+4(e)	\$ 8,727,927,022	\$ 12,756,536,753	\$ 21,484,463,775

B. Development of Valuation Assets

Summary of the development of the actuarial value of plan assets (five year average of market value with write up) for the current valuation:

	STATE	LOCAL EMPLOYERS	TOTAL SYSTEM
(1) Actuarial Value of Assets as of June 30, 2001 (without receivable contributions)	\$ 11,296,618,653	\$ 16,761,497,804	\$ 28,058,116,457
(2) Net Cash Flow excluding Investment Income and receivable Employer Contributions from June 30, 2001 to June 30, 2002	(488,657,051)	(618,437,489)	(1,107,094,540)
(3) Expected Investment Income at 8.75%:			
a. One year's interest on Assets as of June 30, 2001	\$ 988,454,131	\$ 1,466,631,058	\$ 2,455,085,189
b. Interest on Net Cash Flow	<u>(21,378,746)</u>	<u>(27,056,640)</u>	<u>(48,435,386)</u>
c. Total	\$ 967,075,385	\$ 1,439,574,418	\$ 2,406,649,803
(4) Expected Actuarial Value of Assets as of June 30, 2002 = (1)+(2)+3(c)	<u>\$ 11,775,036,987</u>	<u>\$ 17,582,634,733</u>	<u>\$ 29,357,671,720</u>
(5) 20% of Difference from Preliminary Market Value	(624,448,866)	(936,636,075)	(1,561,084,941)
(6) Preliminary Actuarial Value of Assets as of June 30, 2002 (without receivable contributions) = (4)+(5)	\$ 11,150,588,121	\$ 16,645,998,658	\$ 27,796,586,779
(7) Receivable Contribution	\$ 86,051,088	\$ 0	\$ 86,051,088
(8) Adjustment to June 30, 2002 Financial Report to reflect the additional Chapter 126, P.L. 2000 receivable ERI contributions	\$ 0	\$ 13,348,444	\$ 13,348,444
(9) Adjustment for NJIT transfer	\$ 46,080,711	\$ (46,080,711)	\$ 0
(10) Adjustment for assets held in the Contributory Group Insurance Premium Fund	<u>\$ (56,997,436)</u>	<u>\$ (110,185,337)</u>	<u>\$ (167,182,773)</u>
(11) Final Actuarial Value of Assets as of June 30, 2002 = (6)+(7)+(8)+(9)+(10)	\$ 11,225,722,484	\$ 16,503,081,054	\$ 27,728,803,538

C. Summary of Accrued Liabilities (including COLA and medical benefit reserve)

(i)	State	
1.	Present Value of Benefits Payable to Beneficiaries and Retirees	\$ 4,348,154,633
2.	Present Value of Benefits for Vested Terminated Members	\$ 35,241,384
3.	Accrued Liability for Active Members:	
a.	Service Retirement Allowances	\$ 4,733,140,925
b.	Ordinary Disability Retirement Allowances	403,085,660
c.	Accidental Disability Retirement Allowances	23,340,024
d.	Ordinary Death Benefits	104,183,488
e.	Accidental Death Benefits	1,019,285
f.	Return of Members' Contributions Upon Withdrawal Before Retirement	243,531,694
g.	Present value of active COLA benefits	<u>856,315,262</u>
h.	Total Active Accrued Liability = (a)+(b)+(c)+(d)+(e) +(f)+(g)	\$ 6,364,616,338
4.	Additional Accrued Liability due to Chapter 366, P.L. 2001	\$ 7,339,698
5.	Additional Accrued Liability due to Chapter 259, P.L. 2001	<u>\$ 5,205,429</u>
6.	Sub-Total Accrued Liability = (1)+(2)+(3)(h)+(4)+(5)	\$10,760,557,482
7.	Present Value of Post Retirement Medical Fund Benefits	<u>\$ 152,565,519*</u>
8.	Total Accrued Liability = (6)+(7)	\$10,913,123,001

\*Includes the Fiscal Year 2003 receivable post-retirement medical contribution of \$86,051,088.

(ii)	Local Employers	
1.	Present Value of Benefits Payable to Beneficiaries and Retirees	\$ 6,480,173,699
2.	Present Value of Benefits for Vested Terminated Members	\$ 73,624,010
3.	Accrued Liability for Active Members:	
a.	Service Retirement Allowances	\$ 6,096,435,472
b.	Ordinary Disability Retirement Allowances	412,969,482
c.	Accidental Disability Retirement Allowances	16,226,337
d.	Ordinary Death Benefits	155,309,797
e.	Accidental Death Benefits	1,462,101
f.	Return of Members' Contributions Upon Withdrawal Before Retirement	427,069,642
g.	Present Value of Active COLA Benefits	<u>1,039,902,114</u>
h.	Total Active Accrued Liability = (a)+(b)+(c)+(d)+(e)+(f)+(g)	\$ 8,149,374,945
4.	Additional Accrued Liability due to Chapter 366, P.L. 2001	<u>\$ 27,883,799</u>
5.	Sub-Total Accrued Liability = (1)+(2)+(3)(h)+(4)	\$14,731,056,453
6.	Present Value of future ERI contributions	<u>\$ 198,277,650</u>
7.	Total Accrued Liability = (4)+(5)+(6)	\$14,929,334,103

D. Tracking of Unfunded Accrued Liability/(Surplus)

	State	Local Employers
(1) Unfunded Accrued Liability as of June 30, 2001	\$ (1,237,355,493)	\$ (2,806,249,769)
(2) Interest on (1) at 8.75% for one year	(108,268,606)	(245,546,855)
(3) Gross Normal Cost for one year	321,176,004	481,291,615
(4) Contributions Made	137,832,585	203,739,497
(5) Expected Unfunded Accrued Liability/(Surplus) as of June 30, 2002= (1)+(2)+(3)-(4)	\$ (1,162,280,680)	\$ (2,774,244,506)
(6) Net change in Unfunded Accrued Liability due to Chapter 366, P.L. 2001	\$ 7,339,698	\$ 27,883,799
(7) Net change in Unfunded Accrued Liability due to Chapter 259, P.L. 2001	\$ 5,205,429	N/A
(8) Actual Unfunded Accrued Liability/(Surplus) as of July 1, 2002	\$ (312,599,483)	\$ (1,573,746,951)
(9) Gain/(Loss) for Year = (5)+(6)+(7)-(8)*	\$ (837,136,070)	\$ (1,172,613,756)

\*Analysis of Gain/(Loss) is discussed in Section IV.

E. Development of Excess Valuation Assets

Chapter 115, P.L. 1997 prescribes a procedure for determining the value of excess valuation assets. This law provided for a reduction in the normal contributions of the State or other employers for the valuation periods ended March 31, 1996 and March 31, 1997 to the extent possible by the excess valuation assets and permitted the State Treasurer to reduce the normal contribution payable by the State or other employers for valuations after March 31, 1997 up to a specified portion of excess valuation assets (84% for the July 1, 2002 valuation). It also provided for a reduction (as further amended by Chapter 415, P.L. 1999), for calendar years 1998 through 2001, of the contributions by employees of the State and Local employers by 2% (for future calendar years a contribution rate reduction of up to 2% of compensation will be allowable under certain circumstances) from excess valuation assets. Chapter 133, P.L. 2001 further specified that if there are excess valuation assets available after reduction for the normal contributions payable by the State or other employers and for contributions by employees of the State and other employers, then an amount of excess assets not to exceed the amount of member contributions shall be credited to the benefit enhancement fund. The development of excess valuation assets as of June 30, 2002 and the determination of any applicable reductions are developed below:

	<b>State</b>	<b>Local Employers</b>
(1) Valuation Assets	\$ 11,225,722,484	\$ 16,503,081,054
(2) Actuarial Accrued Liability for basic benefits and COLA	10,760,557,482	14,929,334,103
(3) Post Retirement Medical Premium Fund	152,565,519*	N/A
(4) Present Value of Projected COLA Normal Cost Payments	255,356,857	355,434,440
(5) Accumulated prior reductions in Member rates of contribution	107,523,205	170,075,419
(6) Benefit Enhancement Fund	259,587,554	373,039,789
(7) Excess Valuation Assets = (1)–(2)–(3)–(4)–(5)–(6) (not less than zero)	\$ 0	\$ 675,197,303
(8) Reduction Due to Normal Cost from July 1, 2002 valuation	0	183,415,830
(9) Estimated current reduction in Member rates of contribution**	0	117,300,000
(10) Estimated Member rates of contribution credited to the Benefit Enhancement Fund	0	105,091,805
(11) Net Excess Valuation Assets after Reductions = (7)–(8)–(9)–(10)	\$ 0	\$ 269,389,668

\* Includes the Fiscal Year 2003 receivable post-retirement medical contribution of \$86,051,088.

\*\* Since there are no Excess Valuation Assets available for the State, member contributions of 5% per year will be required effective January 1, 2004. Contributions for members of Local Employers will remain at 3% per year.

F. Development of Required Contribution

	<b>Prior to Recognition of Legislative Reductions</b>	<b>Reflecting Recognition of Legislative Reductions</b>
(i) State		
1. Normal Cost		
a. Basic Allowances		
(i) Gross Amount	\$ 293,778,485	\$ 293,778,485
(ii) Employee Portion	<u>194,061,791</u>	<u>194,061,791</u>
(iii) State Normal Cost = (i)-(ii)	\$ 99,716,694	\$ 99,716,694
b. Non-Contributory Group Insurance		
Premium Fund	19,311,332	19,311,332
c. Active COLA	21,769,137	21,769,137
d. Chapter 133, P.L. 2001	28,637,827 <sup>Ø</sup>	0*
e. Chapter 366, P.L. 2001	459,734	50,423**
f. Chapter 259, P.L. 2001	<u>259,758</u>	<u>#</u>
g. Total Normal Cost Contribution	\$ 170,154,482	\$ 140,847,586
h. Reduction due to excess valuation assets	<u>N/A</u>	<u>\$ 0</u>
i. Net Normal Cost Contribution	\$ 170,154,482	\$ 140,847,586
2. Accrued Liability		
a. Basic Allowances including Retiree COLA	\$ 2,106,691	\$ 2,106,691
b. Active COLA	0	0
c. Chapter 366, P.L. 2001	376,685	376,685
d. Chapter 259, P.L. 2001	<u>266,747</u>	<u>#</u>
e. Total Accrued Liability Contribution	\$ 2,750,123	\$ 2,483,376
3. Total Pension Contribution = 1(i)+2(e)	\$ 172,904,605	\$ 143,330,962
4. PRM premium contribution	\$ 175,317,404	\$ 175,317,404

\* Required contribution is currently covered by assets held in the Benefit Enhancement Fund.

\*\* Required contribution reflects the proposed 7.50% prosecutor member contribution rate as provided by Chapter 366, P.L. 2001.

# Required contribution amounts are payable by funds transferred from the Second Injury Fund in accordance with Chapter 259, P.L. 2001 and can be summarized as follows:

Normal Cost:	\$ 259,758
Accrued Liability:	<u>266,747</u>
	\$ 526,505

<sup>Ø</sup> Includes additional normal cost contribution due to Chapter 353, P.L. 2001.

	<b>Prior to Recognition of Legislative Reductions</b>	<b>Reflecting Recognition of Legislative Reductions</b>
(ii) Local Employers		
1. Normal Cost		
a. Basic Allowances		
(i) Gross Amount	\$ 440,366,796	\$ 440,366,796
(ii) Employee Portion	<u>305,882,752</u>	<u>305,882,752</u>
(iii) State Normal Cost = (i)-(ii)	\$ 134,484,044	\$ 134,484,044
b. Non-Contributory Group Insurance		
Premium Fund	34,312,801	34,312,801
c. Active COLA	30,438,775	30,438,775
d. Chapter 133, P.L. 2001	41,507,421 <sup>o</sup>	0*
e. Chapter 366, P.L. 2001	<u>1,809,848</u>	<u>229,095**</u>
f. Total Normal Cost Contribution	\$ 245,552,889	\$ 199,464,715
g. Reduction due to excess valuation assets	<u>N/A</u>	<u>\$ (199,464,715)</u>
h. Net Normal Cost Contribution	\$ 245,552,889	\$ 0
2. Accrued Liability		
a. Basic Allowances including Retiree COLA	\$ 0	\$ 0
b. Active COLA	0	0
c. Chapter 366, P.L. 2001	1,431,841	0#
d. ERI Contributions	<u>20,882,718</u>	<u>20,882,718</u>
e. Total Accrued Liability Contribution	\$ 22,314,559	\$ 20,882,718
3. Total Contribution = 1(h)+2(e)	\$ 267,867,448	\$ 20,882,718

\* Required contribution is currently covered by assets held in the Benefit Enhancement Fund.

\*\* Required contribution reflects the proposed 7.50% prosecutor member contribution rate as provided by Chapter 366, P.L. 2001.

# There is no required unfunded liability payment since a net surplus exists.

<sup>o</sup> Includes additional normal cost contribution due to Chapter 353, P.L. 2001.



SECTION IV—COMMENTS CONCERNING THE VALUATION

The variation in liabilities and contributions reflects the System's actual experience during the year. The decrease in the actuarial surplus is primarily the result of the investment return which was less than that expected (3.07% on an actuarial value of asset basis, rather than the 8.75% expected).

**State**

The following table outlines the effect of the various items of actuarial experience on the increase in the normal contribution rate for basic allowances and active COLA from 4.68% to 4.83% (prior to recognition of offsets due to legislations).

• Gain on account of new members	-0.01
• Pay increases greater than expected	+0.01
• Phase-in of active COLA	+0.03
• Gain on account of active experience	-0.01
• Loss on account of Chapter 133, P.L. 2001	+0.11*
• Other experience	+0.02
• Total	0.15%

\*Includes effect of additional normal cost contribution due to Chapter 353, P.L. 2001.

The number of active members increased by about 2.4% between valuations while gross compensation used for contribution purposes increased by about 6.8% and average compensation increased by about 4.3% (from \$42,516 to \$44,323).

The number of pensioners and beneficiaries receiving benefits and the amount of benefits payable increased between the two valuations. The average benefit payable increased (from about \$1,073 per month to about \$1,225 per month). The increase reflects the higher benefits payable to new retirees, the deaths of older pensioners with lower benefits and the 9.09% increase in retirement allowance due to Chapter 133, P.L. 2001 and Chapter 353, P.L. 2001 which became effective after the previous valuation date. Cost-of-living increases after retirement are reflected in both amounts.

Included in Table II, which provides a summary of the contributions payable, are payments representing anticipated State post-retirement medical benefit premiums for the current year's benefits plus an amount

that will ensure an increase in the Post Retirement Medical Fund of 6/10 of 1% of the salary of active members for the valuation period.

### **Local Employers**

The following table outlines the effect of the various items of actuarial experience on the increase in the normal contribution rate for basic allowances and active COLA from 4.38% to 4.44%.

• Gain on account of new members	-0.01%
• Pay increases greater than expected	+0.03
• Phase-in of active COLA	+0.05
• Gain on account of active experience	-0.10
• Loss on account of Chapter 133, P.L. 2001*	+0.06*
• Other experience	+0.03
• Total	+0.06%

\*Includes effect of additional normal cost contribution due to Chapter 353, P.L. 2001.

The number of active members increased by about 3.2% between valuations. Gross compensation used for contribution purposes increased by about 5.6%, while average compensation increased by about 2.3% (from about \$30,443 per year to \$31,157).

The total number of pensioners and beneficiaries receiving benefits and the amount of benefits payable increased between the two valuations. The average benefit payable also increased (from about \$719 per month to about \$827 per month). The increase reflects the higher benefits payable to new retirees, the deaths of older pensioners with smaller benefits and the 9.09% increase in retirement allowance due to Chapter 133, P.L. 2001 and Chapter 353, P.L. 2001 which became effective after the previous valuation date. Cost-of-living increases after retirement are reflected in both amounts.

## SECTION V—CONTRIBUTIONS PAYABLE BY THE STATE AND LOCAL EMPLOYERS

The employers are required to make two contributions, a normal contribution and an accrued liability contribution (if applicable). The normal contribution for basic allowances and retiree COLAs is defined under the Projected Unit Credit funding method as the present value of the benefits accruing during the current year. The unfunded accrued liability (surplus) for basic allowances and retiree COLAs is determined as the difference between the accrued liability and the actuarial value of assets on hand. If there was no unfunded accrued liability for the State for the valuation period immediately preceding the current valuation period, the current year's accrued liability contribution is determined as a level percentage of pay required to liquidate the unfunded accrued liability in annual payouts increasing at a specific rate and paid annually for a specific time (which shall not exceed 30 years) as determined by the State Treasurer. Thereafter, any increase or decrease in the unfunded accrued liability as a result of actuarial losses or gains for subsequent valuation years will increase or decrease the amortization period for the unfunded accrued liability (unless an increase will cause it to exceed 30 years). For Local Employers, the initial accrued liability contribution rates were determined with the March 31, 1992 valuation as a level percentage of pay required to liquidate the unfunded accrued liability in increasing annual payouts over a period of 40 years. Any actuarial gains or losses for the 10 valuation years following the March 31, 1992 valuation will increase or decrease the unfunded accrued liability contribution (thereafter, actuarial gains or losses will increase or decrease the amortization period unless an increase will cause it to exceed 30 years).

The employers are also required to make contributions for active employees towards the payment of cost-of-living adjustments after retirement. Similar to the funding for basic allowances and retiree COLAs, the normal contribution for active COLAs was determined as the present value of the benefits accruing during the current year. The initial accrued liability contribution rates were determined for the March 31, 1992 valuation as a level percentage of pay required to liquidate the unfunded accrued liability in annual payments increasing at the rate of 6% per year over a period of 40 years. Experience gains or losses are

recognized in future accrued liability contributions. COLA benefits are fully funded as of July 1, 2002 for both the State and Local Employers.

The portion of the contribution for providing post-retirement medical costs for State employees has been determined separately. This portion is made up of three pieces, an amount necessary to pay anticipated premiums for the current year's benefits less the expected return on Post Retirement Medical Fund assets, plus an amount that will ensure an increase in the fund equal to  $\frac{6}{10}$  of 1% of the salary of active State employee members for the current valuation period.

The current year's contribution to the Post Retirement Medical Fund is summarized as follows:

Anticipated current year's premium	\$ 154,583,201
Expected asset return	(332,704)
$\frac{6}{10}$ % of active member salary for State employees	<u>21,066,907</u>
Post-retirement medical contribution	\$ 175,317,404

On the basis of the normal rates applicable to State employees and the current year's payroll, the contributions for the fiscal year beginning July 1, 2003 payable by the State and the agencies which pay the same normal rates as the State are shown in Table II.

Based on Table II, the total contribution payable by the State to the Contingent Reserve Fund is \$124,546,135 for the year beginning July 1, 2003 (which includes the additional cost due to Chapter 259, P.L. 2001 of \$526,505, which is payable by fund transfers from the Second Injury Fund), and the total contribution payable by the State to the Non-Contributory Group Insurance Premium Fund is \$19,311,332. In addition, the current year's contribution to the Post Retirement Medical Account has been determined to be \$175,317,404.

**TABLE II**  
**CONTRIBUTIONS PAYABLE BY THE STATE FOR THE YEAR BEGINNING JULY 1, 2003**

Division	Number	Payroll	NORMAL CONTRIBUTION							
			Basic Allowances Plus Pensioner COLA	Contribution To Non-Contributory Group Insurance Premium Fund	Active COLA	Due to Chapter 133, P.L. 2001*	Due to Chapter 366, P.L. 2001**	Total	Due to Chapter 259, P.L. 2001***	Post Retirement Medical Contribution
State	66,523	\$ 3,067,401,800	\$ 87,114,211	\$ 16,870,710	\$ 19,017,891	\$ 0	\$ 50,423	\$ 123,053,235	\$ 0	\$ 142,701,352
Disability Insurance Services	360	14,910,174	423,449	82,006	92,443	0	0	597,898	0	1,278,064
All Other Units of Division of Employment Security	2,149	102,513,672	2,911,388	563,825	635,585	0	0	4,110,798	0	9,325,133
State Colleges #	10,104	326,325,553	9,267,646	1,794,791	2,023,218	0	0	13,085,655	0	22,012,855
Second Injury Fund	N/A	N/A	0	0	0	0	0	0	259,758	0
<b>Total</b>	<b>79,136</b>	<b>\$ 3,511,151,199</b>	<b>\$ 99,716,694</b>	<b>\$ 19,311,332</b>	<b>\$ 21,769,137</b>	<b>\$ 0</b>	<b>\$ 50,423</b>	<b>\$ 140,847,586</b>	<b>\$ 259,758</b>	<b>\$ 175,317,404</b>
			ACCRUED LIABILITY CONTRIBUTION							
State			\$ 1,840,442	\$ 0	\$ 0	\$ 0	\$ 376,685	\$ 2,217,127	\$ 0	\$ 0
Disability Insurance Services			8,946	0	0	0	0	8,946	0	0
All Other Units of Division of Employment Security			61,508	0	0	0	0	61,508	0	0
State Colleges #			195,795	0	0	0	0	195,795	0	0
Second Injury Fund			0	0	0	0	0	0	266,747	0
<b>Total</b>			<b>\$ 2,106,691</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 376,685</b>	<b>\$ 2,483,376</b>	<b>\$ 266,747</b>	<b>\$ 0</b>
<b>Grand Total</b>			<b>\$ 101,823,385</b>	<b>\$ 19,311,332</b>	<b>\$ 21,769,137</b>	<b>\$ 0</b>	<b>\$ 427,108</b>	<b>\$ 143,330,962</b>	<b>\$ 526,505</b>	<b>\$ 175,317,404</b>

\* Required normal contribution, which includes an additional normal cost contribution due to Chapter 353, P.L. 2001, is currently covered by assets in the Benefit Enhancement Fund as required by Chapter 133, P.L. 2001.

\*\* Residual amount from additional normal cost due to Chapter 366, P.L. 2001 after reduction for proposed additional 2.5% additional prosecutor member contribution rate (to a total member contribution rate of 7.50%).

\*\*\* Required contribution amounts are payable by funds to be transferred from the Second Injury Fund to the System in accordance with Chapter 259, P.L. 2001.

# Appendix H presents a summary of the fiscal year 2003 cost allocation for the State Colleges.

The certifications of the appropriations required of the Local employers are submitted separately. They were based upon a payroll of \$5,534,322,805 for 177,627 active members. The total appropriations by Local employers, including ERI contributions, are shown below.

**CONTRIBUTIONS PAYABLE BY LOCAL EMPLOYERS  
FOR THE YEAR BEGINNING JULY 1, 2003**

Contributions to Contingent Reserve Fund:	
Normal	\$ 0*
Accrued Liability	0**
Contribution to Non-Contributory Group Insurance Premium Fund	0*
ERI Contributions	<u>20,882,718</u>
<b>Total Contribution</b>	<b>\$ 20,882,718</b>

\* Required normal contributions have been reduced by a portion of excess valuations assets as required by Chapter 115, P.L. 1997. The additional normal contributions attributable to Chapter 133, P.L. 2001 and Chapter 353, P.L. 2001 are covered by assets available in the Benefit Enhancement Fund. The additional normal cost attributable to Chapter 366, P.L. 2001 is covered by the proposed additional 2.5% prosecutor member contribution (to a total member contribution of 7.50%) and available excess assets.

\*\* There is no required accrued liability contribution since a net surplus exists.

**SECTION VI - VALUATION BALANCE SHEET**

The valuation balance sheet showing the assets and liabilities of the System as of July 1, 2002 is presented on the following Table III. The amounts of the present assets credited to the various funds were furnished by the Division of Pensions and Benefits, State of New Jersey.

The valuation was prepared on the basis of the results of the experience study for the period from April 1, 1996 to March 31, 1999. In determining the liabilities of the Contingent Reserve Fund and Retirement Reserve Fund, an interest rate of 8¾% was used in accordance with the directive of the State Treasurer issued in 1992. In determining the assets credited to the Benefit Enhancement Fund, an interest rate of 8¾% was also used in accordance with Chapter 133, P.L. 2001.

**TABLE III**

**VALUATION BALANCE SHEET  
SHOWING THE ASSETS AND LIABILITIES OF THE FUNDS OF THE  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY  
AS OF JULY 1, 2002**

**TABLE III**  
**VALUATION BALANCE SHEET**  
**SHOWING THE ASSETS AND LIABILITIES OF THE FUNDS OF THE**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY**  
**AS OF JULY 1, 2002**

	<b>ASSETS</b>		
	<b>STATE</b>	<b>LOCAL</b>	<b>TOTAL SYSTEM</b>
Present assets of System creditable to:			
Retirement Reserve Fund:			
Credited to fund	\$ 4,191,134,279	\$ 6,438,735,404	\$ 10,629,869,683
Add (deduct) reserve transferable from (to)			
Contingent Reserve Fund	<u>157,101,125</u>	<u>240,191,922</u>	<u>397,293,047</u>
	\$ 4,348,235,404	\$ 6,678,927,326*	\$ 11,027,162,730
Annuity Savings Fund:			
Credited to Fund	\$ 2,572,201,894	\$ 3,552,654,744	\$ 6,124,856,638
Contingent Reserve Fund:			
Credited to Fund	\$ 4,090,153,238	\$ 6,159,012,356	\$ 10,249,165,594
Add (deduct) excess interest earnings transferable from (to) Special Reserve Fund	0	0	0
Add (deduct) reserve transferable from (to) Retirement Reserve Fund	(157,101,125)	(240,191,922)	(397,293,047)
Add (deduct) reserve transferable from (to) Benefit Enhancement Fund	<u>(39,919,999)</u>	<u>(20,361,239)</u>	<u>(60,281,238)</u>
	\$ 3,893,132,114	\$ 5,898,459,195	\$ 9,791,591,309
Special Reserve Fund:			
Credited to Fund	\$ 0	\$ 0	\$ 0
Add (deduct) excess interest earnings transferable from (to) Contingent Reserve Fund	<u>0</u>	<u>0</u>	<u>0</u>
	\$ 0	\$ 0	\$ 0
Benefit Enhancement Fund			
Credited to Fund	\$ 219,667,554	\$ 352,678,550	\$ 572,346,104
Add (deduct) reserve transferable from (to) Contingent Reserve Fund	<u>39,919,999</u>	<u>20,361,239</u>	<u>60,281,238##</u>
	\$ 259,587,553**	\$ 373,039,789**	\$ 632,627,342**
Post-Retirement Medical Fund	<u>\$ 152,565,519#</u>	N/A	<u>\$ 152,565,519#</u>
Total Present Assets	\$ 11,225,722,484	\$ 16,503,081,054	\$ 27,728,803,538
Present value of prospective accrued liability contributions payable by the State and Local employers to the Contingent Reserve Fund for basic allowances with cost-of-living adjustments	\$ 54,511,275	\$ (1,030,631,743)	\$ (976,120,468)
Excess assets allocated to the Benefit Enhancement Fund	\$ (259,587,553)	\$ (373,039,789)	\$ (632,627,342)
Excess assets allocated to accumulated prior reductions in member rates of contribution	<u>\$ (107,523,205)</u>	<u>\$ (170,075,419)</u>	<u>\$ (277,598,624)</u>
Total Assets	\$ 10,913,123,001	\$ 14,929,334,103	\$ 25,842,457,104

\*Includes the present value of ERI payments as of June 30, 2002 of \$198,277,650.

\*\*Includes excess valuation assets of \$271,222,293 (\$104,584,340 for State and \$166,637,953 for Local) credited to the Fund for the June 30, 2001 valuation (for Fiscal Year 2003 anticipated Member contributions). These amounts will be redetermined when the actual Fiscal Year 2003 Member contributions are known.

# Includes the Fiscal Year 2003 receivable post-retirement medical contribution of \$86,051,088.

## Net adjustment to fund, see page 30.



**TABLE III**  
**VALUATION BALANCE SHEET**  
**SHOWING THE ASSETS AND LIABILITIES OF THE FUNDS OF THE**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY**  
**AS OF JULY 1, 2002**

	<b>LIABILITIES</b>		
	<b>STATE</b>	<b>LOCAL</b>	<b>TOTAL SYSTEM</b>
Present value of benefits payable on Account of beneficiaries or their Dependents now drawing allowances from the Retirement Reserve Fund	\$ 4,348,235,404	\$ 6,480,649,676	\$ 10,828,885,080
Present value of ERI benefits	*	\$ 198,277,650	\$ 198,277,650
Present value of benefits payable from contributions to the Annuity Savings Fund and the Contingent Reserve Fund:			
• Service retirement allowances including early retirement and vesting benefits	\$ 4,781,160,873	\$ 6,199,715,257	\$ 10,980,876,130
• Ordinary disability retirement allowances	403,229,528	413,380,361	816,609,889
• Accidental disability retirement allowances	23,347,187	16,237,762	39,584,949
• Ordinary death benefits	104,398,200	155,457,074	259,855,274
• Accidental death benefits	1,019,520	1,463,034	2,482,554
• Return of members' contributions upon withdrawal before retirement	242,851,508	424,251,175	667,102,683
• Cost-of-living adjustments	<u>856,315,262</u>	<u>1,039,902,114</u>	<u>1,896,217,376</u>
	\$ 6,412,322,078	\$ 8,250,406,777	\$ 14,662,728,855
Post-Retirement Medical Fund	<u>\$ 152,565,519**</u>	<u>\$ N/A</u>	<u>\$ 152,565,519**</u>
<b>Total Liabilities</b>	<b>\$ 10,913,123,001</b>	<b>\$ 14,929,334,103</b>	<b>\$ 25,842,457,104</b>

\*The present value of ERI benefits for the State is included with the present value of benefits payable from the Retirement Reserve Fund.

\*\*Includes the Fiscal Year 2003 receivable post-retirement medical contribution of \$86,051,088.

The valuation balance sheet indicates the following facts regarding the various funds.

(1) Retirement Reserve Fund

When a member retires, or when he dies and an allowance is payable to his beneficiary, the allowance including cost-of-living adjustments is paid from this fund. The member's own contributions with interest are transferred from the Annuity Savings Fund and the balance of the reserve on the total allowance is transferred from the Contingent Reserve Fund. On the valuation date, the Retirement Reserve Fund has present assets of \$10,629,869,683. The liabilities of the fund amount to \$11,027,162,730 so that there is a deficit of \$397,293,047 in the fund on the valuation date. It is recommended that the fund be put in balance as of June 30, 2002 by a transfer of assets from the Contingent Reserve Fund equal to \$397,293,047 and this transfer is shown in the balance sheet.

(2) Special Reserve Fund

The Special Reserve Fund is the fund to which any excess earnings are transferred and against which any losses from the sale of securities are charged. The maximum limit on the accumulations in this fund is set at one percent of the market value of the investments of the retirement system; any amounts in excess of this limit are creditable to the Contingent Reserve Fund. Due to the investment losses, this fund has assets amounting to \$0 as of June 30, 2002. The Special Reserve Fund is considered as an asset of the retirement system.

(3) Annuity Savings Fund and Contingent Reserve Fund

The Annuity Savings Fund, which is the fund to which members' contributions with interest are credited, has assets amounting to \$6,124,856,638 as of June 30, 2002. The Contingent Reserve Fund is the fund to which contributions made by employers to provide the benefits paid from retirement system monies are credited. Payments for the group insurance made by The Prudential Insurance Company of America to provide the non-contributory cash death benefits are deducted from the Contingent Reserve Fund. The assets creditable to the Contingent Reserve Fund amount to \$9,791,591,309 as of June 30, 2002 after adjustments are made on account of the amount transferable to the Retirement Reserve Fund and the Benefit Enhancement Fund.

If a member withdraws from active service before qualifying for retirement, the amount of his accumulated deductions is paid to him from the Annuity Savings Fund. If he dies before retirement and no survivorship benefit is payable, his accumulated deductions are paid to his beneficiary from the Annuity Savings Fund. If he retires, or if he dies leaving a beneficiary eligible for a survivorship benefit, his accumulated deductions are transferred from the Annuity Savings Fund to the Retirement Reserve Fund, and the reserve on the allowance which is not provided by his own deductions is transferred from the Contingent Reserve Fund to the Retirement Reserve Fund. Any lump sum benefit payable upon the death of a member before or after retirement is paid by The Prudential Insurance Company of America.

(4) Post-Retirement Medical Fund

This fund is established to hold contributions in respect of future post-retirement medical premiums. The fund has assets of \$152,565,519 as of June 30, 2002. These assets have been included as retirement system assets. Accordingly, offsetting liabilities equal to these fund balances have also been included.

## (5) Benefit Enhancement Fund

Chapter 133, P.L. 2001 established the Benefit Enhancement Fund to fund the additional annual normal contribution for the increase in benefits under this law. (Chapter 353, P.L. 2001 extended this coverage to include the additional annual normal contribution for the increase in benefits under this law.) The Benefit Enhancement Fund is funded by excess valuation assets transferable from the Contingent Reserve Fund. The amount of excess valuation assets transferable to the fund is limited to the amount of member contributions for the fiscal year in which the additional normal contributions are payable. The fund balance is limited to the present value of expected additional normal contributions for the increased benefits over the expected working lives of the active members for the valuation period. No additional excess valuation assets will be transferred to the fund after the maximum amount is attained. On the valuation date the Benefit Enhancement Fund has present assets of \$632,627,342 after adjustments on account of assets creditable from the Contingent Reserve Fund of \$60,281,238 as of June 30, 2002 is made. This adjustment includes: (a) an adjustment for available excess assets credited to the fund which was based on anticipated fiscal year 2002 member contributions which have now been included in the financial statement, (b) a reduction for the additional normal contributions attributable to Chapter 133, P.L. 2001 and (c) the additional excess assets creditable to the fund based on anticipated fiscal year 2003 member contributions.

The assets are included as retirement system assets.

The June 30, 2002 valuation balance sheet shows on the liabilities side that the prospective benefits for which reserves are being accumulated in the Annuity Savings Fund and the Contingent Reserve Fund have a present value of \$14,662,728,855 including \$1,896,217,376 for prospective cost-of-living adjustments. To meet the benefit payments, the System has present assets of \$15,916,447,947 consisting of \$6,124,856,638 in the Annuity Savings Fund and \$9,791,591,309 in the Contingent Reserve Fund. If this amount is subtracted from \$14,662,728,855, the present value of prospective benefits and \$277,598,624 for excess assets allocated to accumulated prior reductions in member rates of contribution, there exists a surplus of \$976,120,468. When the assets in the Special Reserve Fund amounting to \$0 are added to this amount, the surplus remains \$976,120,468. In addition, please note that, in accordance with Chapter 133, P.L. 2001, \$632,627,342 has been accumulated in the Benefit Enhancement Fund to fund the additional annual employer normal contributions attributable to this legislation. Adding this amount and the assets allocated to accumulated prior reductions in member rates of contribution of \$277,598,624 to the surplus of \$976,120,468 yields a net surplus of \$1,886,346,434.

In accordance with the provisions of Chapter 385, P.L. 1987, Chapter 41, P.L. 1992 and Chapter 62, P.L. 1994, the contributions of the employers to the Contingent Reserve Fund consist of two annual contributions, a normal contribution and an accrued liability contribution. The normal contribution is the present value of the benefits accruing during the current year. The initial accrued liability amortization periods were set at 40 years commencing with the March 31, 1992 valuation with payments assumed to increase 6% per year. The contributions for active member COLA adjustments are being phased in.

On these bases, the following future contribution rates, prior to any adjustments, are required to meet the employers' obligations:

ITEM	RATE			
	State		Local	
	Normal	Accrued Liability	Normal	Accrued Liability
• Basic Allowances	2.84%	0.06%	2.43%	0.00%
• Non-Contributory Group Insurance Premium Fund	0.55	N/A	0.62	N/A
• Cost-of-Living Adjustments	1.40	0.00	1.25	0.00
• ERI	N/A	N/A	N/A	**
Total	5.61%	0.06%	5.05%	0.00%

\*Includes additional cost due to Chapter 353, P.L. 2001.

\*\*Actual contribution will depend on the payment schedule chosen by each location.

In accordance with the provisions of Chapter 6, P.L. 1990, contributions to fund the cost-of-living adjustments for current actives were to be phased in beginning with the March 31, 1988 valuation. Further, in accordance with the provisions of Chapter 41, P.L. 1992, amended by the provisions of Chapter 8, P.L. 1993 and Chapter 62, P.L. 1994, the phase-in for the funding of these benefits was further adjusted. The current valuation reflects a 44.16% phase-in of the active COLA benefits. In addition, the valuation reflects the revised assumptions that were developed on the basis of the three year experience investigation for the period ended March 31, 1999.

Pursuant to Chapter 114, the Pension Obligation Bond proceeds paid to the System fully funded the State unfunded accrued liability and present value of the projected cost payments in excess of the projected phased-in normal cost contribution for active COLAs.

Chapter 115, P.L. 1997 provided for a reduction in the normal contributions of the State or other employers for the valuation periods ended March 31, 1996 and March 31, 1997 to the extent possible by the excess valuation assets and permitted the State Treasurer to reduce the normal contribution payable by the State or by the other employers for valuations after March 31, 1997 up to a specified portion (84% as of the valuation date) of excess valuation assets (See Section III(E)). The net effect of this legislation was to reduce the Local employers' required contributions for Fiscal Year 2003 to the ERI contributions. The State does not have excess valuation assets as of the valuation date.

Finally, Chapter 133, P.L. 2001 provided for the establishment of the Benefit Enhancement Fund from which any additional normal cost due to the increase in benefits under this legislation. (Chapter 353, P.L. 2001 extended this coverage to include the annual normal contributions for the increase in benefits under this law.) If assets in this fund are insufficient to cover the additional normal contribution for the increased benefits, under both legislations, for a valuation period, the State will pay the amount of the additional normal contribution not covered by the fund for both the State and Local employers.

The actual contribution rates determined in the valuation are as follows:

ITEM	RATE			
	State		Local	
	Normal	Accrued Liability	Normal	Accrued Liability
• Basic Allowances	2.84%	0.06%	0.00%	0.00%
• Non-Contributory Group Insurance Premium Fund	0.55	N/A	0.00	N/A
• Cost-of-Living Adjustments	0.62	0.00	0.00	0.00
• Chapter 133, P.L. 2001	0.00	N/A	0.00	N/A
• ERI	N/A	N/A	N/A	*
Total	4.01%	0.06%	0.00%	0.00%

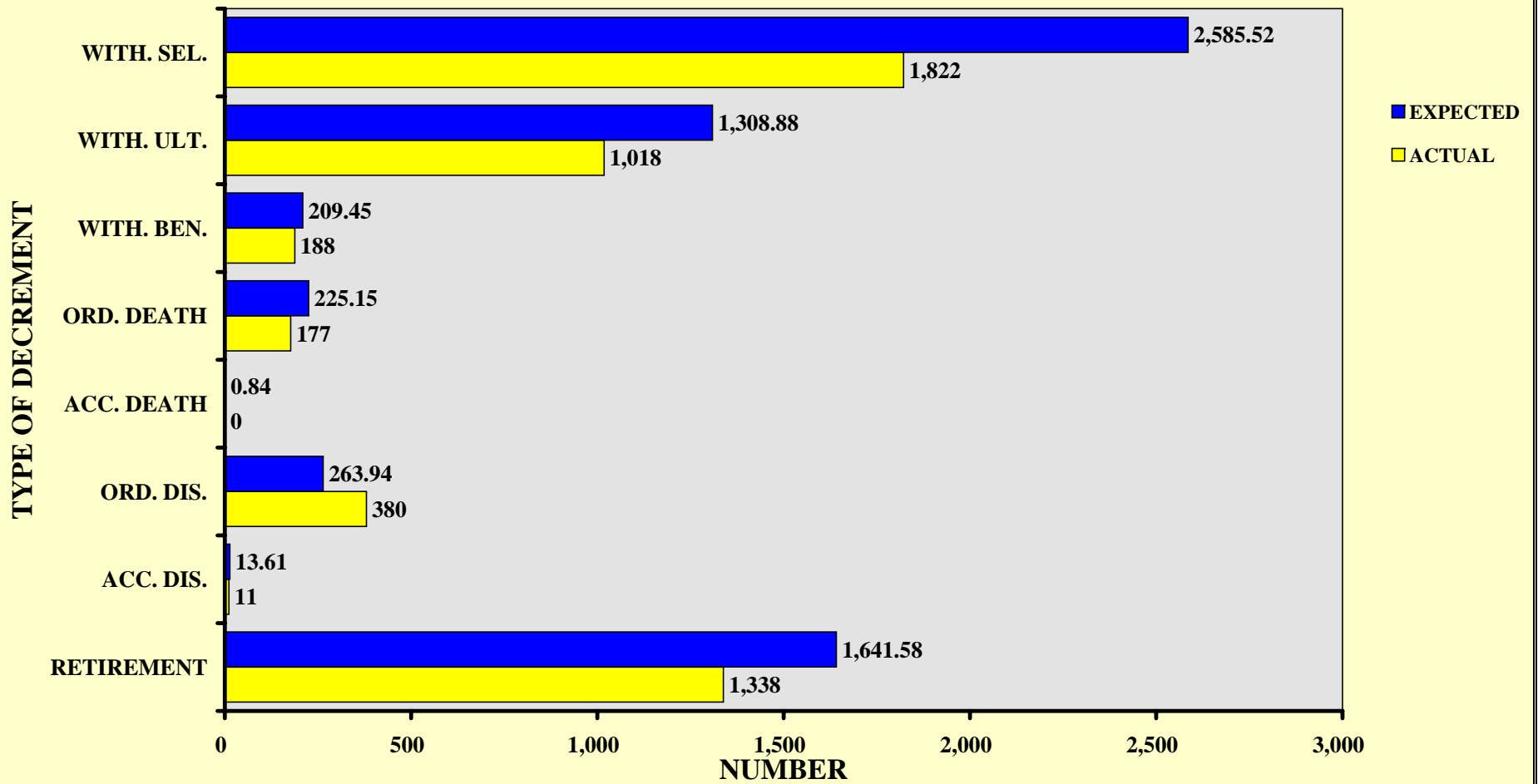
\*Actual contribution will depend on the payment schedule chosen by each location.

SECTION VII—EXPERIENCE

Records are maintained with regard to developing mortality, service and compensation experience of members and beneficiaries of the System as compared to the anticipated experience based on the current assumptions that were developed on the basis of the three year experience investigation for the period ended March 31, 1999. In accordance with the provisions of Section 19 of Chapter 84 of the Laws of 1954, as amended and supplemented, once in every three-year period significant deviations are noted and revised assumptions are recommended so that the funding requirements of the System can be properly anticipated.

# PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

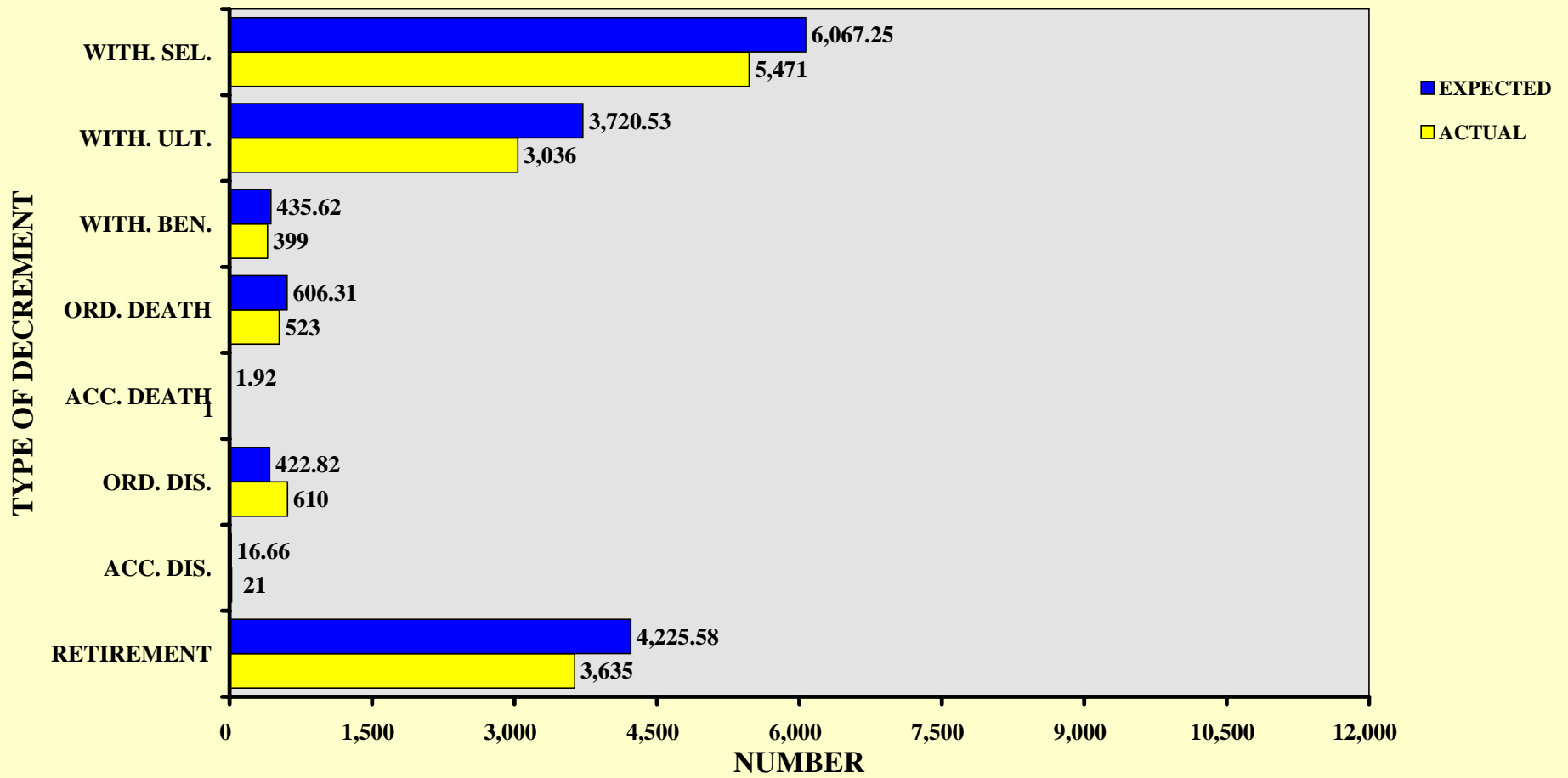
ACTIVE SERVICE EXPERIENCE - STATE  
JULY 1, 2001 - JUNE 30, 2002





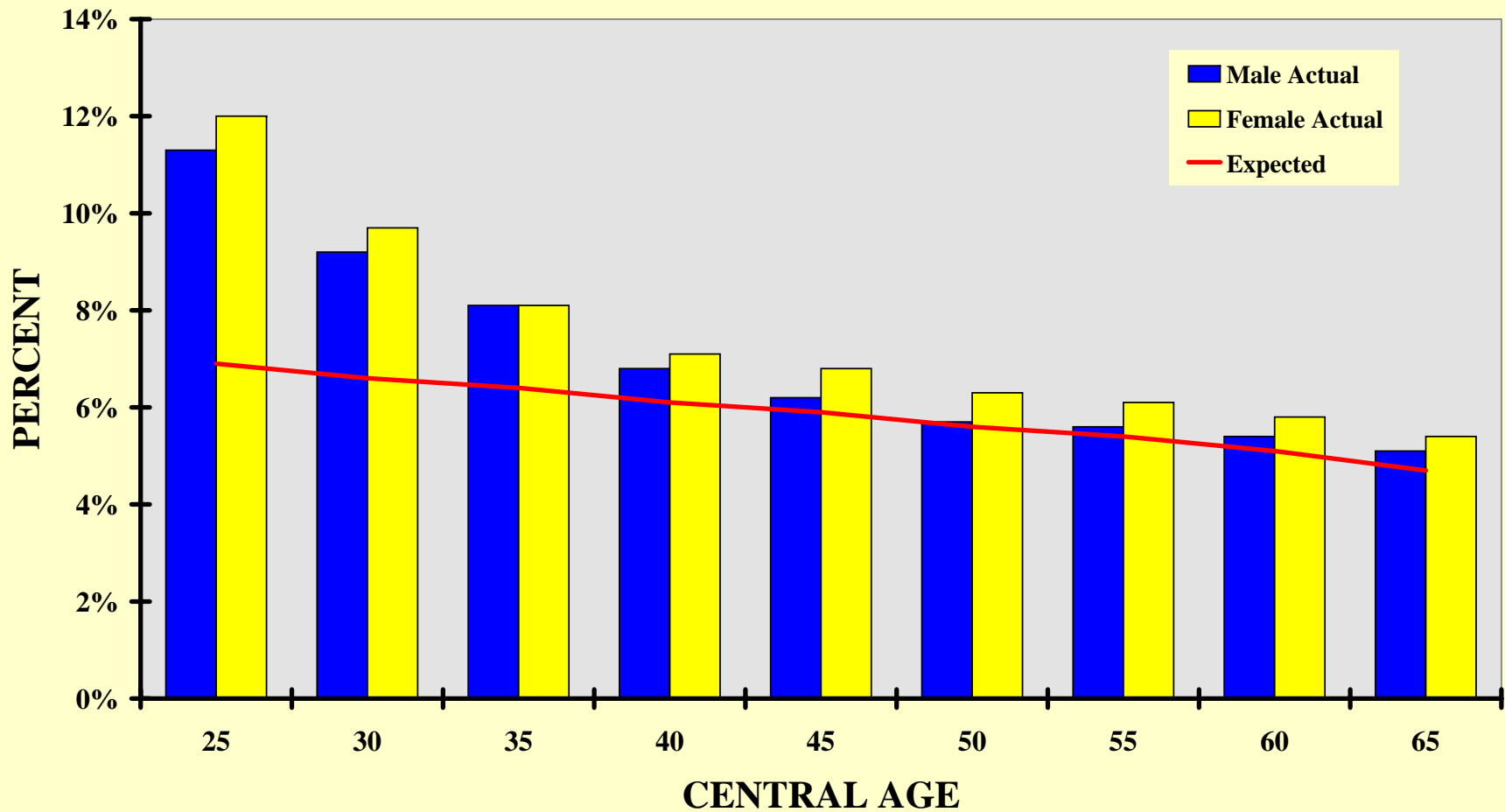
# PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

ACTIVE SERVICE EXPERIENCE - LOCAL  
JULY 1, 2001 - JUNE 30, 2002



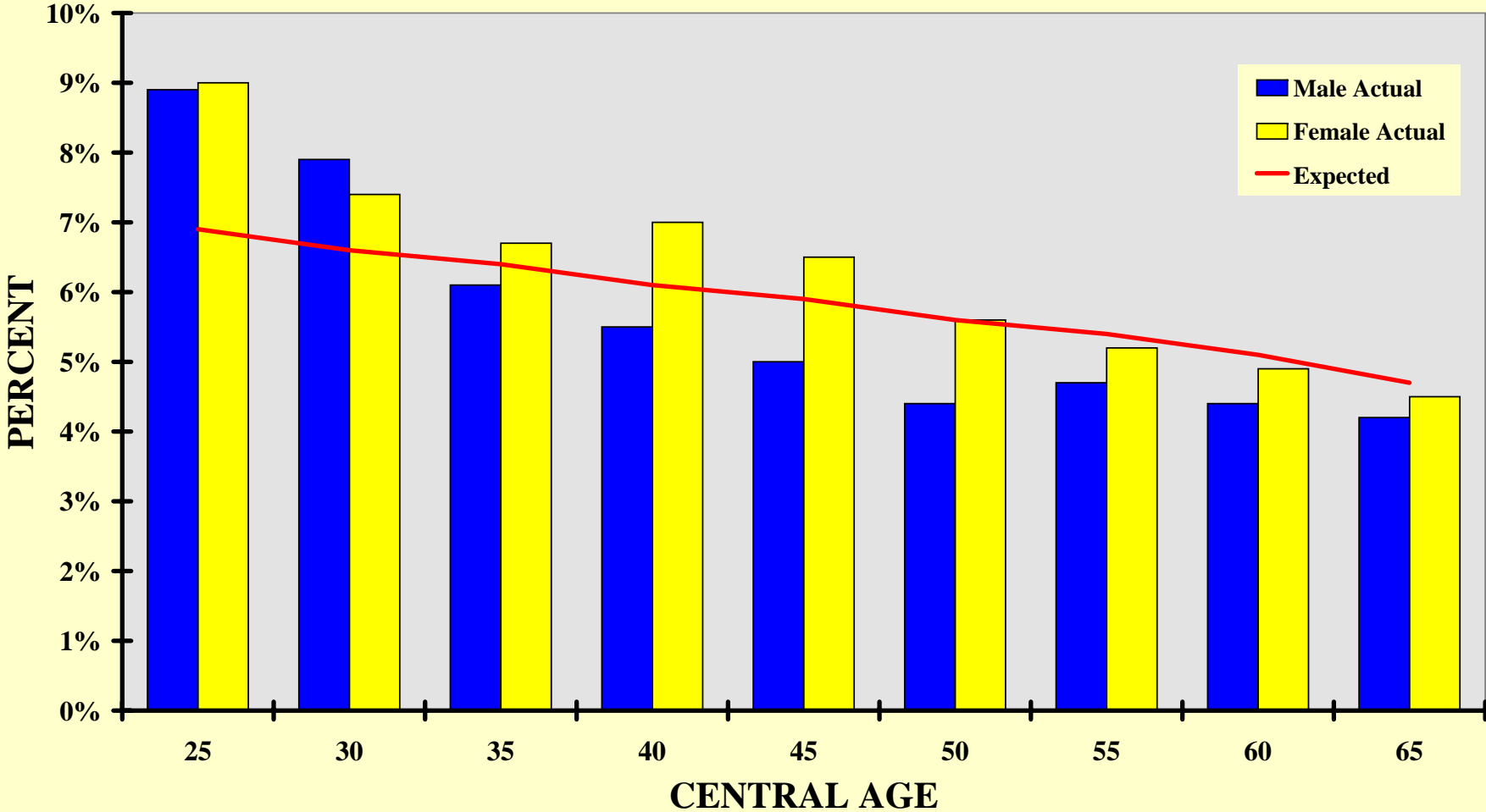
# PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

SALARY INCREASE EXPERIENCE - STATE  
JULY 1, 2001 - JUNE 30, 2002



# PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

## SALARY INCREASE EXPERIENCE - LOCAL JULY 1, 2001 - JUNE 30, 2002



SECTION VIII—ACCOUNTING INFORMATION

Statement No. 5 of the Governmental Accounting Standards Board, issued November 1986, established standards of disclosure of pension information by public retirement systems. Statement No. 25 of the Governmental Accounting Standards Board, issued November 1994, established financial reporting standards for defined benefit pension plans and for the notes to the financial statements of defined contribution plans of state and local governmental liabilities and superseded Statement No. 5 effective for periods beginning after June 15, 1996. Statement No. 27, Accounting for Pensions by State and Local Governmental Employers superseded Statement 5 for employers participating in pension plans and is effective for periods beginning after June 15, 1997.

The information required by Statements No. 25 and No. 27 is presented in the following tables. These include the development of the Annual Required Contribution (ARC), the Schedule of Funding Progress and the Schedule of Employer Contributions.

**(A) Development of the Annual Required Contribution (ARC) as of June 30, 2004**

	<u>State</u>	<u>Local</u>
1. Actuarial Value of Plan Assets as of June 30, 2002		
(a) Valuation Assets as of June 30, 2002 (including Receivable ERI Contributions)	\$ 11,225,722,484	\$ 16,503,081,054
(b) Adjustment for Post Retirement Medical Receivable Contributions included in (a)	86,051,088	0
(c) Adjustment for Post Retirement Medical Benefit Fund included in (a)	<u>66,514,431</u>	<u>N/A</u>
(d) Valuation Assets as of June 30, 2002 for GASB Disclosure = (a) – (b) – (c)	\$ 11,073,156,965	\$ 16,503,081,054
2. Actuarial Accrued Liability as of June 30, 2002:		
(a) Total Actuarial Accrued Liability (including the PRM liabilities)	\$ 10,913,123,001	\$ 14,929,334,103

(b) Post Retirement Medical Fund (including receivable contribution)	<u>152,565,519</u>	<u>N/A</u>
(c) Actuarial Accrued Liability as of June 30, 2002 for GASB Disclosure = (a) – (b)	\$ 10,760,557,482	\$ 14,929,334,103
3. Unfunded Actuarial Accrued Liability/(Surplus) as of June 30, 2002	\$ (312,599,483)	\$ (1,573,746,951)
4. Amortization of Unfunded Actuarial Accrued Liability/(Surplus) over 39* years with payments Increasing at 5% per year (not less than the current year's Unfunded COLA normal cost contribution)	\$ (94,915,533)	\$ (202,465,317)
5. Development of Net Normal Cost as of June 30, 2002:		
(a) Basic Allowance Normal Cost	\$ 278,462,747	\$ 418,711,011
(b) Full COLA Normal Cost	45,523,891	63,104,003
(c) Expected Employee Contributions	<u>186,484,012</u>	<u>294,836,860</u>
(d) Net Normal Cost as of June 30, 2002 = (a) + (b) – (c)	\$ 137,502,626	\$ 186,978,154
6. Annual Required Contribution as of June 30, 2004		
(a) Annual Required Contribution as of June 30, 2002 = 4 + 5(d), but not less than \$0	\$ 42,587,093	\$ 0
(b) Interest Adjustment to June 30, 2004	<u>7,778,799</u>	<u>0</u>
(c) Annual Required Contribution as of June 30, 2004 = (a) + (b)	\$ 50,365,892	\$ 0

\*Includes a 9 year amortization of the change in asset method attributable to Chapter 133, P.L. 2001. The current year's payment, which is assumed to increase by 5% per year, is \$(126,355,024) for the State and \$(203,650,515) for Local employees. The balance of the actuarial surplus has been amortized over a 39 year period.

**(B) Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Liability as a Percentage of Covered Payroll (b-a)/c
<b>STATE</b>						
3/31/97	\$ 6,987,217,172	\$ 6,606,707,924	\$ (380,509,248)	105.8%	\$ 2,714,991,457	(14.0%)
3/31/98	\$ 7,600,621,930	\$ 7,155,035,122	\$ (445,586,808)	106.2%	\$ 2,805,791,909	(15.9%)
6/30/99	\$ 8,879,920,323	\$ 7,823,576,056	\$ (1,056,344,267)	113.5%	\$ 2,928,470,790	(36.1%)
6/30/00	\$ 9,743,727,383	\$ 8,538,685,222	\$ (1,205,042,161)	114.1%	\$ 3,094,280,664	(38.9%)
6/30/01	\$ 11,123,818,861	\$ 9,886,463,368	\$ (1,237,355,493)	112.5%	\$ 3,288,383,788	(37.6%)
6/30/02	\$ 11,073,156,965	\$ 10,760,557,483	\$ (312,599,482)	102.9%	\$ 3,511,151,199	(8.9%)
<b>LOCAL</b>						
3/31/97	\$ 10,523,061,499	\$ 9,599,816,842	\$ (923,244,657)	109.6%	\$ 4,407,751,955	(20.9%)
3/31/98	\$ 11,486,495,310	\$ 10,286,532,879	\$ (1,199,962,431)	111.7%	\$ 4,513,357,772	(26.6%)
6/30/99	\$ 13,171,311,650	\$ 11,163,283,877	\$ (2,008,027,773)	118.0%	\$ 4,655,241,261	(43.1%)
6/30/00	\$ 14,380,511,913	\$ 12,007,160,806	\$ (2,373,351,107)	119.8%	\$ 4,910,962,708	(48.3%)
6/30/01	\$ 16,625,288,260	\$ 13,819,038,491	\$ (2,806,249,769)	120.3%	\$ 5,240,338,738	(53.6%)
6/30/02	\$ 16,503,081,054	\$ 14,929,334,103	\$ (1,573,746,951)	110.5%	\$ 5,534,322,805	(28.4%)

**(C) Schedule of Employer Contributions**

Fiscal Year	Annual Required Contribution	Employer Contribution	Percentage Contributed
<b>STATE</b>			
1999	\$ 86,945,810	\$ 0	0.0%
2000	\$ 103,033,425	\$ 0	0.0%
2001	\$ 85,078,620	\$ 0	0.0%
2002	\$ 88,911,187	\$ 0	0.0%
2003	\$ 44,636,619	\$ 0	0.0%
2004	\$ 50,365,892	\$ 143,857,467	285.6%
<b>LOCAL</b>			
1999	\$ 111,886,040	\$ 19,599,153	17.5%
2000	\$ 112,800,127	\$ 20,541,177	18.2%
2001	\$ 88,717,727	\$ 21,670,774	24.4%
2002	\$ 77,254,063	\$ 16,174,534	20.9%
2003	\$ 0	\$ 16,987,033	0.0%
2004	\$ 0	\$ 20,882,718	0.0%

- (D) The information presented in the required supplementary schedules was determined as part of the actuarial valuation. Additional information follows:

Valuation Date	June 30, 2002
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent, Closed
Remaining Amortization Period	39 years (except that the change in asset method attributable to Chapter 133, P.L. 2001 was amortized over a 9 year period).
Asset Valuation Method	Five year average of market value
Actuarial Assumptions:	
Investment Rate of Return	8.75%
Projected Salary Increases	5.95%
Cost of Living Adjustments	60% of the maximum of the CPI increase and 4.0%

SECTION IX—LEVEL OF FUNDING

Although the value of accrued benefits and the funding ratios shown in the previous section are required for the State's financial statements, it is instructive to also look at these values under an alternative approach. For this purpose, we are presenting liabilities determined on a Financial Accounting Standards Board Statement No. 87 Accumulated Benefit Obligation (ABO) basis. This is the same approach as GASB Statement No. 5 except that no assumption is made as to future salary increases.

<u>FASB 87 ABO Funded Ratios (excludes Medical Benefits)</u>		<u>State</u>	
Actuarial present value of accumulated benefits:			
		<u>June 30, 2002</u>	<u>June 30, 2001</u>
Vested benefits			
Participants currently receiving payments	\$	4,348,240,000	\$ 3,969,920,000
Other participants		<u>4,439,060,000</u>	<u>4,029,200,000</u>
	\$	8,787,300,000	\$ 7,999,120,000
Non-vested benefits		<u>424,930,000*</u>	<u>337,980,000**</u>
Total	\$	9,212,230,000	\$ 8,337,100,000
Assets at market value	\$	8,500,227,140	\$ 9,593,176,633
Ratio of Assets to Total Present Value		92.3%	115.6%

\*Includes \$135,562,495 in accumulated employee contributions with interest for employees with less than 10 years of service.

\*\*Includes \$136,411,619 in accumulated employee contributions with interest for employees with less than 10 years of service.

<u>FASB 87 ABO Funded Ratios (includes Medical Benefits)</u>		<u>State</u>	
Actuarial present value of accumulated benefits:			
		<u>June 30, 2002</u>	<u>June 30, 2001</u>
Vested benefits			
Participants currently receiving payments	\$	6,081,800,000	\$ 5,074,350,000
Other participants		<u>6,897,050,000</u>	<u>5,792,480,000</u>
	\$	12,978,850,000	\$ 10,866,830,000
Non-vested benefits		<u>662,100,000*</u>	<u>487,150,000**</u>
Total	\$	13,640,950,000	\$ 11,353,980,000
Assets at market value	\$	8,566,741,571	\$ 9,807,551,865
Ratio of Assets to Total Present Value		62.8%	86.4%

\*Includes \$135,562,495 in accumulated employee contributions with interest for employees with less than 10 years of service.

\*\*Includes \$136,411,619 in accumulated employee contributions with interest for employees with less than 10 years of service.



<u>Local Employers</u>		
Actuarial present value of accumulated benefits:	<u>June 30, 2002</u>	<u>June 30, 2001</u>
Vested benefits		
Participants currently receiving payments	\$ 6,678,930,000	\$ 6,072,160,000
Other participants	<u>5,712,410,000</u>	<u>5,540,060,000</u>
	\$ 12,391,340,000	\$ 11,612,220,000
Non-vested benefits	<u>739,730,000*</u>	<u>576,930,000**</u>
Total	\$ 13,131,070,000	\$ 12,189,150,000
Assets at market value	\$ 12,789,269,020	\$ 14,560,280,095
Ratio of Assets to Total Present Value	97.4%	119.5%

\*Includes \$314,172,712 in accumulated employee contributions with interest for employees with less than 10 years of service.

\*\*Includes \$334,293,587 in accumulated employee contributions with interest for employees with less than 10 years of service.

As in the case of the Governmental Accounting Standard Board Statement No. 5, the actuarial present value of vested and non-vested accrued benefits was based on an interest rate of 8.75% for both 2001 and 2002. The amounts shown include liabilities for future cost-of-living adjustments and post-retirement medical premiums for eligible future and current retired members.

SECTION X—SUMMARIES OF DATA

TABLE IV

MEMBERSHIP OF THE PUBLIC EMPLOYEES'  
RETIREMENT SYSTEM OF NEW JERSEY

Group	June 30, 2002		June 30, 2001	
	Number	Payroll	Number	Payroll
Other than Law Enforcement Officers:				
Men	115,143	\$ 4,545,886,207	112,063	\$ 4,299,595,641
Women	175,721	5,212,301,602	168,697	4,858,683,867
Law Enforcement Officers:				
Men	90	4,946,587	57	2,950,911
Women	15	658,024	11	476,504
Total	290,969	\$ 9,763,792,420	280,828	\$ 9,161,706,923
Subtotals for:				
Non-Veterans				
State Employees	84,213	\$ 3,568,297,566	81,277	\$ 3,305,900,739
County Employees	29,611	1,050,153,607	29,028	1,000,470,992
Municipal Employees	92,865	2,473,199,866	88,524	2,304,166,568
Employees of Public Agencies	26,405	862,305,554	25,197	806,280,834
Employees of Consolidated School Districts	8,738	209,499,649	8,447	197,350,821
Non-Participating Locals	25,420	654,998,582	24,347	625,336,684
State Employees Paid by Local Employers	7,327	298,962,364	7,063	275,649,716
Employees of Locals Participating under Chapter 169, P.L. 1956	2,855	66,765,883	2,795	61,833,993
Veterans				
State Employees	4,343	225,179,772	4,494	223,403,036
County Employees	1,707	71,824,940	1,796	72,343,540
Municipal Employees	4,047	148,576,010	4,248	151,620,753
Employees of Public Agencies	1,586	69,403,273	1,672	71,150,480
Employees of Consolidated School Districts	358	11,679,056	359	11,193,728
Non-Participating Locals	1,181	38,189,376	1,247	39,685,659
State Employees Paid by Local Employers	266	12,820,006	285	13,484,832
Employees of Locals Participating under Chapter 169, P.L. 1956	47	1,936,916	49	1,834,548

- Notes: (a) The maintenance of each employee is fixed at the time of his application and is included in the compensation listed.
- (b) There are 571 State and 1,426 Local members as of June 30, 2002 and 585 State and 1,427 Local members as of June 30, 2001 who have selected vesting benefits not included in the membership shown by the table.

TABLE V  
THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF  
BENEFICIARIES ON THE ROLL

## (A) STATE

Group	June 30, 2002		June 30, 2001	
	Number	Retirement Allowances	Number	Retirement Allowances
Service Retirement and Early Retirement Benefits				
Men	11,172	\$214,034,906	11,084	\$ 186,049,682
Women	15,298	188,994,439	14,898	159,854,379
Total	26,470	\$403,029,345	25,982	\$ 345,904,061
Ordinary Disability Retirements				
Men	934	\$ 13,296,637	881	\$ 10,978,881
Women	1,812	25,115,477	1,596	19,511,957
Total	2,746	\$ 38,412,114	2,477	\$ 30,490,838
Accidental Disability Retirements				
Men	135	\$ 2,468,484	135	\$ 2,164,953
Women	153	2,776,267	148	2,320,127
Total	288	\$ 5,244,751	283	\$ 4,485,080
Ordinary Death Benefits				
Men	1	\$ 248	2	\$ 4,879
Women	7	7,333	9	12,354
Total	8	\$ 7,581	11	\$ 17,233
Accidental Death Benefits				
Men	2	\$ 12,730	1	\$ 7,678
Women	31	460,860	33	466,041
Total	33	\$ 473,590	34	\$ 473,719
Dependents of Deceased Beneficiaries				
Men	228	\$ 1,641,294	208	\$ 1,312,811
Women	2,512	26,143,185	2,450	22,216,050
Total	2,740	\$ 27,784,479	2,658	\$ 23,528,862
Grand Total	32,285	\$474,951,860	31,445	\$ 404,850,111

Note: In addition to the above, there are 90 beneficiaries as of June 30, 2002 and 73 beneficiaries as of June 30, 2001 who elected to receive death benefits, otherwise payable in a lump sum, as annuities certain, amounting to \$1,046,691 and \$826,174, respectively, per annum.

TABLE V

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF  
BENEFICIARIES ON THE ROLL  
(CONTINUED)

## (B) LOCAL EMPLOYERS

Group	June 30, 2002		June 30, 2001	
	Number	Retirement Allowances	Number	Retirement Allowances
Service Retirement and Early Retirement Benefits				
Men	25,821	\$ 317,100,349	25,748	\$ 273,109,226
Women	37,979	318,271,322	36,970	269,209,376
Total	63,800	\$ 635,371,671	62,718	\$ 542,318,602
Ordinary Disability Retirements				
Men	2,161	\$ 27,994,916	1,980	\$ 22,707,577
Women	2,098	23,518,934	1,859	18,300,939
Total	4,259	\$ 51,513,850	3,839	\$ 41,008,516
Accidental Disability Retirements				
Men	328	\$ 6,286,039	323	\$ 5,466,168
Women	112	1,586,551	102	1,249,477
Total	440	\$ 7,872,590	425	\$ 6,715,645
Ordinary Death Benefits				
Men	1	\$ 122	2	\$ 277
Women	20	24,382	20	20,114
Total	21	\$ 24,504	22	\$ 20,391
Accidental Death Benefits				
Men	2	\$ 21,222	3	\$ 39,115
Women	71	957,443	73	928,478
Total	73	\$ 978,665	76	\$ 967,593
Dependents of Deceased Beneficiaries				
Men	601	\$ 3,527,986	559	\$ 2,965,628
Women	5,771	44,413,043	5,563	37,237,893
Total	6,372	\$ 47,941,029	6,122	\$ 40,203,521
Grand Total	74,965	\$ 743,702,309	73,202	\$ 631,234,268

Note: In addition to the above, there are 209 beneficiaries as of June 30, 2002 and 205 beneficiaries as of June 30, 2001 who elected to receive death benefits, otherwise payable in a lump sum, as annuities certain, amounting to \$2,093,089 and \$1,919,843, respectively, per annum.

APPENDIX A

BRIEF SUMMARY OF THE BENEFIT AND  
CONTRIBUTION PROVISIONS AS INTERPRETED  
FOR VALUATION PURPOSES

1. Definitions

Final Compensation (FC)	Average annual compensation for the three years of creditable service immediately preceding retirement or the highest three fiscal years of membership service.
Accumulated Deductions	Sum of all required amounts deducted from the compensation of a member or contributed by him.
Class A Member	Any member who contributes towards a 1/64th retirement benefit.
Class B Member	Any member who contributes towards a 1/55th retirement benefit.

2. Benefits\*

Service Retirement	Eligible at age 60. Benefit equals a member annuity plus an employer pension which, together, equal 1/64th of FC for each year of service for Class A members and 1/55th of FC for each year of service for Class B members.
Ordinary Disability Retirement	Eligible after 10 years of service. Benefit equals a member annuity plus an employer pension which, together, equal 1.64% of FC for each year of service; minimum benefit of 43.6% of FC.
Accidental Disability	Eligible upon total and permanent disability prior to age 65 as a result of a duty injury. Benefit equals a member annuity plus an employer pension which, together, equal 72.7% of contributory compensation at the date of injury.
Lump Sum Withdrawal	Eligible upon service termination prior to age 60 and prior to 10 years of service. Benefit equals refund of accumulated deductions plus, if the member has completed three years of service, interest allowed thereon.

\*Special benefits for veterans, law enforcement officers, legislators, prosecutors and workers compensation judges are summarized at the end of this section.

Vested Retirement	Eligible after 10 years of service. Benefit equals the lump sum benefit described above or a deferred retirement benefit, commencing at age 60, equal to the service retirement benefit based on service and FC at date of termination.
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Early Retirement	Eligible after 25 years of service. Benefit equals the lump sum benefit described above or the vested benefit reduced by 1/4 percent for each month retirement date precedes age 55.
Ordinary Death (Insured)	
Before Retirement	Eligible if active. Benefit equals accumulated deductions with interest plus an amount equal to 1-1/2 times contributory compensation at date of death.
After Retirement	<p data-bbox="665 577 828 619"><u>Before Age 60</u></p> <p data-bbox="665 640 1438 745">Eligible if disabled or vested terminated. Benefit equals 1-1/2 times last contributory compensation if disabled, accumulated deductions only if vested terminated.</p> <p data-bbox="665 777 860 840">After Age 60 or <u>Early Retirement</u></p> <p data-bbox="665 871 1438 1008">Eligible after early retirement or after attainment of age 60 for other types of retirement (if not disabled, 10 years of service credit required on members enrolling after July 1, 1971). Benefit equals 3/16 of last contributory compensation.</p>
Voluntary Death Benefit	An additional, employee-paid, death benefit is also available through the purchase of group insurance with an outside carrier.
Accidental Death	<p data-bbox="665 1144 1438 1218">Eligible upon death resulting during performance of duty. Benefit varies as follows:</p> <p data-bbox="665 1249 1438 1312">Widow(er) - 50% of contributory compensation paid as pension.</p> <p data-bbox="665 1344 1438 1480">Child(ren) - No spouse - 20% (1 child), 35% (2 children), 50% (3 or more children) of contributory compensation paid as pension to age 18 or life if disabled.</p> <p data-bbox="665 1512 1438 1648">Surviving dependent parent - No spouse or child - 25% (1 parent) or 40% (2 parents) of contributory compensation paid as pension.</p> <p data-bbox="665 1680 1438 1753">No relation above - Accumulated deductions paid to other beneficiary or estate.</p>
Optional Benefits	<p data-bbox="665 1785 1438 1858">In addition the employer-paid lump sum ordinary death benefit is paid.</p> <p data-bbox="665 1879 1438 1944">Various forms of payment of equivalent actuarial value are available to retirees.</p>

## Special Benefits

## Veterans

Service Retirement Eligible if member on January 2, 1955, attains age 60, completes 20 years of service. Benefit equals 50% of final contributory compensation (veteran members after January 2, 1955 must attain age 60 with 20 years of service).

Chap 220 Benefit Eligible if age 55 and completes 35 years of service. Benefit equals 1/55th of final contributory compensation for each year of service.

## Law Enforcement

Service Retirement Eligible at age 55 after 20 years of service. Benefit equals a member annuity plus an employer pension which, together, equal 2% of final contributory compensation for each of the first 25 years of service plus 1% of such compensation for non-contributory service or service over 25 years plus 1-2/3% for non-law enforcement service.

Chapter 4, P.L. 2001  
Special Retirement

After completion of 25 years of service, an additional retirement benefit equal to 5% of final contributory pay is added to the above service related retirement benefit. There is a maximum total benefit of 70% of final contributory pay.

Ordinary Disability Eligible after 5 years of service. Benefit is the same as for regular members.

Death After  
Retirement

Eligible upon death after an accidental disability retirement. Benefit is the same as for a regular member with a \$5,000 minimum.

## Legislators

Service Retirement Eligible at age 60 and termination of all public service. Benefit is equal to a member annuity plus an employer pension which, together, equal 3% of final contributory compensation for each year of service to a maximum of 2/3 of final compensation.

## Vested Retirement

Eligible after 8 years of legislative service. Benefit is a service retirement benefit deferred to age 60 or, alternatively, a lump sum equal to his accumulated deductions.

Service Retirement	<p>Eligibility means age 55 or 20 years of credited service. Mandatory retirement at age 70. Benefit is an annual retirement allowance equal to a member annuity plus an employer pension which together equals the greater of:</p>
	<ul style="list-style-type: none"> <li>(i) 1/60<sup>th</sup> of FC for each year service; or</li> <li>(ii) 2% of FC multiplied by years of service up to 30 plus 1% of FC multiplied by years of service over 30.</li> <li>(iii) 50% of final contributory compensation if the member has 20 or more years of service.</li> </ul>
	<p>Chapter 366 also requires that, in addition to the 50% of final contributory compensation benefit, any member as of January 7, 2002 who will have 20 or more years of service and is required to retire upon attaining age 70, shall receive an additional benefit equal to 3% of final contributory compensation for each year of service over 20 years but not over 25 years.</p>
Special Retirement	<p>After completion of 25 years of service. The annual retirement benefit is equal to a member annuity plus an employer pension which together equal 65% of final contributory compensation plus 1% of final contributory compensation for each year of service over 25. There is a maximum benefit of 70% of final contributory compensation.</p>
Vested Termination	<p>Eligible upon termination of service prior to age 55 and after 10 years of Service (but less than 20 years). The benefit is a deferred retirement benefit, commencing at age 55, equal to a member annuity plus an employer pension which together provide a retirement allowance equal to 2% of final contributory compensation multiplied of service up to 30 plus 1% of final contributory compensation multiplied by years of service.</p>
Death Benefits	<p>Ordinary Death Benefit – Lump Sum</p> <p>After retirement but prior to age 55, the benefit is as follows:</p> <ul style="list-style-type: none"> <li>(i) For death while a Disabled Retiree the benefit is equal to 1 ½ times Compensation.</li> <li>(ii) For death while a Deferred Retiree the benefit is equal to his Accumulated Deductions.</li> <li>(iii) For death while a Retiree who has completed 20 years of Service, the benefit is equal to ½ times final contributory compensation.</li> </ul>



- (3) After retirement and after age 55, the benefit payable is equal to  $\frac{1}{2}$  times final contributory compensation.

Workers Compensation  
Judges Part (Chapter 259, P.L. 2001)

Service Retirement

- (A) Mandatory retirement at age 70. Voluntary retirement prior to age 70 as follows:
- (a) Age 70 and 10 years of service as a judge of compensation;
  - (b) Age 65 and 15 years of service as a judge of compensation; or
  - (c) Age 60 and 20 years of as of judge of compensation service.

Benefit is an annual retirement allowance equal to the greater of 75% of final salary or the regular service retirement benefit above.

- (B) Age 65 while serving as a judge of compensation, 5 consecutive years of service as a judge of compensation and 15 years in the aggregate of public service; or

Age 60 while serving as a judge, 5 consecutive years of service as a judge of compensation and 20 years in the aggregate of public service.

Benefit is an annual retirement allowance equal to the greater of 50% of final salary or the regular service retirement benefit above.

- (C) Age 60 while serving as a judge of compensation, 5 consecutive years of service as a judge of compensation and 15 years in the aggregate of public service. Benefit is an annual retirement allowance equal to the greater of 2% of final salary for each year of public service up to 25 years plus 1% of final salary for each year in excess of 25 years or the regular service retirement benefit above.

- (D) Age 60 while serving as a judge of compensation. Benefit is an annual retirement allowance equal to the greater of 2% of final salary for each year of service as a judge of compensation up to 25 years plus 1% for each year in excess of 25 years or the regular service retirement benefit above.

Early Retirement

Prior to age 60 while serving as a judge of compensation, 5 consecutive years of service as a judge of compensation and 25 or more years in the aggregate of public service. Benefit is an annual retirement allowance equal to 2% of final salary for each year of public service up to 25 years plus 1% of final salary for

each year of public service in excess of 25 years, actuarially reduced for commencement prior to age 60.

Vested Termination

Termination of service prior to age 60, with 5 consecutive years of service as a judge of compensation and 10 years in the aggregate of public service. Benefit is a refund of accumulated deductions, or a deferred life annuity beginning at age 60 equal to 2% of final salary for each year of public service up to 25 years, plus 1% for service in excess of 25 years.

Death Benefits (Insured)

Before Retirement

Death of an active member of the plan. Benefit is equal to

- (a) Lump sum payment equal to 1-1/2 times final salary, plus
- (b) Spousal life annuity of 25% of final salary plus 10% (15%) to one (two or more) surviving children payable until spouse's death or remarriage. If there is no surviving spouse, or upon death or remarriage, a total of 15% (20%, 30%) of final salary payable to one (two, three or more) dependent child (children). If there is no surviving spouse (or dependent children), 20% or 30% of final salary to one or two dependent parents.

After Retirement

Death of a retired member of the plan. Benefit is equal to a lump sum of 25% of final salary for a member retired under normal, early retirement or vested termination. If a member were receiving a disability benefit, a lump sum 1-1/2 times final salary if death occurred before the member attained age 60 and 1/4 times final salary if death occurred after age 60.

3. Contributions

By Members

Members enrolling in the retirement system on or after July 1, 1994 will contribute 5% of compensation. Members enrolled prior to July 1, 1994 will contribute 5% of compensation to the retirement system effective July 1, 1995 unless they previously had contributed less than 6% in which case they will contribute 4% of compensation beginning July 1, 1995 and 5% of compensation beginning July 1, 1996.

The member contribution rate for members who are eligible to retire under the Prosecutors Part of the Retirement System as provided by Chapter 366, P.L. 2001 is to be determined by the System Board of Trustees. For valuation purposes, a 7.5% member contribution rate was used.

By Employers

## Normal Contribution

The State and Local employers pay annually a normal contribution to the retirement System. This contribution is determined each year on the basis of the annual valuation and represents the value of the benefits to be earned in the year following the valuation date. The normal contributions for active members' COLA are being phased in.

In accordance with the provisions of Chapter 79, P.L. 1960, which provided that the monies appropriated for payment of the non-contributory life insurance coverage shall be held separate from the retirement System monies, the amount required to pay such benefit is deducted from the normal contribution certified for payment to the retirement System and paid to a Group Insurance Premium Fund, which is administered by the State Treasurer.

In accordance with the provisions of Chapter 133, P.L. 2001, the Benefit Enhancement Fund (BEF) was established to fund the additional annual employer normal contribution due to the law's increased benefits. (Chapter 353, P.L. 2001 extended this coverage to this law's additional annual employer normal contribution.) If the assets in the BEF are insufficient to cover the normal contribution for the increased benefits for a valuation period, the State will pay such amount for both the State and local employers.

In accordance with the provisions of Chapter 259, P.L. 2001, the additional normal contributions for increased benefits to judges of compensation for a valuation period will be funded by transfers from the Second Injury Fund.

## Accrued Liability Contributions

The State and Local employers pay contributions to cover any unfunded accrued liability. An unfunded accrued liability was established for active life COLAs. The amortization periods for funding these liabilities were set initially at 40 years. The accrued liability contributions for active members' COLA liabilities are being phased in. Experience gains or losses for the 10 valuation years following the March 31, 1992 valuation will increase or decrease the unfunded accrued liability. Thereafter, actuarial gains or losses will increase or decrease the amortization period unless an increase will cause it to exceed 30 years.

Chapter 366, P.L. 2001 requires the State be liable for any increase in pension costs to a county that results from the enrollment of prosecutors in the Prosecutors Part. Any increase in the unfunded accrued liability in the Retirement System arising from the benefits established for the Prosecutors Part are to be amortized over a period of 30 years in the manner provided for other such liability in the Retirement System.

In accordance with the provisions of Chapter 259, P.L. 2001, the additional accrued liability contribution for increased benefits to judges of compensation for a valuation period will be funded by transfers from the Second Injury Fund.

APPENDIX B

PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

VALUATION INTEREST RATE: 8-3/4% per annum, compounded annually.

EMPLOYEE CONTRIBUTION INTEREST RATE: 8-3/4% per annum.

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

Annual Rates of

Age	Select Withdrawal						Ultimate Withdrawal*			
	1st Year		2nd Year		3rd Year		Prior to Eligibility For Benefit		After Eligibility For Benefit	
	State	Local	State	Local	State	Local	State	Local	State	Local
25	23.40%	25.06%	18.23%	19.13%	13.06%	13.19%	5.87%	5.67%		
30	22.07	21.88	17.06	16.25	12.05	10.62	3.67	4.73	.07%	.11%
35	17.87	19.10	13.37	13.74	8.88	8.37	2.59	3.47	.14	.12
40	16.66	18.26	12.31	12.98	7.96	7.69	2.59	3.12	.15	.20
45	15.71	17.67	11.48	12.45	7.24	7.21	1.73	2.77	.20	.26
50	14.70	16.99	10.59	11.83	6.48	6.66	1.73	2.08	.85	.73
55	14.07	16.58	10.04	11.46	6.33	6.33	1.73	1.89	.86	1.17

Annual Rates of

Age	Ordinary Death**		Ordinary Disability***		Service Retirement		Salary Increases
	State	Local	State	Local	State	Local	
25	.06%	.06%	.01%	.01%			6.90%
30	.08	.08	.04	.05			6.65
35	.10	.09	.05	.09			6.40
40	.13	.12	.09	.23			6.15
45	.18	.19	.31	.27			5.90
50	.29	.34	.47	.45			5.65
55	.38	.46	.63	.68	15.4%	11.7%	5.40
60	.55	.66	1.30	.68	8.8	7.8	5.15
65	.81	.96	1.34	.76	23.1	22.1	4.65
69	1.14	1.28	1.65	.92	15.0	11.6	4.65

\* The sum of the rates of withdrawal after eligibility for a benefit and those prior to eligibility are the rates assumed for members withdrawing with a benefit.

\*\* A separate rate is used for accidental death.

\*\*\* A separate rate is used for accidental disability.

Prosecutors Part (Chapter 366, P.L. 2001): This legislation introduced special retirement eligibility for certain benefits. Since the retirement System has no current assumptions at these eligibilities, the valuation used the following annual rates of service retirement:

<u>Age</u>	<u>Length of Service</u>			
	<u>Less than 20 Years</u>		<u>20 Years</u>	<u>21 to 24 Years</u>
	<u>State</u>	<u>Local</u>		
40	0.00%	0.00%	2.50%	0.00%
45	0.00	0.00	2.50	0.00
50	0.00	0.00	3.75	0.00
55	2.59	3.06	5.00	0.00
60	2.63	3.06	5.00	0.00
65	2.63	3.06	37.50	0.00
69	2.63	3.06	37.50	0.00

DEATHS AFTER RETIREMENT: 1979 George B. Buck Mortality Tables for service retirement and dependent beneficiaries. Special mortality tables are used for the period after disability retirement. Representative values of the assumed annual rates of mortality are as follows:

<u>Age</u>	<u>Service Retirements</u>		<u>Age</u>	<u>Disability Retirements</u>	
	<u>Men</u>	<u>Women</u>		<u>Men</u>	<u>Women</u>
55	0.71%	0.34%	35	3.16%	4.25%
60	1.20	0.57	40	3.25	2.74
65	2.06	0.99	45	3.88	3.18
70	3.39	1.74	50	4.12	3.29
75	5.34	2.98	55	4.50	3.70
80	8.31	4.90	60	5.10	4.39
85	12.50	7.84	65	6.04	3.63

VALUATION METHOD: Projected Unit Credit Method. This method essentially funds the System's benefits accrued to the valuation date. Experience gains or losses are recognized in future accrued liability contributions.

COLA: Benefits are assumed to increase 2.4% each year.

EXPENSES: Payable from excess investment return through employer contributions.

ASSET VALUATION METHOD: A five year average of market values with write-up was used. This method takes into account appreciation (depreciation) in investments in order to smooth asset values by averaging the excess of the actual over the expected income, on a market value basis, over a five year period.

APPENDIX C

## TABULATIONS USED AS A BASIS FOR THE 2002 VALUATION

Table 1 gives a reconciliation of data from June 30, 2001 to June 30, 2002. Table 2 presents fifth year age and service tables for State and Local active members as well as for the entire system. Appendix C also contains tables that show the distribution of active members' and salaries by age and length of service as of June 30, 2002. Tables are also included that show the number and retirement allowances of beneficiaries classified by age as of June 30, 2002.

**TABLE 1**  
**RECONCILIATION OF CENSUS DATA**  
**FROM JULY 1, 2001 TO JUNE 30, 2002**

	Actives		Deferred Vested	Retirees		Beneficiaries	Total
	Contrib.	Noncontrib.		Service	Disabled		
Members as of July 1, 2001	249,483	31,375	2,057	88,700	7,024	9,168	387,807
Status Change:							
To Contributing	2,311	(2,311)					
To Noncontributing	(11,567)	11,567					
New Deferred Vested	(171)	(111)	282				
New Terminated Non-Vested	(4,738)	(6,829)					(11,567)
New Service Retirement	(4,496)	(562)		5,058			
New Deferred Vesteds Now Payable			(313)	313			
New Disabled	(638)	(384)			1,022		
New Death	(574)	(127)	(11)	(3,783)	(313)	(487)	(5,295)
New Beneficiaries						865	865
End of Payments							
New Actives	27,108	1,597					28,705
Rehires	36		(18)	(18)			
Data Corrections							
Members as of June 30, 2002	256,754	34,215	1,997	90,270	7,733	9,546	400,515



**TABLE 2**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**DISTRIBUTION OF ACTIVE MEMBERS BY AGE AND SERVICE**

**TOTAL -- STATE AND LOCAL**

<b>AGE</b>	<b>SERVICE</b>	<b>1</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>TOTAL</b>
<b>20</b>	Number	4,378	269								4,647
	Salary	79,984,643	5,179,478								85,164,121
<b>25</b>	Number	11,144	3,192	138							14,474
	Salary	271,777,697	88,662,153	4,350,976							364,790,826
<b>30</b>	Number	9,760	6,452	2,886	416						19,514
	Salary	243,160,063	208,625,061	102,651,784	15,950,329						570,387,237
<b>35</b>	Number	9,459	6,845	6,062	4,872	218					27,456
	Salary	215,008,543	210,453,190	242,399,898	203,993,194	9,870,144					881,724,969
<b>40</b>	Number	11,862	9,065	6,914	8,212	3,456	263				39,772
	Salary	238,688,929	242,684,254	261,439,161	382,707,998	161,883,964	13,034,018				1,300,438,324
<b>45</b>	Number	10,867	10,548	8,246	8,070	5,912	3,318	336			47,297
	Salary	223,155,224	263,914,809	280,583,124	356,493,396	306,055,983	171,318,017	17,980,370			1,619,500,923
<b>50</b>	Number	7,632	8,315	8,503	8,333	5,240	4,875	2,764	159		45,821
	Salary	164,717,157	216,501,740	278,817,365	335,925,126	264,487,253	283,398,835	156,560,320	8,926,002		1,709,333,798
<b>55</b>	Number	5,174	5,934	7,314	8,459	5,176	3,896	3,433	1,150	43	40,579
	Salary	115,964,150	156,376,613	234,131,912	318,115,679	228,661,751	206,631,828	215,604,558	68,570,809	2,546,584	1,546,603,884
<b>60</b>	Number	3,040	3,956	4,694	5,855	4,259	3,160	1,660	829	275	27,728
	Salary	63,713,883	100,471,915	148,595,334	213,434,338	172,696,974	142,200,971	89,902,240	51,827,917	16,342,489	999,186,061
<b>63</b>	Number	994	1,397	1,587	1,886	1,408	1,122	522	163	122	9,201
	Salary	16,061,839	31,450,997	47,354,727	67,132,657	55,662,995	48,021,625	25,178,769	9,665,106	8,410,399	308,939,114
<b>66 and over</b>	Number	2,352	2,473	2,617	2,732	1,699	1,389	791	256	171	14,480
	Salary	28,370,028	37,998,902	61,631,731	82,848,764	60,341,393	52,779,834	31,603,356	11,699,442	10,449,713	377,723,163
<b>TOTAL</b>	Number	<b>76,662</b>	<b>58,446</b>	<b>48,961</b>	<b>48,835</b>	<b>27,368</b>	<b>18,023</b>	<b>9,506</b>	<b>2,557</b>	<b>611</b>	<b>290,969</b>
	Salary	<b>1,660,602,156</b>	<b>1,562,319,112</b>	<b>1,661,956,012</b>	<b>1,976,601,481</b>	<b>1,259,660,457</b>	<b>917,385,128</b>	<b>536,829,613</b>	<b>150,689,276</b>	<b>37,749,185</b>	<b>9,763,792,420</b>

**TABLE 2**  
**(continued)**

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**DISTRIBUTION OF ACTIVE MEMBERS BY AGE AND SERVICE**

**STATE**

<b>AGE</b>	<b>SERVICE</b>	<b>1</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>TOTAL</b>
<b>20</b>	Number	1,216	49								1,265
	Salary	27,382,918	1,137,534								28,520,452
<b>25</b>	Number	4,222	923	39							5,184
	Salary	124,597,288	28,225,792	1,300,853							154,123,933
<b>30</b>	Number	3,443	2,343	959	154						6,899
	Salary	105,021,764	85,395,573	35,260,924	6,044,245						231,722,506
<b>35</b>	Number	2,612	1,947	2,332	2,183	102					9,176
	Salary	79,957,026	71,685,124	100,910,119	94,398,009	4,632,394					351,582,672
<b>40</b>	Number	2,485	1,922	2,199	3,776	1,631	133				12,146
	Salary	73,804,020	69,596,398	95,535,672	191,107,725	77,123,947	6,383,196				513,550,958
<b>45</b>	Number	2,240	1,926	2,151	3,237	2,812	1,613	176			14,155
	Salary	69,277,653	69,486,614	90,852,304	164,340,277	154,399,411	83,936,367	9,530,470			641,823,096
<b>50</b>	Number	1,768	1,615	1,971	2,754	2,237	2,510	1,455	102		14,412
	Salary	53,167,773	56,582,554	83,242,412	135,900,475	124,801,460	154,221,806	83,060,216	5,558,450		696,535,146
<b>55</b>	Number	1,276	1,260	1,727	2,418	1,735	1,678	1,849	704	27	12,674
	Salary	37,947,636	43,534,069	70,406,354	114,199,386	90,574,294	99,260,140	120,303,498	42,507,828	1,619,400	620,352,605
<b>60</b>	Number	688	746	988	1,592	1,254	1,009	708	462	167	7,614
	Salary	20,019,753	24,608,657	40,019,369	70,536,038	61,518,433	53,627,927	43,091,753	29,913,771	9,871,898	353,207,599
<b>63</b>	Number	171	238	317	500	384	315	145	61	51	2,182
	Salary	4,160,006	7,753,306	11,380,457	21,924,474	18,528,495	16,005,861	7,953,263	4,036,620	3,644,200	95,386,682
<b>66 and over</b>	Number	391	385	487	577	402	328	163	58	58	2,849
	Salary	7,494,472	8,981,326	16,336,362	23,433,839	18,531,518	16,029,049	8,831,070	3,246,113	3,787,940	106,671,689
<b>TOTAL</b>	Number	<b>20,512</b>	<b>13,354</b>	<b>13,170</b>	<b>17,191</b>	<b>10,557</b>	<b>7,586</b>	<b>4,496</b>	<b>1,387</b>	<b>303</b>	<b>88,556</b>
	Salary	<b>602,830,309</b>	<b>466,986,947</b>	<b>545,244,826</b>	<b>821,884,468</b>	<b>550,109,952</b>	<b>429,464,346</b>	<b>272,770,270</b>	<b>85,262,782</b>	<b>18,923,438</b>	<b>3,793,477,338</b>

**TABLE 2**  
**(continued)**

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**DISTRIBUTION OF ACTIVE MEMBERS BY AGE AND SERVICE**

**LOCAL**

<b>AGE</b>	<b>SERVICE</b>	<b>1</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>	<b>30</b>	<b>35</b>	<b>40</b>	<b>TOTAL</b>
<b>20</b>	Number	3,162	220								3,382
	Salary	52,601,725	4,041,944								56,643,669
<b>25</b>	Number	6,922	2,269	99							9,290
	Salary	147,180,409	60,436,361	3,050,123							210,666,893
<b>30</b>	Number	6,317	4,109	1,927	262						12,615
	Salary	138,138,299	123,229,488	67,390,860	9,906,084						338,664,731
<b>35</b>	Number	6,847	4,898	3,730	2,689	116					18,280
	Salary	135,051,517	138,768,066	141,489,779	109,595,185	5,237,750					530,142,297
<b>40</b>	Number	9,377	7,143	4,715	4,436	1,825	130				27,626
	Salary	164,884,909	173,087,856	165,903,489	191,600,273	84,760,017	6,650,822				786,887,366
<b>45</b>	Number	8,627	8,622	6,095	4,833	3,100	1,705	160			33,142
	Salary	153,877,571	194,428,195	189,730,820	192,153,119	151,656,572	87,381,650	8,449,900			977,677,827
<b>50</b>	Number	5,864	6,700	6,532	5,579	3,003	2,365	1,309	57		31,409
	Salary	111,549,384	159,919,186	195,574,953	200,024,651	139,685,793	129,177,029	73,500,104	3,367,552		1,012,798,652
<b>55</b>	Number	3,898	4,674	5,587	6,041	3,441	2,218	1,584	446	16	27,905
	Salary	78,016,514	112,842,544	163,725,558	203,916,293	138,087,457	107,371,688	95,301,060	26,062,981	927,184	926,251,279
<b>60</b>	Number	2,352	3,210	3,706	4,263	3,005	2,151	952	367	108	20,114
	Salary	43,694,130	75,863,258	108,575,965	142,898,300	111,178,541	88,573,044	46,810,487	21,914,146	6,470,591	645,978,462
<b>63</b>	Number	823	1,159	1,270	1,386	1,024	807	377	102	71	7,019
	Salary	11,901,833	23,697,691	35,974,270	45,208,183	37,134,500	32,015,764	17,225,506	5,628,486	4,766,199	213,552,432
<b>66 and over</b>	Number	1,961	2,088	2,130	2,155	1,297	1,061	628	198	113	11,631
	Salary	20,875,556	29,017,576	45,295,369	59,414,925	41,809,875	36,750,785	22,772,286	8,453,329	6,661,773	271,051,474
<b>TOTAL</b>	Number	<b>56,150</b>	<b>45,092</b>	<b>35,791</b>	<b>31,644</b>	<b>16,811</b>	<b>10,437</b>	<b>5,010</b>	<b>1,170</b>	<b>308</b>	<b>202,413</b>
	Salary	<b>1,057,771,847</b>	<b>1,095,332,165</b>	<b>1,116,711,186</b>	<b>1,154,717,013</b>	<b>709,550,505</b>	<b>487,920,782</b>	<b>264,059,343</b>	<b>65,426,494</b>	<b>18,825,747</b>	<b>5,970,315,082</b>

TABLE 3

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2002**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
16	9	\$ 40,204	9	\$ 64,380
17	17	43,038	31	126,261
18	47	182,822	66	311,329
19	112	1,508,647	183	2,336,235
20	290	5,218,067	331	4,891,738
21	544	10,884,136	550	9,056,916
22	658	14,023,944	788	14,163,452
23	877	20,503,697	1,222	26,185,690
24	1,107	27,539,767	1,521	33,609,643
25	1,188	30,020,989	1,633	38,382,296
26	1,253	34,377,488	1,728	42,755,621
27	1,365	39,022,284	1,908	48,536,232
28	1,414	41,789,882	1,863	47,789,515
29	1,394	41,473,887	1,865	50,019,230
30	1,500	47,169,294	1,997	53,823,388
31	1,760	55,636,986	2,310	63,924,581
32	1,929	63,261,825	2,754	77,697,667
33	1,937	66,208,936	2,719	76,831,843
34	1,986	69,552,016	2,741	78,682,330
35	2,178	79,661,181	3,008	87,266,581
36	2,404	88,675,633	3,287	94,436,167
37	2,563	96,820,726	3,629	104,686,453
38	2,810	107,197,168	4,028	115,279,986
39	2,976	114,220,143	4,334	123,767,405
40	3,103	120,366,075	4,541	127,023,447
41	3,259	129,745,938	5,088	143,010,078
42	3,302	134,917,559	5,223	146,970,473
43	3,351	136,126,060	5,455	155,084,898
44	3,397	141,937,679	5,874	166,446,006
45	3,615	152,470,429	5,932	172,153,553
46	3,651	154,258,450	6,013	176,938,301
47	3,644	157,485,347	6,100	183,498,509
48	3,600	160,560,759	5,805	181,150,384
49	3,434	154,461,559	5,832	183,978,447
50	3,621	164,658,541	5,841	187,150,521
51	3,362	153,360,133	5,629	181,004,036
52	3,409	157,254,920	5,458	180,857,465
53	3,418	162,149,406	5,466	180,210,448
54	3,563	168,636,018	5,414	179,303,041
55	3,517	164,613,620	5,831	193,979,770
56	3,136	146,433,545	4,998	164,187,249
57	2,473	109,136,564	4,078	133,387,810
58	2,424	105,483,172	4,031	133,018,200
59	2,489	107,802,078	4,180	137,606,987
60	2,457	103,074,392	4,089	135,057,933
61	1,972	81,983,797	3,107	100,617,863

TABLE 3

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2002**

(CONTINUED)

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
62	1,681	\$ 67,874,625	2,676	\$ 82,414,056
63	1,540	59,170,923	2,204	70,753,074
64	1,410	52,317,645	1,929	61,088,819
65	1,141	42,622,247	1,660	49,554,819
66	938	35,605,222	1,362	40,066,821
67	816	28,349,612	1,172	32,251,834
68	700	23,260,194	974	26,153,452
69	636	21,824,917	822	21,528,867
70	542	17,057,609	696	17,191,109
71	470	14,224,685	643	15,467,329
72	448	12,584,875	498	10,641,406
73	397	10,995,094	467	10,269,307
74	310	8,134,472	410	8,873,406
75	307	8,492,761	311	6,410,753
76	280	6,659,038	287	5,476,420
77	197	3,889,241	231	3,877,116
78	166	3,146,948	197	3,334,146
79	170	2,990,292	165	2,454,102
80	100	1,640,143	134	1,979,442
81	102	1,914,694	98	1,584,690
82	87	1,496,429	88	1,399,444
83	61	1,305,420	54	801,988
84	50	829,932	52	848,878
85	47	793,049	21	377,127
86	29	679,931	23	240,744
87	16	104,616	17	102,665
88	13	113,163	23	306,395
89	17	319,230	10	66,608
90	10	181,302	5	51,931
91	8	107,660	7	37,617
92	8	66,182	3	15,380
93	7	45,114	2	17,511
94	4	36,908		
95	2	7,756	1	30,108
96	1	7,260	1	2,192
97	1	3,000		
98	3	7,644	1	10,824
100	1	2,904	1	11,388
101	1	20,276	1	7,500
102	1	980		
Total	115,233	\$4,550,832,794	175,736	\$ 5,212,959,626

Of the 290,969 active members included in the June 30, 2002 valuation data, 138,207 are vested and 152,762 have not yet completed the vesting requirement.

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2002**

**STATE ONLY**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
16			1	\$ 24,091
17			1	5,408
18	2	\$ 22,256	3	47,690
19	19	306,011	50	1,035,592
20	62	1,250,513	93	1,913,246
21	125	2,686,689	181	3,854,722
22	150	3,429,114	263	5,856,992
23	229	5,964,466	464	12,102,828
24	293	8,199,038	566	15,622,007
25	327	9,341,338	630	18,355,761
26	428	13,305,509	721	21,522,658
27	458	14,416,221	751	23,466,803
28	464	14,899,020	767	23,911,323
29	443	14,604,251	747	23,992,729
30	488	16,494,843	769	25,129,318
31	505	17,363,024	874	29,267,467
32	520	18,105,624	1,137	38,886,224
33	537	20,295,052	1,024	36,189,387
34	576	22,104,490	1,049	37,477,482
35	622	24,513,378	1,183	43,073,418
36	707	28,033,901	1,223	46,297,266
37	724	30,042,218	1,257	47,762,517
38	810	35,471,107	1,333	52,667,424
39	880	37,939,464	1,466	58,046,354
40	872	38,501,597	1,498	58,927,355
41	943	43,079,317	1,560	64,317,633
42	968	44,770,011	1,552	64,764,043
43	972	46,238,145	1,636	67,941,845
44	1,083	51,517,454	1,726	72,273,759
45	1,129	54,750,708	1,717	74,434,435
46	1,146	56,288,476	1,685	72,428,885
47	1,181	58,722,549	1,757	77,673,809
48	1,141	58,651,206	1,725	76,323,204
49	1,129	58,478,674	1,716	76,294,124
50	1,261	66,991,306	1,737	77,601,156
51	1,153	62,581,722	1,657	73,764,966
52	1,184	64,587,782	1,716	77,791,985
53	1,200	66,624,250	1,608	72,170,744
54	1,279	71,381,462	1,654	73,335,824
55	1,266	71,044,446	1,708	75,232,343
56	1,098	62,005,598	1,418	61,972,105
57	767	41,773,637	1,176	50,972,090
58	764	40,248,088	1,117	49,106,320
59	735	39,861,552	1,217	52,319,000
60	705	36,788,496	1,116	48,573,563
61	504	26,328,826	848	35,255,715
62	413	20,893,955	686	28,621,011
63	387	18,918,453	564	23,898,532

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2002**

**STATE ONLY (CONTINUED)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
64	310	\$ 14,415,521	451	\$ 19,147,730
65	274	13,046,701	397	15,941,203
66	202	9,986,942	324	13,008,253
67	171	6,953,291	269	10,465,438
68	161	6,771,066	185	6,843,678
69	147	6,649,779	157	5,773,004
70	99	4,149,563	130	5,222,127
71	108	4,650,194	122	4,339,292
72	88	3,501,536	80	2,423,974
73	93	3,600,529	76	2,516,294
74	62	2,367,081	57	2,087,892
75	55	2,358,260	55	1,968,337
76	57	1,853,794	47	1,527,544
77	39	945,564	29	867,738
78	32	697,693	30	914,117
79	40	971,099	25	525,462
80	23	548,292	17	442,338
81	21	653,717	9	227,929
82	16	414,309	14	425,558
83	13	359,067	7	245,636
84	10	120,455	7	200,749
85	7	116,626		
86	10	366,874	4	63,354
87	3	26,776	1	7,241
88	2	34,929	6	86,546
89	3	122,870		
90	3	80,500		
91	2	15,000	1	13,273
92	1	18,000	1	7,500
93	2	15,330	1	14,991
94	2	30,700		
96			1	2,192
101			1	7,500
Total	34,705	\$ 1,625,657,295	53,851	\$ 2,167,820,043

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2002**

**LOCAL ONLY**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
16	9	\$ 40,204	8	\$ 40,289
17	17	43,038	30	120,853
18	45	160,566	63	263,639
19	93	1,202,636	133	1,300,643
20	228	3,967,554	238	2,978,492
21	419	8,197,447	369	5,202,194
22	508	10,594,830	525	8,306,460
23	648	14,539,231	758	14,082,862
24	814	19,340,729	955	17,987,636
25	861	20,679,651	1,003	20,026,535
26	825	21,071,979	1,007	21,232,963
27	907	24,606,063	1,157	25,069,429
28	950	26,890,862	1,096	23,878,192
29	951	26,869,636	1,118	26,026,501
30	1,012	30,674,451	1,228	28,694,070
31	1,255	38,273,962	1,436	34,657,114
32	1,409	45,156,201	1,617	38,811,443
33	1,400	45,913,884	1,695	40,642,456
34	1,410	47,447,526	1,692	41,204,848
35	1,556	55,147,803	1,825	44,193,163
36	1,697	60,641,732	2,064	48,138,901
37	1,839	66,778,508	2,372	56,923,936
38	2,000	71,726,061	2,695	62,612,562
39	2,096	76,280,679	2,868	65,721,051
40	2,231	81,864,478	3,043	68,096,092
41	2,316	86,666,621	3,528	78,692,445
42	2,334	90,147,548	3,671	82,206,430
43	2,379	89,887,915	3,819	87,143,053
44	2,314	90,420,225	4,148	94,172,247
45	2,486	97,719,721	4,215	97,719,118
46	2,505	97,969,974	4,328	104,509,416
47	2,463	98,762,798	4,343	105,824,700
48	2,459	101,909,553	4,080	104,827,180
49	2,305	95,982,885	4,116	107,684,323
50	2,360	97,667,235	4,104	109,549,365
51	2,209	90,778,411	3,972	107,239,070
52	2,225	92,667,138	3,742	103,065,480
53	2,218	95,525,156	3,858	108,039,704
54	2,284	97,254,556	3,760	105,967,217
55	2,251	93,569,174	4,123	118,747,427
56	2,038	84,427,947	3,580	102,215,144
57	1,706	67,362,927	2,902	82,415,720
58	1,660	65,235,084	2,914	83,911,880
59	1,754	67,940,526	2,963	85,287,987
60	1,752	66,285,896	2,973	86,484,370
61	1,468	55,654,971	2,259	65,362,148



**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY AGE  
AS OF JUNE 30, 2002**

**LOCAL ONLY (CONTINUED)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
62	1,268	\$ 46,980,670	1,990	\$ 53,793,045
63	1,153	40,252,470	1,640	46,854,542
64	1,100	37,902,124	1,478	41,941,089
65	867	29,575,546	1,263	33,613,616
66	736	25,618,280	1,038	27,058,568
67	645	21,396,321	903	21,786,396
68	539	16,489,128	789	19,309,774
69	489	15,175,138	665	15,755,863
70	443	12,908,046	566	11,968,982
71	362	9,574,491	521	11,128,037
72	360	9,083,339	418	8,217,432
73	304	7,394,565	391	7,753,013
74	248	5,767,391	353	6,785,514
75	252	6,134,501	256	4,442,416
76	223	4,805,244	240	3,948,876
77	158	2,943,677	202	3,009,378
78	134	2,449,255	167	2,420,029
79	130	2,019,193	140	1,928,640
80	77	1,091,851	117	1,537,104
81	81	1,260,977	89	1,356,761
82	71	1,082,120	74	973,886
83	48	946,353	47	556,352
84	40	709,477	45	648,129
85	40	676,423	21	377,127
86	19	313,057	19	177,390
87	13	77,840	16	95,424
88	11	78,234	17	219,849
89	14	196,360	10	66,608
90	7	100,802	5	51,931
91	6	92,660	6	24,344
92	7	48,182	2	7,880
93	5	29,784	1	2,520
94	2	6,208		
95	2	7,756	1	30,108
96	1	7,260		
97	1	3,000		
98	3	7,644	1	10,824
100	1	2,904	1	11,388
101	1	20,276		
102	1	980		
Total	80,528	\$2,925,175,499	121,885	\$ 3,045,139,583

TABLE 4

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY YEARS OF SERVICE  
AS OF JUNE 30, 2002**

SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	2,744	\$ 65,253,005	4,476	\$ 84,234,209
1	12,057	293,988,374	22,259	410,843,875
2	9,172	244,696,887	16,429	330,406,486
3	6,910	195,816,903	11,972	256,073,443
4	5,499	166,721,014	9,110	207,376,116
5	4,619	144,773,048	7,215	171,190,234
6	3,770	117,764,431	5,436	129,522,163
7	3,611	122,903,546	5,324	139,166,562
8	3,731	131,699,104	5,374	147,460,429
9	3,748	139,726,906	5,206	149,031,998
10	3,850	147,477,186	5,624	170,625,536
11	3,919	153,057,691	5,564	169,056,617
12	4,299	173,379,928	6,414	206,722,319
13	4,308	182,982,503	6,760	226,461,246
14	4,282	187,505,289	6,791	242,567,526
15	4,082	187,516,735	6,332	229,581,831
16	3,847	182,396,426	5,861	221,151,760
17	3,733	180,086,903	5,263	204,952,048
18	2,620	131,193,647	3,987	160,023,090
19	2,258	114,368,855	3,178	130,224,641
20	2,258	115,955,091	3,125	128,130,958
21	2,344	124,688,541	3,273	137,394,954
22	2,052	110,099,380	3,136	135,640,970
23	1,926	105,059,500	2,794	121,332,131
24	1,740	96,356,628	2,525	111,527,869
25	1,798	103,608,848	2,357	107,078,178
26	1,398	82,821,293	1,767	83,920,892
27	1,272	78,135,006	1,456	69,535,424
28	1,399	85,797,514	1,394	66,243,065
29	1,153	71,482,135	1,148	54,320,515
30	1,076	69,828,541	949	45,687,943
31	943	60,928,949	868	42,501,783
32	789	50,863,494	648	32,722,762
33	551	34,848,387	527	27,903,198
34	387	24,851,898	348	18,469,089
35	296	18,846,018	260	13,051,245
36	204	13,152,500	167	8,842,837
37	164	11,001,178	121	6,452,917
38	104	7,407,737	73	3,713,270
39	91	5,978,337	62	3,309,017
40	63	4,274,467	50	2,638,044
41	46	3,155,546	40	1,899,496
42	38	2,701,529	22	1,098,588
43	23	1,743,830	6	359,597
44	14	886,928	17	955,695
45	11	727,120	4	228,885
46	11	701,067	7	330,070

TABLE 4

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY YEARS OF SERVICE  
AS OF JUNE 30, 2002**

(CONTINUED)

SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
47	8	\$ 546,302	5	\$ 302,331
48	3	200,123	2	91,445
49	3	237,459	3	157,652
50			1	65,708
51	3	316,556	2	89,452
52	1	91,752	2	136,865
53	2	114,747		
55	3	116,012	1	100,144
56			1	54,508
<b>TOTAL</b>	<b>115,233</b>	<b>\$4,550,832,794</b>	<b>175,736</b>	<b>\$ 5,212,959,626</b>

Of the 290,969 active members included in the June 30, 2002 valuation data, 138,207 are vested and 152,762 have not yet completed the vesting requirement.

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY YEARS OF SERVICE  
AS OF JUNE 30, 2002**

**STATE ONLY**

SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	783	\$ 23,729,546	1,341	\$ 34,772,691
1	3,528	104,703,833	5,587	156,120,110
2	2,657	84,307,993	4,093	120,458,038
3	1,773	59,988,338	2,937	91,091,336
4	1,384	49,480,626	2,244	74,301,893
5	1,077	39,327,523	1,664	56,573,545
6	760	26,357,942	1,084	37,556,133
7	743	28,356,544	1,135	41,561,684
8	769	29,495,711	1,279	47,043,423
9	970	40,445,632	1,318	50,140,882
10	932	40,826,120	1,526	59,397,165
11	981	44,454,365	1,512	59,938,434
12	1,077	49,729,042	2,035	82,876,148
13	1,201	58,408,308	2,172	90,867,898
14	1,349	66,966,597	2,488	109,767,007
15	1,302	68,150,967	2,371	105,004,342
16	1,426	75,142,059	2,216	102,197,465
17	1,274	69,812,386	1,995	94,358,791
18	911	51,106,374	1,493	71,683,553
19	808	46,104,743	1,185	57,366,932
20	768	43,638,116	1,216	58,663,624
21	844	48,599,135	1,436	69,536,853
22	776	45,351,632	1,326	65,861,625
23	718	43,018,777	1,228	61,245,135
24	674	40,456,369	1,072	54,253,383
25	762	47,910,063	1,036	53,802,335
26	617	38,758,515	802	43,170,767
27	524	35,403,993	620	33,534,794
28	525	34,285,994	663	35,441,978
29	456	30,398,959	492	26,132,540
30	524	36,603,029	458	24,609,653
31	422	29,338,008	465	24,748,367
32	366	24,837,518	367	19,672,558
33	287	19,301,936	307	16,780,454
34	197	13,383,709	210	11,626,618
35	143	9,533,939	144	7,567,811
36	104	7,284,061	98	5,526,841
37	89	6,340,358	69	3,825,243
38	57	4,141,880	42	2,127,076
39	52	3,424,882	44	2,408,955
40	28	2,098,508	32	1,741,120
41	21	1,372,960	20	1,035,206
42	19	1,345,554	11	448,275
43	11	735,583	4	215,637
44	6	434,784	6	342,865
45	1	44,902	1	74,869

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY YEARS OF SERVICE  
AS OF JUNE 30, 2002**

**STATE ONLY (CONTINUED)**

SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
46	5	\$ 365,979	2	\$ 90,498
47	1	124,672	2	136,395
48	1	62,109	1	42,977
49	1	71,443		
51			1	44,964
52			1	33,157
53	1	95,279		
<b>TOTAL</b>	<b>34,705</b>	<b>\$ 1,625,657,295</b>	<b>53,851</b>	<b>\$ 2,167,820,043</b>

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY YEARS OF SERVICE  
AS OF JUNE 30, 2002**

**LOCAL ONLY**

SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
0	1,961	\$ 41,523,459	3,135	\$ 49,461,518
1	8,529	189,284,541	16,672	254,723,765
2	6,515	160,388,894	12,336	209,948,448
3	5,137	135,828,565	9,035	164,982,107
4	4,115	117,240,388	6,866	133,074,223
5	3,542	105,445,525	5,551	114,616,689
6	3,010	91,406,489	4,352	91,966,030
7	2,868	94,547,002	4,189	97,604,878
8	2,962	102,203,393	4,095	100,417,006
9	2,778	99,281,274	3,888	98,891,116
10	2,918	106,651,066	4,098	111,228,371
11	2,938	108,603,326	4,052	109,118,183
12	3,222	123,650,886	4,379	123,846,171
13	3,107	124,574,195	4,588	135,593,348
14	2,933	120,538,692	4,303	132,800,519
15	2,780	119,365,768	3,961	124,577,489
16	2,421	107,254,367	3,645	118,954,295
17	2,459	110,274,517	3,268	110,593,257
18	1,709	80,087,273	2,494	88,339,537
19	1,450	68,264,112	1,993	72,857,709
20	1,490	72,316,975	1,909	69,467,334
21	1,500	76,089,406	1,837	67,858,101
22	1,276	64,747,748	1,810	69,779,345
23	1,208	62,040,723	1,566	60,086,996
24	1,066	55,900,259	1,453	57,274,486
25	1,036	55,698,785	1,321	53,275,843
26	781	44,062,778	965	40,750,125
27	748	42,731,013	836	36,000,630
28	874	51,511,520	731	30,801,087
29	697	41,083,176	656	28,187,975
30	552	33,225,512	491	21,078,290
31	521	31,590,941	403	17,753,416
32	423	26,025,976	281	13,050,204
33	264	15,546,451	220	11,122,744
34	190	11,468,189	138	6,842,471
35	153	9,312,079	116	5,483,434
36	100	5,868,439	69	3,315,996
37	75	4,660,820	52	2,627,674
38	47	3,265,857	31	1,586,194
39	39	2,553,455	18	900,062
40	35	2,175,959	18	896,924
41	25	1,782,586	20	864,290
42	19	1,355,975	11	650,313
43	12	1,008,247	2	143,960
44	8	452,144	11	612,830
45	10	682,218	3	154,016

**THE NUMBER AND ANNUAL COMPENSATION OF  
MEMBERS DISTRIBUTED BY YEARS OF SERVICE  
AS OF JUNE 30, 2002**

**LOCAL ONLY (CONTINUED)**

SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
46	6	\$ 335,088	5	\$ 239,572
47	7	421,630	3	165,936
48	2	138,014	1	48,468
49	2	166,016	3	157,652
50			1	65,708
51	3	316,556	1	44,488
52	1	91,752	1	103,708
53	1	19,468		
55	3	116,012	1	100,144
56			1	54,508
<b>TOTAL</b>	<b>80,528</b>	<b>\$2,925,175,499</b>	<b>121,885</b>	<b>\$ 3,045,139,583</b>

TABLE 5

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**SERVICE RETIREMENTS AND EARLY  
RETIREMENT BENEFITS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
43			1	\$ 10,777
44	2	\$ 30,040	1	13,862
45	3	27,124	2	31,543
46	8	107,328	19	239,062
47	8	112,841	29	461,514
48	18	261,577	25	360,947
49	34	623,827	41	684,774
50	44	812,864	46	815,931
51	46	912,789	60	1,094,780
52	70	1,457,212	74	1,403,113
53	99	2,216,452	93	1,909,990
54	118	2,947,940	122	2,496,094
55	191	4,905,086	184	4,382,513
56	257	7,282,953	199	4,808,206
57	250	6,794,881	245	5,569,779
58	258	7,082,829	280	6,177,954
59	340	9,729,246	363	7,717,097
60	428	11,436,901	488	8,858,769
61	512	11,538,178	915	12,696,462
62	652	13,109,372	1,025	13,145,380
63	825	15,897,455	1,330	16,217,860
64	1,027	18,903,026	1,510	18,678,365
65	1,062	19,263,281	1,734	21,063,913
66	1,261	21,781,998	1,934	22,313,099
67	1,356	23,172,426	2,057	22,488,511
68	1,486	23,730,650	2,232	23,886,947
69	1,551	23,742,184	2,233	23,570,920
70	1,707	26,859,830	2,407	24,189,065
71	1,625	24,909,703	2,457	24,368,195
72	1,745	25,026,932	2,461	22,830,647
73	1,719	23,707,204	2,464	22,816,574
74	1,755	23,464,448	2,415	21,553,109
75	1,741	21,818,096	2,367	19,928,983
76	1,673	22,030,818	2,270	18,792,153
77	1,534	19,372,469	2,203	17,457,662
78	1,493	18,234,013	2,246	17,334,225
79	1,415	16,527,057	2,081	15,379,748
80	1,267	13,814,178	1,785	13,094,589
81	1,207	12,605,841	1,757	12,022,859
82	1,072	10,602,750	1,561	10,522,180
83	921	8,461,815	1,285	8,161,294
84	860	8,157,309	1,145	7,130,322



TABLE 5

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**SERVICE RETIREMENTS AND EARLY  
RETIREMENT BENEFITS  
(continued)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
85	715	\$ 5,810,277	980	\$ 6,004,385
86	568	4,826,724	806	4,791,292
87	497	4,119,016	788	4,659,030
88	384	2,982,974	592	3,347,014
89	317	2,360,271	495	2,790,371
90	251	2,149,827	405	2,457,191
91	201	1,668,207	292	1,716,523
92	125	995,126	228	1,338,402
93	94	964,675	159	933,471
94	77	793,414	124	839,968
95	56	444,570	94	604,573
96	30	223,748	70	517,483
97	13	143,291	41	289,070
98	8	112,351	24	88,689
99	4	12,021	14	90,816
100	6	22,316	7	24,230
101	3	9,796	6	49,717
102	1	2,813	5	40,150
103	2	18,668		
104			1	3,616
107	1	2,248		
TOTAL	36,993	\$ 531,135,255	53,277	\$ 507,265,760
<b><u>SUMMARY</u></b>				
NO OPTION	12,319	\$ 149,122,249	32,982	\$ 304,114,233
OPTION 1	7,767	100,508,777	13,606	126,774,523
OPTION 2	10,730	150,916,923	2,838	23,452,213
OPTION 3	5,253	108,120,234	3,205	42,594,832
OPTION 4	287	7,981,813	153	2,307,036
OPTION 5	3	96,811	1	49,463
OPTION A	363	7,084,262	158	2,069,962
OPTION B	88	2,001,842	48	797,295
OPTION C	140	4,222,270	191	3,509,507
OPTION D	43	1,080,074	95	1,596,696

TABLE 6

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**ORDINARY DISABILITY RETIREMENTS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
31			1	\$ 14,618
32			1	10,716
33			2	27,776
34	3	\$ 35,539	1	5,600
35	3	39,808	3	35,249
36	7	95,391	4	52,221
37	7	96,110	3	49,656
38	9	139,261	11	145,787
39	13	166,304	9	119,400
40	18	240,975	15	186,340
41	29	416,388	16	232,564
42	23	333,654	23	300,254
43	28	395,877	32	443,274
44	33	473,530	31	441,545
45	38	580,585	39	544,004
46	53	770,890	57	839,875
47	43	635,326	72	1,104,341
48	50	828,637	76	1,120,156
49	46	587,507	63	883,294
50	68	1,033,859	76	1,093,133
51	65	985,792	74	1,054,604
52	61	978,054	95	1,339,594
53	98	1,503,060	102	1,334,395
54	97	1,441,247	120	1,766,781
55	102	1,499,659	127	1,681,066
56	107	1,654,089	110	1,503,573
57	98	1,435,694	124	1,635,790
58	96	1,443,526	130	1,710,038
59	111	1,583,700	156	2,048,656
60	117	1,665,785	191	2,431,932
61	118	1,611,953	177	2,314,691
62	107	1,492,544	183	2,263,794
63	127	1,757,174	182	2,354,673
64	135	1,797,315	176	2,392,290
65	121	1,635,773	163	2,131,620
66	108	1,509,469	181	2,158,646
67	128	1,690,479	161	1,926,317
68	103	1,238,773	120	1,378,002
69	95	1,198,918	110	1,219,158
70	89	1,088,832	112	1,203,510
71	72	816,753	82	800,807
72	75	821,374	77	743,648

**TABLE 6**  
**THE NUMBER AND ANNUAL RETIREMENT**  
**ALLOWANCES OF BENEFICIARIES DISTRIBUTED**  
**BY AGE AS OF JUNE 30, 2002**

**ORDINARY DISABILITY RETIREMENTS**  
**(continued)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
73	59	\$ 585,104	61	\$ 597,700
74	46	417,010	48	444,271
75	51	473,412	50	470,614
76	32	307,758	53	488,503
77	39	292,286	31	255,723
78	30	310,889	32	217,079
79	25	224,345	25	221,032
80	33	307,157	23	159,345
81	22	194,633	24	161,259
82	18	166,067	22	173,554
83	11	88,062	18	148,457
84	7	53,469	15	108,255
85	9	82,799	8	65,708
86	2	7,043	3	14,892
87	3	25,672	4	31,223
88	4	22,287	1	4,839
92	1	4,925	1	8,145
93	1	4,352	1	9,263
96	1	4,677	1	2,071
98			1	9,089
<b>TOTAL</b>	<b>3,095</b>	<b>\$ 41,291,552</b>	<b>3,910</b>	<b>\$ 48,634,412</b>
<b><u>SUMMARY</u></b>				
NO OPTION	1,483	\$ 21,574,873	2,719	\$ 35,246,560
OPTION 1	466	6,021,754	746	8,404,311
OPTION 2	695	7,681,180	184	1,881,372
OPTION 3	352	4,666,040	195	2,269,419
OPTION 4	10	150,521	12	148,883
OPTION 5	0	0	0	0
OPTION A	45	547,021	13	116,019
OPTION B	18	248,733	7	83,217
OPTION C	17	251,442	15	200,140
OPTION D	9	149,988	19	284,491

TABLE 7

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**ACCIDENTAL DISABILITY RETIREMENTS**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
24	1	\$ 12,092		
33	1	16,764		
34			1	\$ 20,871
35			1	19,731
36	3	65,145		
37	4	93,585		
38	5	105,075	2	55,643
39	2	44,703		
40	2	44,682		
41	4	85,383		
42	1	22,544	1	25,420
43	3	64,035	3	62,835
44	6	119,448	1	15,935
45	2	52,516	1	15,739
46	4	96,255	4	86,832
47	4	62,844	11	234,955
48	10	256,671	3	72,977
49	9	174,774	8	136,537
50	6	151,989	6	132,331
51	8	156,701	2	49,292
52	11	228,848	3	34,162
53	5	125,946	3	63,530
54	15	315,308	8	184,810
55	15	287,415	9	184,459
56	9	191,984	9	167,599
57	15	310,072	5	108,915
58	13	272,220	7	152,421
59	17	356,484	7	130,184
60	20	434,668	6	80,150
61	16	325,730	8	187,711
62	12	214,164	8	109,220
63	7	114,992	8	176,222
64	7	146,861	9	178,586
65	12	235,029	8	125,923
66	12	207,263	6	61,477
67	14	208,175	8	140,926
68	11	194,390	3	42,732
69	14	208,004	10	158,360
70	16	297,840	8	94,691
71	12	245,864	6	85,560
72	11	141,642	10	121,166
73	8	182,750	6	80,578

TABLE 7

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**ACCIDENTAL DISABILITY RETIREMENTS  
(continued)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
74	9	\$ 156,580	4	\$ 51,754
75	12	183,918	6	59,641
76	8	118,867	8	89,139
77	9	168,348	7	87,907
78	9	134,977	5	52,979
79	10	182,492	4	35,800
80	5	126,835	4	59,257
81	8	115,267	6	62,042
82	8	141,256	1	12,336
83	8	105,295	3	31,566
84	6	94,250	2	30,872
85	5	69,242	3	31,803
86	6	99,242	4	55,342
87	3	48,344	2	28,633
88	3	43,630	2	11,786
89	3	44,207	1	9,436
90	3	38,037	1	19,251
91			1	7,180
92			1	12,338
93	1	12,878		
94			1	15,275
TOTAL	463	\$ 8,754,524	265	\$ 4,362,818
<b><u>SUMMARY</u></b>				
NO OPTION	292	\$ 5,771,511	205	\$ 3,490,269
OPTION 1	56	956,226	37	528,531
OPTION 2	51	792,609	13	147,329
OPTION 3	59	1,117,000	10	196,689
OPTION 4	1	23,054	0	0
OPTION 5	0	0	0	0
OPTION A	0	0	0	0
OPTION B	0	0	0	0
OPTION C	3	67,723	0	0
OPTION D	1	26,401	0	0

TABLE 8

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**ORDINARY DEATH BENEFITS TO BENEFICIARIES  
WHO ELECTED TO RECEIVE A LIFE ANNUITY  
IN LIEU OF A LUMP SUM**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
44			1	\$ 17,269
65	1	\$ 122		
67			1	3,010
69	1	248	1	5,223
75			2	417
76			1	287
77			1	329
80			1	185
81			1	227
83			3	1,630
84			2	361
85			3	550
87			4	940
90			1	222
91			1	130
92			1	152
93			2	619
96			1	166
TOTAL	2	\$ 370	27	\$ 31,715

**TABLE 9**  
**THE NUMBER AND ANNUAL RETIREMENT**  
**ALLOWANCES OF BENEFICIARIES DISTRIBUTED**  
**BY AGE AS OF JUNE 30, 2002**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
19	2	\$ 11,484	1	\$ 3,653
20			1	6,020
36			1	14,690
39			1	11,609
41			1	17,126
42			1	21,493
43			2	36,391
44			1	19,005
45			2	39,100
47			3	69,016
48			1	12,493
51			2	20,040
54			2	23,028
55			4	60,083
56			3	35,130
57			2	28,090
58			4	58,492
59			2	31,158
60			2	36,813
61			1	8,716
62			1	44,349
63	2	22,468	2	38,119
64			1	9,430
65			3	37,650
66			1	21,384
67			3	51,974
68			2	51,792
70			3	52,624
71			2	53,148
72			2	19,998
74			3	41,679
75			3	24,848
76			3	67,016
77			3	18,064
78			2	20,712
79			1	8,561
80			4	40,001
81			6	60,348
82			1	17,316
84			1	7,638
85			4	29,363
86			2	17,080
87			2	17,270
88			3	46,637

TABLE 9

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**ACCIDENTAL DEATH BENEFITS  
(continued)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
89			1	\$ 7,390
90			1	11,990
91			1	13,106
92			1	6,878
93			1	6,731
94			1	11,662
96			1	11,399
<b>TOTAL</b>	4	\$ 33,952	102	\$ 1,418,303



TABLE 10

**THE NUMBER AND ANNUAL RETIREMENT  
ALLOWANCES OF BENEFICIARIES DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**DEPENDENTS OF DECEASED BENEFICIARIES**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
13	1	\$ 1,240	1	\$ 13,686
14	1	4,049		
15			1	1,830
17	1	2,930	1	8,553
18	1	6,697	1	6,697
19			1	10,121
20			1	7,686
21	1	10,047		
22	1	1,284		
23	1	1,622	2	14,415
25	1	6,332	2	18,816
26	1	7,442	1	8,672
27	1	1,716	1	2,698
28			1	11,688
29	2	16,838	4	26,087
30	1	2,822	2	8,732
32	2	21,325	2	9,397
33	3	22,553		
34			2	2,309
35	2	26,365	1	15,023
36	5	17,446	4	16,385
37	1	3,342	5	30,425
38	1	17,778	4	42,537
39	1	6,954	11	60,751
40	3	21,897	5	37,817
41	4	22,879	5	39,084
42	7	25,534	17	107,656
43	1	2,777	18	133,646
44	6	34,933	24	205,714
45	4	18,134	19	125,436
46	7	55,156	27	219,258
47	10	43,157	21	186,830
48	6	31,273	22	185,707
49	10	60,762	21	178,759
50	8	31,904	19	172,898
51	9	75,602	30	313,381
52	12	87,691	35	297,276
53	10	52,802	25	309,550
54	7	34,146	42	377,924
55	7	71,313	56	627,845
56	11	78,686	44	393,213
57	10	83,644	62	541,831
58	11	60,309	34	347,196
59	8	86,754	50	585,785

**TABLE 10**  
**THE NUMBER AND ANNUAL RETIREMENT**  
**ALLOWANCES OF BENEFICIARIES DISTRIBUTED**  
**BY AGE AS OF JUNE 30, 2002**  
**DEPENDENTS OF DECEASED BENEFICIARIES**  
**(continued)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
60	14	\$ 74,383	61	\$ 716,347
61	18	120,055	81	914,403
62	9	76,683	103	1,269,711
63	8	58,114	103	1,202,513
64	12	67,001	114	1,174,074
65	15	115,270	115	1,268,645
66	18	125,429	126	1,396,571
67	21	159,048	131	1,472,504
68	23	207,320	170	1,866,384
69	18	107,406	196	2,031,270
70	15	152,851	234	2,454,311
71	19	141,394	218	2,117,033
72	22	142,630	256	2,777,610
73	27	184,626	271	2,876,995
74	22	184,874	280	2,767,965
75	30	203,015	311	2,919,664
76	30	219,384	326	2,716,632
77	20	117,515	351	2,946,693
78	31	184,584	364	2,820,676
79	36	234,914	371	3,130,518
80	36	178,335	359	2,798,281
81	27	158,450	371	2,630,882
82	26	146,396	365	2,972,052
83	23	81,204	341	2,374,266
84	18	79,786	328	2,261,495
85	20	115,644	287	1,678,182
86	12	54,523	240	1,617,364
87	14	64,034	218	1,230,428
88	14	45,960	218	1,442,107
89	12	62,545	149	951,017
90	14	58,532	152	967,252
91	4	12,393	107	687,361
92	6	20,411	95	616,736
93	7	33,165	61	303,647
94	5	15,813	60	491,722
95	2	5,405	39	260,364
96	2	2,055	32	297,768
97			17	113,806
98			19	181,961
99			4	29,116
100			6	23,234
101			2	21,949

**TABLE 10**  
**THE NUMBER AND ANNUAL RETIREMENT**  
**ALLOWANCES OF BENEFICIARIES DISTRIBUTED**  
**BY AGE AS OF JUNE 30, 2002**  
**DEPENDENTS OF DECEASED BENEFICIARIES**  
**(continued)**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
102			2	\$ 12,326
103			4	45,390
104			1	3,688
<b>TOTAL</b>	<b>829</b>	<b>\$ 5,169,279</b>	<b>8,283</b>	<b>\$ 70,556,228</b>

In addition to the above there are 299 beneficiaries who elected to receive the lump sum benefit as annuities certain under Option 1 amounting to \$3,139,781 per annum.

**THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF DEFERRED TERMINATED VESTED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
31	1	\$ 5,412		
32			1	\$ 1,860
33	1	7,608	1	5,004
34			2	13,392
35	1	8,688	5	25,992
36	1	11,532	1	10,080
37	3	25,260	9	65,184
38	2	12,792	9	61,644
39	3	16,488	3	22,200
40	5	47,004	4	38,004
41	8	60,312	11	120,180
42	7	79,596	7	63,168
43	4	48,180	11	120,660
44	8	69,864	31	256,824
45	15	153,864	18	140,016
46	21	237,744	21	193,584
47	26	298,284	30	221,400
48	19	190,380	34	250,992
49	28	268,008	47	346,332
50	14	132,348	43	336,384
51	27	283,440	44	370,824
52	27	235,740	54	407,652
53	28	315,672	71	512,772
54	31	234,348	94	644,076
55	43	429,036	111	759,036
56	43	387,852	121	853,548
57	51	493,524	130	911,532
58	48	390,852	145	989,700
59	55	513,840	194	1,264,824
60	44	359,100	169	1,103,208
61	1	8,748	2	27,864
62	1	8,904	2	3,984
63	2	8,808	1	1,884
67	1	3,420		
69	1	972		
71	1	552		
<b>TOTAL</b>	<b>571</b>	<b>\$ 5,348,172</b>	<b>1,426</b>	<b>\$ 10,143,804</b>

**THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF DEFERRED TERMINATED VESTED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**STATE ONLY**

AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
31	1	\$ 5,412		
33			1	\$ 5,004
35	1	8,688	1	5,580
36	1	11,532	1	10,080
37			4	34,164
38			4	34,188
39	1	4,584		
40	1	8,352	2	24,180
41	4	38,304	4	62,100
42	1	19,092	4	38,232
43	2	32,136	4	41,808
44	2	31,404	10	108,864
45	6	68,220	4	42,588
46	6	83,256	11	107,616
47	8	102,264	11	104,448
48	5	58,860	10	59,760
49	12	92,040	18	157,860
50	6	57,600	18	165,444
51	13	125,628	17	180,120
52	7	75,060	19	168,840
53	8	71,316	24	234,804
54	9	84,216	28	252,576
55	18	192,408	27	210,948
56	15	133,440	22	192,852
57	19	180,984	29	213,828
58	14	138,048	35	323,940
59	17	199,224	34	264,756
60	14	146,292	39	321,516
61	1	8,748		
69	1	972		
71	1	552		
<b>TOTAL</b>	<b>194</b>	<b>\$ 1,978,632</b>	<b>381</b>	<b>\$ 3,366,096</b>

**THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES  
OF DEFERRED TERMINATED VESTED MEMBERS DISTRIBUTED  
BY AGE AS OF JUNE 30, 2002**

**LOCAL ONLY**

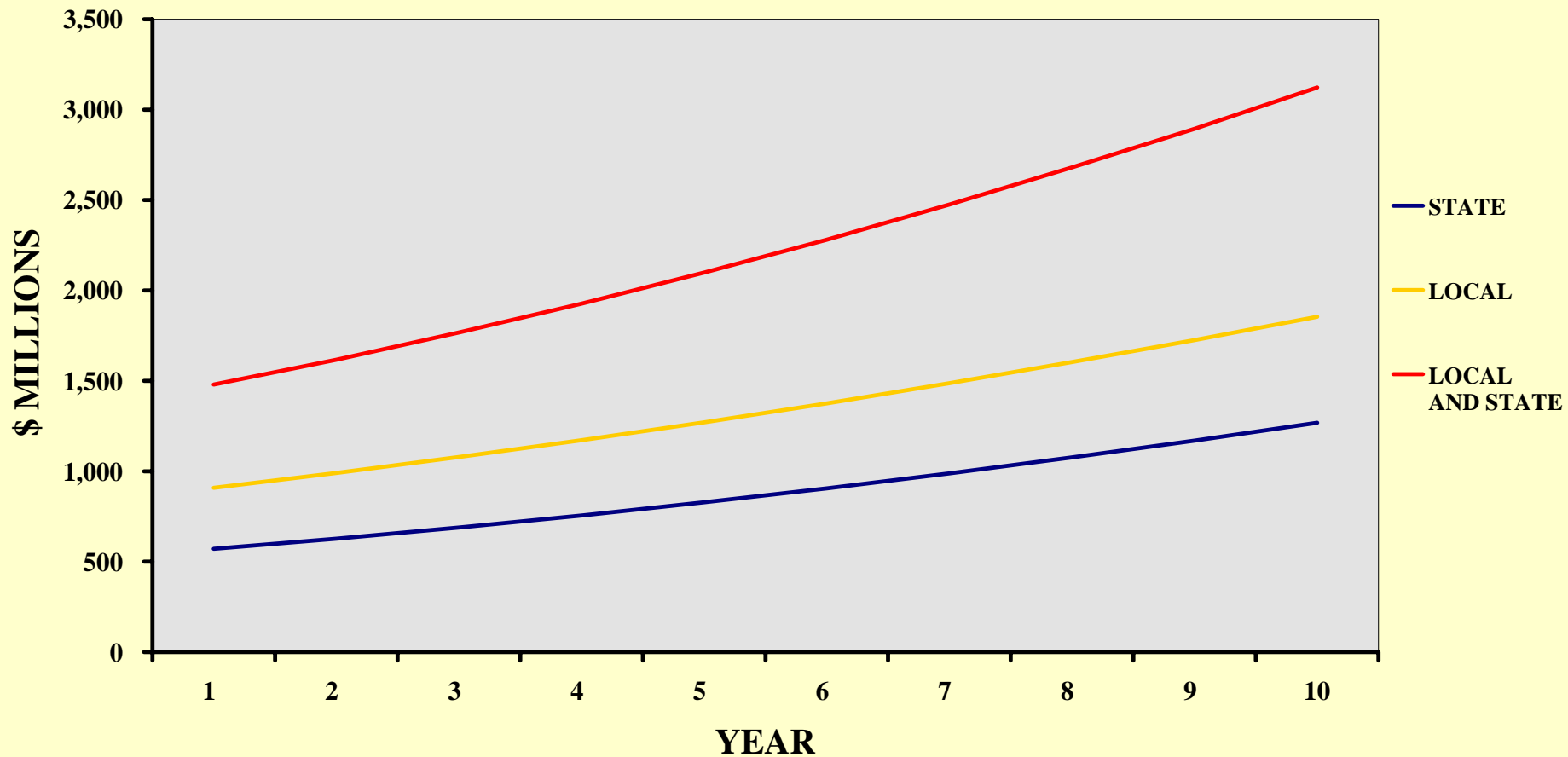
AGE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
32			1	\$ 1,860
33	1	\$ 7,608		
34			2	13,392
35			4	20,412
37	3	25,260	5	31,020
38	2	12,792	5	27,456
39	2	11,904	3	22,200
40	4	38,652	2	13,824
41	4	22,008	7	58,080
42	6	60,504	3	24,936
43	2	16,044	7	78,852
44	6	38,460	21	147,960
45	9	85,644	14	97,428
46	15	154,488	10	85,968
47	18	196,020	19	116,952
48	14	131,520	24	191,232
49	16	175,968	29	188,472
50	8	74,748	25	170,940
51	14	157,812	27	190,704
52	20	160,680	35	238,812
53	20	244,356	47	277,968
54	22	150,132	66	391,500
55	25	236,628	84	548,088
56	28	254,412	99	660,696
57	32	312,540	101	697,704
58	34	252,804	110	665,760
59	38	314,616	160	1,000,068
60	30	212,808	130	781,692
61			2	27,864
62	1	8,904	2	3,984
63	2	8,808	1	1,884
67	1	3,420		
<b>TOTAL</b>	<b>377</b>	<b>\$ 3,369,540</b>	<b>1,045</b>	<b>\$ 6,777,708</b>

APPENDIX D

PROJECTED BENEFIT PAYOUT

# PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

## PROJECTED BENEFIT PAYOUT WITH COLA

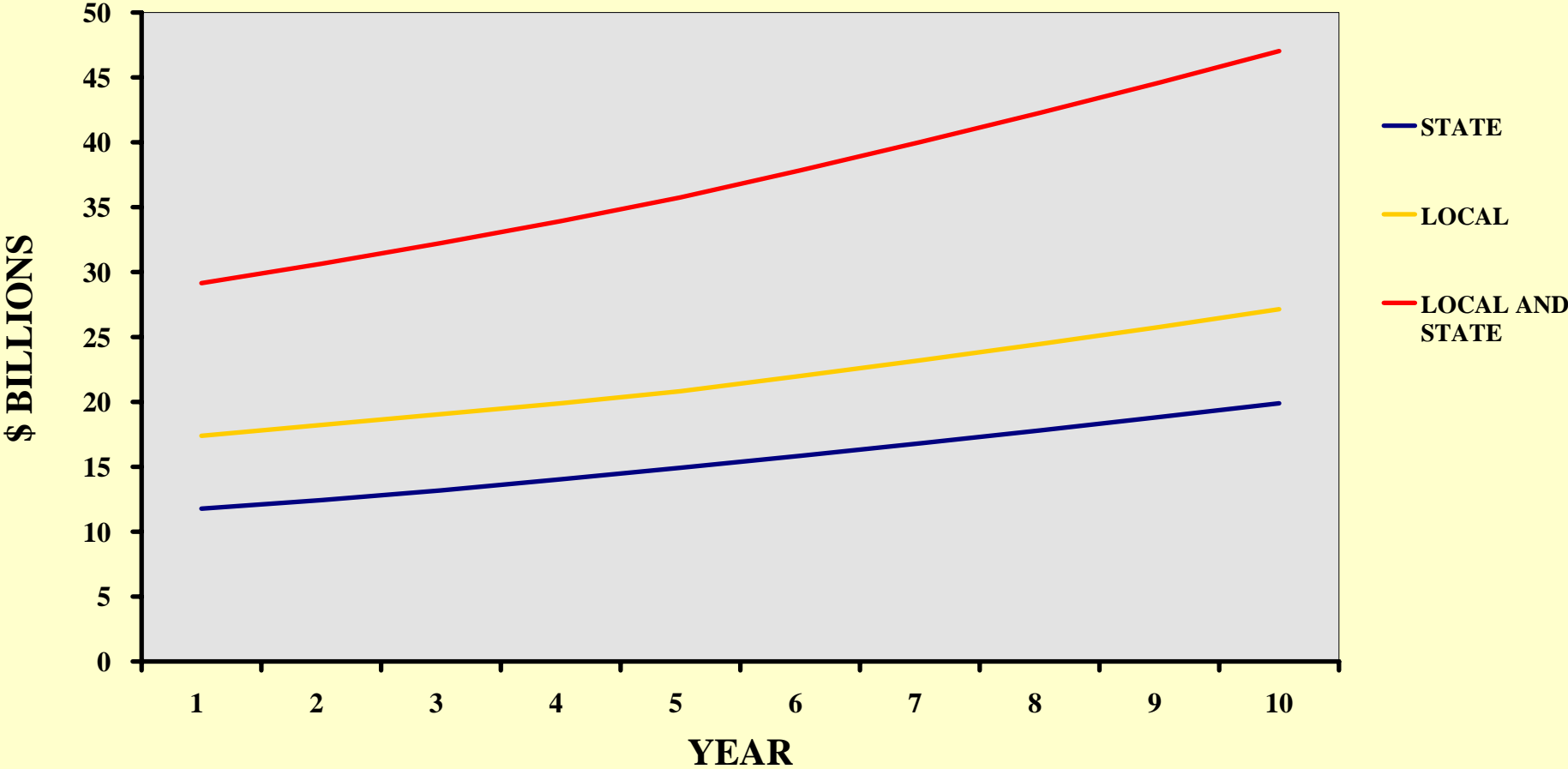




APPENDIX E  
PROJECTED ASSETS

# PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEW JERSEY

## PROJECTED VALUATION ASSETS



APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
10010	BERGEN COUNTY	640,950	8,791,303		
10011	BERGEN CO BD OF SOC SERV	20,506	281,262	34,686	690,691
10013	BERGEN CO VOCATIONAL SCHOOL			61,552	476,946
10022	OCEAN CO MOSQUITO COMM	7,449	102,171		
10030	ATLANTIC COUNTY	74,378	1,020,173		
10031	ATLANTIC COUNTY WELFARE BD	22,989	315,318		
10040	MIDDLESEX COUNTY	411,798	5,648,242	775,017	2,128,541
10041	MIDDLESEX CO BD OF SOCIAL SRV	11,400	156,363		
10042	MIDDLESEX CO MOSQ EXTERM COMM	27,034	370,800		
10043	MIDDLESEX CO VOCATIONAL SCHOOL			27,380	212,159
10050	SUSSEX COUNTY	131,430	1,802,701	150,986	1,038,773
10060	MORRIS COUNTY	345,043	4,732,628		
10061	MORRIS COUNTY BOARD OF SOC SVCS	4,909	67,332		
10063	MORRIS CO VOCATIONAL SCH DIST	5,666	77,715		
10070	BURLINGTON COUNTY	186,750	2,561,473		
10071	BURLINGTON CO BD OF SOCIAL SERV	17,421	238,948	21,098	420,117
10080	MONMOUTH COUNTY	117,002	1,604,806		
10081	MONMOUTH CO DIV OF SOCIAL SERVI	63,216	867,074		
10090	SOMERSET COUNTY	127,180	1,744,407		
10098	SOMERSET CO PK COMMISSION	51,800	710,491		
10103	UNION CO VOCATIONAL SCHOOLS			9,793	105,063
10110	WARREN CO BD OF CHOSEN FRHLDRS	60,239	826,241		
10111	WARREN CO WELFARE BOARD	2,014	27,624		
10120	CAPE MAY COUNTY			122,973	117,922
10121	CAPE MAY CO BD SOCIAL SERVICES			45,625	125,306
10130	CAMDEN CO BD OF CHOSEN FRHLDRS	192,195	2,636,157	671,070	1,843,056
10131	CAMDEN CO BD OF SOCIAL SRV	119,063	1,633,075	201,314	552,898
10140	CUMBERLAND COUNTY			183,316	503,467
10141	CUMBERLAND CO BD SOCIAL SERV	30,494	418,258	68,801	188,958
10150	SALEM COUNTY			142,232	390,632
10151	SALEM CO BD OF SOCIAL SERVICES			76,155	209,155
10160	GLOUCESTER COUNTY	34,517	473,437	89,264	245,159
10161	GLOUCESTER CO BD OF SOCIAL SERV			53,452	146,802
10170	MERCER COUNTY			252,830	3,156,631
10171	MERCER CO BD OF SOCIAL SERVICE	19,196	263,293	45,588	907,779
10173	MERCER CO VOCATIONAL SCHOOLS			11,223	64,028
10180	HUNTERDON COUNTY	46,643	639,758	196,847	1,354,292
10181	HUNTERDON CO BD SOCIAL SERVICES			50,242	345,661
20033	TEANECK BD OF ED	14,879	204,081		
20053	NORTH ARLINGTON BD OF ED	4,336	59,473	24,924	267,395

APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
20090	LAKWOOD TOWNSHIP	70,037	960,631		
20093	LAKWOOD TWP BD OF ED			16,390	93,505
20100	LAVALLETTE BOROUGH			6,288	125,211
20110	LINDEN CITY	95,967	1,316,289	76,460	1,522,523
20114	LINDEN CTY FREE PUBLIC LIBRARY	18,585	254,913	6,248	124,415
20150	SEASIDE HEIGHTS BOROUGH			51,683	355,575
20160	ASBURY PARK CITY	28,524	391,237		
20163	ASBURY PARK BD OF ED	12,188	167,171		
20170	EAST ORANGE CITY	49,066	672,992	138,845	2,764,777
20190	NEW BRUNSWICK CITY	59,526	816,461	14,622	291,163
20200	PERTH AMBOY CITY	26,090	357,852		
20203	PERTH AMBOY BD OF ED			40,725	232,336
20220	BELLEVILLE TOWNSHIP	79,634	1,092,264		
20240	DOVER TOWN	4,797	65,796	27,896	191,923
20250	IRVINGTON TOWNSHIP	49,341	676,763	39,187	107,624
20260	MONTCLAIR TOWNSHIP	48,066	659,275	28,994	577,348
20264	MONTCLAIR LIBRARY			15,823	315,079
20280	WEST ORANGE TOWNSHIP	75,652	1,037,646	22,554	449,111
20284	WEST ORANGE LIBRARY			10,685	29,346
20320	PALMYRA BOROUGH	396	5,432	9,722	193,591
20350	ORANGE CITY	11,293	154,895	10,017	199,465
20354	ORANGE CITY LIBRARY	12,034	165,059	722	14,377
20373	VENTNOR CITY BD OF ED	3,278	44,961		
20390	KEARNY TOWN	81,027	1,111,370	150,634	1,036,350
20393	KEARNY TOWN BD OF ED	1,117	1,049	54,321	141,044
20410	WESTFIELD TOWN			77,831	818,514
20463	LODI BD OF ED	33,089	453,850	28,957	165,200
20550	VILLAGE OF RIDGEFIELD PARK	21,342	292,728		
20564	RIDGEWOOD PUBLIC LIBRARY			9,002	179,254
20570	SOUTH ORANGE VILLAGE	20,781	285,033		
20580	ENGLEWOOD CITY			233,859	642,281
20583	ENGLEWOOD CITY BD OF ED			59,235	458,992
20590	HACKENSACK CITY	52,280	717,075	55,673	152,903
20620	BERGENFIELD BOROUGH	7,892	108,247	96,483	264,985
20640	CHATHAM BOROUGH	56,622	252,739		
20650	FAIRVIEW BOROUGH	12,889	176,787	1,471	29,292
20653	FAIRVIEW BORO BD OF ED	33	452	4,021	43,139
20690	ROSELLE PARK BOROUGH	2,982	40,901		
20713	SOMERVILLE BD OF ED	15,998	219,430		
20720	WASHINGTON BOROUGH			4,065	80,945

APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
20760	MAPLEWOOD TOWNSHIP			175,877	483,036
20780	ATLANTIC CITY	51,797	710,450		
20783	ATLANTIC CITY BD OF ED	6,200	85,040	58,240	151,220
20800	CLIFTON CITY			168,977	1,162,549
20810	GARFIELD CITY			3,381	67,325
20820	OCEAN CITY			75,204	206,543
20830	PASSAIC CITY			101,956	701,449
20843	RAHWAY CITY BD OF ED	12,801	175,580		
20860	COLLINGSWOOD BOROUGH	8,927	122,443		
20880	ELMWOOD PARK BOROUGH			23,445	466,853
20890	FORT LEE BOROUGH	953	13,071	28,566	568,825
20910	HADDONFIELD BOROUGH	4,455	61,105		
20940	MANASQUAN BOROUGH			70,475	193,556
20983	PALISADES PARK BD OF ED	10,158	139,327		
20990	POINT PLEASANT BOROUGH	11,628	159,491		
21010	ROSELLE BOROUGH			5,900	117,485
21020	SAYREVILLE BOROUGH	33,274	456,388		
21040	SPRING LAKE BOROUGH	9,554	131,043		
21070	HAMILTON TOWNSHIP	69,352	951,236	171,859	472,001
21090	MILLBURN TOWNSHIP	37,099	508,852		
21100	MORRIS TOWNSHIP	52,147	715,251		
21113	WEEHAWKEN TWP BD OF ED	5,907	81,020	17,149	183,981
21120	HOBOKEN CITY			62,695	1,248,425
21160	HARRISON TOWNSHIP	42,725	586,018		
21163	HARRISON TWP BD OF ED			989	10,610
21180	OCEANPORT BOROUGH	2,801	38,418		
21193	ORADELL BD OF ED			1,171	9,073
21200	RUMSON BOROUGH	2,655	36,416		
21210	FAIRFIELD TOWNSHIP			103,326	283,779
21213	FAIRFIELD TOWNSHIP BD OF ED	1,452	19,915		
21250	UNION TOWNSHIP	42,993	589,694		
21260	ABSECON CITY	9,414	129,123		
21270	BAYONNE CITY			51,018	1,015,905
21273	BAYONNE BOARD OF ED	2,309	31,670	15,276	118,368
21293	UNION CITY BD OF ED	32,524	172,044	54,957	142,696
21303	WEST NEW YORK BD OF ED			3,886	41,690
21330	CARTERET BOROUGH	13,787	189,103		
21333	CARTERET BD OF ED	9,149	125,488		
21423	LAWRENCE TOWNSHIP BD OF ED	10,088	138,367		
21443	NORTH BERGEN TOWNSHIP BD OF ED			19,815	212,584

APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
21463	ROCKAWAY TOWNSHIP BD OF ED	9,546	8,964		
21480	EATONTOWN BOROUGH	8,042	110,304	9,856	196,260
21520	WEST CALDWELL TOWNSHIP	5	68		
21590	GLASSBORO BOROUGH	6,990	95,876		
21600	HO-HO-KUS BOROUGH	4,639	63,628		
21650	SECAUCUS TOWN	2,397	32,877		
21653	SECAUCUS TOWN BD OF ED			30,771	79,897
21663	BEVERLY CITY BD OF ED			1,003	10,760
21670	EDGEWATER BOROUGH	24,844	340,761		
21700	MANVILLE BOROUGH			17,143	341,363
21710	RAMSEY BOROUGH	42,334	580,656		
21720	RED BANK BOROUGH	37,925	520,181		
21730	WOODBURY CITY	10,865	149,025	12,280	244,527
21740	EWING TOWNSHIP	24,731	339,211		
21743	EWING TOWNSHIP BD OF ED			51,149	396,337
21780	TRENTON CITY	299,294	4,105,132	94,789	1,887,504
21783	TRENTON CITY BD OF ED	62,097	851,726	197,100	2,114,567
21810	NEPTUNE CITY BOROUGH	1,118	15,334		
21830	SOUTH PLAINFIELD BOROUGH	20,089	275,542		
21910	PATERSON CITY	57,395	787,233		
21930	SPARTA TOWNSHIP	8,723	119,645		
21940	TOTOWA BOROUGH			25,114	68,974
21960	WOODBURGE TOWNSHIP	126,536	1,735,575	111,101	305,133
21990	FRANKLIN BOROUGH	20,340	278,984		
22030	VERONA TOWNSHIP	26,105	358,057	6,771	134,829
22050	CINNAMINSON TOWNSHIP	2,276	31,218		
22120	MENDHAM TOWNSHIP	8,037	110,236		
22223	HOWELL TWP BD OF ED	14,455	198,265	14,385	154,328
22233	MILLTOWN BOROUGH BD OF ED	2,564	35,168		
22290	BORDENTOWN CITY	6,184	84,820		
22350	MIDDLETOWN TOWNSHIP	32,100	440,285		
22383	WALL TOWNSHIP BD OF ED	8,373	114,844	31,389	336,753
22400	CHATHAM TOWNSHIP	12,630	173,234		
22430	HARRINGTON PARK BOROUGH	13,494	185,085		
22500	WILLINGBORO TOWNSHIP			22,395	445,944
22540	BOUND BROOK BOROUGH	6,191	84,916	3,915	77,958
22553	JACKSON TOWNSHIP BD OF ED			123,479	956,797
22580	LYNDHURST TOWNSHIP	5,963	81,789	5,322	55,969
22620	PISCATAWAY TOWNSHIP	46,866	642,817		
22640	ROXBURY TOWNSHIP	7,541	103,432	29,068	578,822

APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
22643	ROXBURY TWP BD OF ED	13,591	186,414	38,559	298,780
22650	RANDOLPH TOWNSHIP			98,930	271,705
22663	MT OLIVE TWP BD OF ED	15,193	208,388		
22670	CHESTER TOWNSHIP	8,891	121,950		
22680	BRICK TOWNSHIP	6,865	94,161		
22683	BRICK TWP BD OF ED			180,281	599,724
22730	BLOOMINGDALE BOROUGH	14,169	194,343		
22760	LINCOLN PARK BOROUGH	9,495	130,234	4,061	11,153
22770	PARAMUS BOROUGH	17,525	240,374	13,500	268,822
22780	METUCHEN BOROUGH	9,928	136,173		
22800	WASHINGTON TOWNSHIP	16,422	225,245		
22900	MILFORD BOROUGH	6,647	91,171		
22910	PENNINGTON BOROUGH	18,872	258,850		
22993	BERLIN BOROUGH BD OF ED			5,843	33,335
23020	GLOUCESTER TOWNSHIP	13,672	187,526		
23030	SOUTH BRUNSWICK TOWNSHIP	42,044	576,677		
23060	CAPE MAY CITY	5,161	70,789		
23073	PLEASANTVILLE BD OF ED	2,127	29,174	2,293	17,768
23080	SEA ISLE CITY	23,222	318,514	2,207	23,210
23120	HOLMDEL TOWNSHIP	6,650	91,212		
23130	NORTH HALEDON BOROUGH	4,791	65,714		
23190	MIDDLE TOWNSHIP	6,128	84,052		
23200	BEDMINSTER TOWNSHIP	6,981	95,752		
23220	BERLIN TOWNSHIP	281	3,854		
23230	LITTLE SILVER BOROUGH	2,047	28,077		
23240	WESTAMPTON TOWNSHIP	6,187	84,861		
23273	LITTLE FERRY BD OF ED			8,149	21,159
23290	PAULSBORO BOROUGH	6,931	95,066		
23330	NORTH BRUNSWICK TOWNSHIP	28,734	394,117	6,434	128,118
23340	WEST PATERSON BOROUGH	25,193	345,549		
23370	TETERBORO BOROUGH	8,901	122,087	3,351	35,241
23433	MOUNT LAUREL TWP BD OF ED			85,984	490,540
23463	PITTSBORO TWP BD OF ED	2,757	37,815	2,012	21,586
23490	PINE HILL BOROUGH	5,387	73,888		
23610	HAMPTON TOWNSHIP	7,427	101,869		
23630	SOUTH AMBOY CITY	12,792	175,456		
23700	LAMBERTVILLE CITY			14,855	102,201
30010	NORTH JERSEY WATER SUPPLY COMM	24,526	336,400		
30030	PASSAIC VALLEY WATER COMM	55,723	764,300		
30070	NEWARK HOUSING AUTHORITY	259,031	3,552,882		

APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
30130	TRENTON HOUSING AUTHORITY	36,926	506,478	43,152	859,272
30160	ATLANTIC CITY HOUSING AUTHORITY			23,275	463,468
30200	ORANGE CITY HOUSING AUTHORITY			8,298	22,790
30230	ASBURY PK HOUSING AUTHORITY			739	14,715
30240	BERGEN CO UTILITIES AUTHORITY	67,081	920,087	20,154	401,320
30250	NEW BRUNSWICK HOUSING AUTHORITY			1,402	27,917
30300	PASSAIC VALLEY SEWERAGE COMM	16,878	231,499	118,669	816,434
30320	EWING LAWRENCE SEWERAGE AUTH	9,428	129,315		
30360	IRVINGTON HOUSING AUTH	3,964	54,370		
30410	ELIZABETH CITY HOUSING AUTH	58,199	798,261		
30420	BURLINGTON COUNTY BRIDGE COMM	35,624	488,621	8,516	169,576
30510	PATERSON HOUSING AUTHORITY	15,385	211,021	2,121	42,234
30560	MIDDLESEX CO UTILITIES AUTH	49,973	685,432	68,197	1,357,985
30570	CAMDEN CITY HOUSING AUTHORITY			5,643	20,405
30630	SOMERSET RARITAN VALL SEW AUTH	12,394	169,997		
30670	NJ SCHOOL BOARDS ASSOCIATION	50,958	698,942		
30680	STAFFORD MUNICIPAL UTL AUTH	7,801	106,998		
30730	DELAWARE RIVER BASIN COMM	46,985	644,449		
30740	NJ EXPRESSWAY AUTHORITY	40,849	560,287		
30770	PATERSON PARKING AUTHORITY			1,379	27,460
30820	HAMILTON TWP FIRE DISTRICT 3	1,306	17,913		
30850	ATLANTIC COMMUNITY COLLEGE	27,254	373,817		
30870	PASSAIC CO VOCATIONAL SCHOOL			47,702	123,858
30900	GLOUCESTER TWP M U A			5,666	112,825
30940	MIDDLESEX COUNTY COLLEGE	14,613	200,432	29,756	592,522
31150	GLOUCESTER COUNTY COLLEGE	12,934	177,403		
31190	BRIDGETON CITY HOUSING AUTH			697	13,879
31210	NJ HOUSING & MTG FINANCE AGENCY	15,961	218,922		
31250	JERSEY CITY SEWERAGE AUTHORITY			1,462	29,112
31260	LINDEN CITY HOUSING AUTHORITY			7,730	157,291
31320	HACKENSACK MEADOWLAND DEV COMM			718	14,298
31370	MERCER CO IMPROVEMENT AUTHORITY			6,219	123,837
31510	BRICK TWP MUN UTILITIES AUTH	16,473	225,945		
31580	MOUNT LAUREL TWP MUN UTIL AUTH			739	14,715
31680	OCEAN GROVE BD OF FIRE COMM			6,201	123,478
31830	S MONMOUTH REG SEWERAGE AUTH	3,349	45,935		
32000	MANASQUAN RIVER REG SEW AUTH	251	3,442		
32080	OCEAN TWP MUN UTIL AUTHORITY			1,465	29,172
32260	HUDSON CO COMMUNITY COLLEGE			2,208	43,967
32280	MONTCLAIR REDEVELOPMENT AGENCY	6,926	94,997		



APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
32450	GLOUCESTER CO HOUSING AUTHORITY			15,330	305,262
32700	NJ INSTITUTE OF TECHNOLOGY	72,358	992,466	36,670	730,198
32820	ESSEX CO EDUCATIONAL SERV COMM	12,185	167,130		
32890	ATLANTIC CITY MUN UTIL AUTH	7,389	101,348		
32900	NJ TRANSIT CORPORATION	27,216	373,296		
33040	BUENA BORO HOUSING AUTH			736	14,656
34340	OLD BRIDGE MUNICIPAL UTIL AUTH	2,334	32,013		
34630	CAMDEN CO HEALTH SERVICES CTR	130,313	1,787,380		
39990	COMP RATING & INSP BUR	32,036	439,408	38,294	762,536
40290	HUNTERDON CENTRAL HIGH SCHOOL	4,587	62,916		
40310	EAST WINDSOR REG SCHOOL DIST			10,312	79,904
40400	MATAWAN-ABERDEEN REG SCHOOL			82,346	638,071
40420	LENAPE REGIONAL H S DISTRICT	12,508	171,560	46,460	120,633
40460	LOWER CAMDEN CO REG HS DIST 1	6,240	85,588	13,310	103,134
50050	ALLENTOWN BOROUGH	13,184	180,833	728	14,497
50130	AUDUBON BOROUGH			1,565	31,164
50240	BELVIDERE TOWN			15,603	107,348
50380	BRANCHVILLE BOROUGH	352	4,828		
50740	DEPTFORD TOWNSHIP	2,534	34,756		
50830	EAST HANOVER TOWNSHIP	9,472	129,918	8,857	176,367
50890	ELK TOWNSHIP	1,603	21,987		
51003	FARMINGDALE BD OF ED			1,338	7,633
51053	FRANKFORD TOWNSHIP BD OF ED			11,549	65,887
51130	FREEHOLD TOWNSHIP			83,637	229,705
51440	HELMETTA BOROUGH	3,428	47,019		
51520	HOPATCONG BOROUGH	29,672	406,983		
51620	JAMESBURG BOROUGH	10,541	144,581		
51750	LEBANON BOROUGH			704	14,019
51793	LINDENWOLD BOROUGH BD OF ED			22,557	174,786
51800	LINWOOD CITY			15,790	314,421
51880	LOWER TOWNSHIP	7,838	107,506		
51930	OLD BRIDGE TOWNSHIP	40,900	560,987		
51940	MAGNOLIA BOROUGH	2,646	36,293		
51960	MANALAPAN TOWNSHIP	9,806	134,499		
51973	MANCHESTER TOWNSHIP BD OF ED	3,142	43,096		
52073	MEDFORD TOWNSHIP BD OF ED			17,325	44,985
52210	MONROE TOWNSHIP	19,626	269,191	1,436	28,594
52213	MONROE TOWNSHIP BD OF ED			11,345	64,723
52293	MT EPHRAIM BD OF ED			5,008	13,003
52360	NEWARK CITY	490,522	6,728,025	204,219	4,066,548

APPENDIX F - EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULE

<u>Number</u>	<u>Location Name</u>	<u>ERI 1 Information</u>		<u>ERI 2 Information</u>	
		<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>	<u>Current Payment</u>	<u>Present Value as of 7/1/2002</u>
52603	PEMBERTON TOWNSHIP BD OF ED	34,499	473,190	96,270	249,965
52630	PENNSAUKEN TOWNSHIP	3,370	46,223	3,641	72,503
52810	RARITAN TOWNSHIP	9,797	134,377	22,266	153,188
52820	HAZLET TOWNSHIP	781	10,712		
52920	ROSELAND BOROUGH			32,073	88,087
52960	SADDLE BROOK TOWNSHIP			22,830	157,068
52963	SADDLE BROOK BD OF ED			28,710	308,012
53080	SOUTHAMPTON TOWNSHIP	4,291	58,855		
53280	TABERNACLE TOWNSHIP			8,284	87,119
53310	TEWKSBURY TOWNSHIP			25,630	92,678
53360	UNION BEACH BOROUGH	5,511	75,590		
53433	VERNON TOWNSHIP BD OF ED			34,714	90,134
53460	VOORHEES TOWNSHIP	45,557	164,736	27,714	76,115
53490	WALLINGTON BOROUGH			7,590	151,137
53670	WEST LONG BRANCH BOROUGH	7,616	104,462	3,918	78,018
53743	WHITE TOWNSHIP BD OF ED	9,116	125,036		
53820	WOODLAND TOWNSHIP	9,420	129,205		
55420	EAST BRUNSWICK SEWERAGE AUTH			739	14,715
55640	FLORHAM PARK SEW AUTHORITY			2,266	45,122
55760	WASHINGTON TWP MUN UTIL AUTH	2,820	38,680		
55880	WRIGHTSTOWN MUN UTIL AUTH			728	14,497
55900	CINNAMINSON SEWERAGE AUTHORITY	6,257	85,821		
56190	SOMERS POINT SEWERAGE AUTHORITY	1,392	19,093		
57420	CHESTER TWP BD OF ED			24,045	62,433
57510	NORTH WARREN REG HIGH SCHOOL			27,120	154,720
60010	ESSEX COUNTY	692,061	9,492,344	489,060	9,738,496
60020	HUDSON COUNTY	26,625	365,189	220,865	1,519,534
60023	HUDSON CO SCHOOLS OF TECHNOLOGY			10,911	117,057
60031	PASSAIC CO BD OF SOCIAL SERVICE	24,183	331,695	29,259	223,684
	TOTALS	\$ 8,267,392	\$ 112,001,659	\$ 9,252,292	\$ 72,864,614

APPENDIX G - ADDITIONAL EARLY RETIREMENT INCENTIVE (ERI) CONTRIBUTION SCHEDULES  
DUE TO RECENT LEGISLATIONS

<u>Number</u>	<u>Location Name</u>	<u>Legislation</u>	<u>ERI Information</u>	
			<u>5 Year Level Payment</u>	<u>Present Value as of 7/1/02</u>
23660	WEST DEPTFORD TOWNSHIP	Chapter 59, P.L. 1999	\$ 24,237	\$ 62,933
10080	COUNTY OF MONMOUTH	Chapter 126, P.L. 2000	\$ 1,619,211	\$ 6,473,572
10081	COUNTY OF MONMOUTH	Chapter 126, P.L. 2000	1,582,363	6,326,256
10082	COUNTY OF MONMOUTH	Chapter 126, P.L. 2000	137,223	548,616
	Sub-total		\$ 3,338,797	\$ 13,348,444
	Total		\$ 3,363,034	\$ 13,411,377

APPENDIX H

BREAKDOWN OF CONTRIBUTIONS FOR STATE COLLEGES THE YEAR BEGINNING JULY 1, 2003

Division	Number	Payroll	NORMAL CONTRIBUTION				Net Post Retirement Medical Contribution	Accrued Liability Contribution for Basic Allowances Plus Pensioner COLA	Total Contribution
			Basic Allowances	Non-Contributory Group Insurance Premium Fund	Active COLA	Net Normal Cost			
State Colleges									
Location 410: Rowan College	673	\$ 23,358,824	\$ 663,391	\$ 128,474	\$ 144,825	\$ 936,690	\$ 1,088,721	\$ 14,015	\$ 2,039,426
Location 411: Jersey City State College	622	18,479,764	524,825	101,639	114,575	741,039	722,308	11,088	1,474,435
Location 412: Kean College	755	21,018,191	596,917	115,600	130,313	842,830	864,315	12,611	1,719,756
Location 413: William Paterson College	722	19,546,448	555,119	107,505	121,188	783,812	520,693	11,728	1,316,233
Location 414: Montclair State College	786	21,843,520	620,356	120,139	135,430	875,925	662,700	13,106	1,551,731
Location 415: The College of NJ	627	20,025,635	568,728	110,141	124,159	803,028	1,041,385	12,015	1,856,428
Location 420: Ramapo State College	383	11,853,844	336,649	65,196	73,494	475,339	248,951	7,112	731,402
Location 421: Richard Stockton College	482	15,902,676	451,636	87,465	98,597	637,698	413,749	9,542	1,060,989
Location 430: Thomas A. Edison State College	99	4,169,352	118,410	22,931	25,850	167,191	106,944	2,502	276,637
Location 32700 & 55530: New Jersey Institute of Technology	443	16,753,106	475,788	92,142	103,869	671,799	532,965	10,052	1,214,816
Location 90010: Rutgers State University	4,512	153,374,193	4,355,827	843,559	950,918	6,150,304	11,562,183	92,024	17,804,511
Location 90020: Rutgers State University	0	0	0	0	0	0	47,336	0	47,336
Location 90030: Rutgers State University	0	0	0	0	0	0	12,272	0	12,272
Location 90130: University of Medicine & Dentistry	0	0	0	0	0	0	4,070,870	0	4,070,870
Location 90131: University of Medicine & Dentistry	0	0	0	0	0	0	117,463	0	117,463
<b>Total</b>	<b>10,104</b>	<b>\$ 326,325,553</b>	<b>\$ 9,267,646</b>	<b>\$ 1,794,791</b>	<b>\$ 2,023,218</b>	<b>\$ 13,085,655</b>	<b>\$ 22,012,855</b>	<b>\$ 195,795</b>	<b>\$ 35,294,305</b>