

1/16/93

March 17, 1993

Foster Higgins

Board of Pensions and Retirement
City of Philadelphia
Two Penn Center, 20th Floor
Philadelphia PA 19102

Ladies and Gentlemen:

We respectfully present the results of our July 1, 1992 actuarial valuation of the City of Philadelphia Municipal Retirement System.

The employee data and the financial information used in this report were provided by the City and the Board of Pensions and Retirement. The actuarial valuation report may be used to support contributions to the Retirement System for the fiscal year ending June 30, 1994.

A summary of the results from the actuarial valuation are:

Actuarial Accrued Liability as of July 1, 1992	\$4,425,507,000
Assets as of July 1, 1992 for Valuation Purposes	\$1,981,786,000
Unfunded Actuarial Accrued Liability as of July 1, 1992	\$2,443,721,000
City Normal Cost as a Percent of Payroll for the Year, Assuming Payment is Made at the Beginning of Year:	
1967 Plan	
Municipal Division	
Police Division	5.837%
Fire Division	8.873
	8.808
Plan 87	
Municipal Division	
Elected Division	4.776%
Police Division	5.121
Fire Division	6.476
	7.100
Combined Plans	6.600%

The actuarial assumptions underlying these calculations represent the actuary's best estimate of anticipated future experience of the Retirement System and were approved by the Board. There have been no changes in these assumptions since July 1, 1989.

The City's funding policy provides for (i) payment of the normal cost in accordance with the calculations made by the actuary plus (ii) level dollar payments toward amortization of the Dombrowski unfunded actuarial accrued liabilities plus (iii) payments increasing 6.0% per year toward the amortization of the unfunded actuarial accrued liability established on July 1, 1985 plus (iv) level dollar payments toward amortization of any plan changes or actuarial gains and losses which occur after July 1, 1985.

For the year beginning July 1, 1993 and ending June 30, 1994, these requirements provide for the following payments:

	Annual Payment Toward Unfunded Actuarial Accrued Liability (Thousands)	
	Payments	
	Beginning of Year	End of Year
Dombrowski Liability	\$ 3,498	\$ 3,813
Initial July 1, 1985 Unfunded Liability		
and Changes Effective July 1, 1985	121,115	132,015
Changes Effective July 1, 1986	(12,275)	(13,380)
Changes Effective July 1, 1987	2,479	2,702
Changes Effective July 1, 1988	12,263	13,367
Changes Effective July 1, 1989	9,706	10,580
Changes Effective July 1, 1990	3,549	3,868
Changes Effective July 1, 1991	(1,037)	(1,130)
Changes Effective July 1, 1992	<u>12,715</u>	<u>13,859</u>
Total Payment	\$152,013	\$165,694

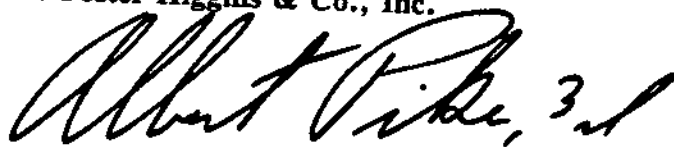
A measure of the funding status is produced from the ratio of the actuarial value of the assets to the actuarial accrued liability. A comparison of this ratio as of July 1, 1991 and July 1, 1992 follows:

	(Thousands)	
	1991	1992
Actuarial Value of Assets	\$1,865,964	\$1,981,786
Actuarial Accrued Liability	\$4,145,396	4,425,507
Funding Ratio	45.0%	44.8%

This report contains supporting data and background material pertinent to the determination of the normal cost and accrued liabilities of the Retirement System.

Respectfully submitted by:

A. Foster Higgins & Co., Inc.



Albert Pike, 3rd, FCA, EA
Principal

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Enclosure

City of Philadelphia
Municipal Retirement System

July 1, 1992
Actuarial Valuation Report

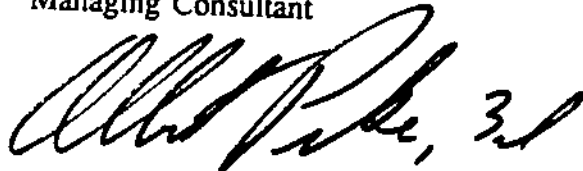
Prepared by:



Lisa A. Beati
Associate



Kenneth A. Kent, ASA, EA
Managing Consultant



Albert Pike, 3rd, FCA, EA
Principal

March 17, 1993
Washington, DC

Foster Higgins

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1. Summary and Analysis of Findings

This report summarizes the findings of the actuarial valuation and analyzes the change in cost and liabilities as of July 1, 1992 of the City of Philadelphia Municipal Retirement System.

Findings Summary

Table 1 shows actuarial valuation results for all divisions as of July 1, 1992. City contributions for the July 1, 1993 through June 30, 1994 fiscal year will be calculated using these values. The valuation reflects the funding requirements of the Municipal Pension Plan Funding Standard and Recovery Act (Act 205), as amended by Act 189 of 1990.

An arbitration decision dated August 11, 1992 changed plan status for 725 members of District Council 47—Local 2187 from Plan M to Plan J effective on their hire dates. The affected employees must make up the additional employee contributions required for Plan J participation.

The plan amendment increased the unfunded actuarial accrued liability by \$1,082,000 and increased the annual beginning-of-year amortization payment by \$109,000 (\$119,000 end-of-year payment).

Table 1
July 1, 1992 Actuarial Valuation
(Thousands)

Participants	
Active	
Retired and Beneficiaries	30,687
Disabled	24,512
Terminated Vested	5,176
Total	<u>666</u>
	61,041
Total Annual Salaries	\$ 993,318
Net Actuarial Accrued Liability	\$ 4,425,507
Assets for Valuation Purposes	\$ 1,981,786
Unfunded Actuarial Accrued Liability	\$ 2,443,721
City Normal Cost as Percent of Payroll	
Assuming Beginning-of-Year Payment	6.600%
Assuming End-of-Year Payment (with Interest)	7.194%

Section 2 presents more detail on these determinations and contains a comparison of official funding policies and funding standards specified under generally accepted accounting principles, along with the fund's estimated 20-year progress from July 1, 1992 through June 30, 2012.

The report presents the recommended city contribution assuming payment is made at the beginning of the year (July 1, 1993) and, alternatively, at the end of the year (June 30, 1994). The end-of-year payment reflects one year's interest at the valuation rate of 9%. In accordance with our interpretation of Act 189 of 1990, the City is not legally required to pay this interest if the payment is made by June 30, 1994. However, the full year's interest charge must be paid if its contribution is made later than June 30, 1994. This includes interest during the year plus

interest from year-end to date paid. Interest after year-end is the greater of 9% or the 6-month maturity U.S. Treasury Bills discount rate as of June 30, 1994.

If the City contributions are made by June 30, 1994, any interest not paid will be treated as an actuarial loss and be amortized over 15 years.

Change in Normal Cost Rates

Table 2(A) compares the July 1, 1991 valuation and the July 1, 1992 valuation.

Table 2(A)			
City Normal Cost Rate Comparison			
	July 1, 1991	July 1, 1992	Change
City Normal Cost Rate Assuming Payment at Beginning of Year			
1967 Plan			
Municipal Division	5.843 %	5.837 %	-.006 %
Police Division	8.770	8.873	+.103
Fire Division	8.676	8.808	+.132
Plan 87			
Municipal Division	4.882 %	4.776 %	-.106 %
Elected Officials	5.579	5.121	-.458
Police Division	6.542	6.476	-.066
Fire Division	7.127	7.100	-.027
Total	6.657	6.600 %	-.057 %
Unfunded Actuarial Accrued Liability (Thousands)	\$2,279,432	\$2,443,721	+\$164,289

Normal cost rate changes in Table 2(A) are the result of changes in the covered employees' demographic makeup. The large decrease in the elected officials' normal cost rate is due to a significant change in the employees covered.

In accordance with Act 189 of 1990, to determine the City's normal cost for the year ending June 30, 1994, the July 1, 1992 normal cost rates should be applied to the City's payroll for the year ending June 30, 1993 as estimated when the 1994 fiscal budget is prepared.

Changes in Unfunded Actuarial Accrued Liability

During the period June 30, 1991 through June 30, 1992, the unfunded actuarial accrued liability increased from \$2,279,432,000 to \$2,443,721,000 due to the following reasons:

- ▶ The June 30, 1985 unfunded liability is being amortized with payments increasing 6% per year. Because the payments in earlier years are less than the interest, the schedule results in increases in this unfunded liability each year through 2003, after which it will decrease.
- ▶ The plan amendment changing District Council 47 employees' plan status from Plan M to Plan J increased the unfunded liability by \$1,082,000.
- ▶ Investment return on an adjusted market basis was 7.5%. Because this is less than the assumed 9% rate, there was a loss.
- ▶ Supplemental State aid payments were in addition to required payments, resulting in a gain.
- ▶ Other experience, including a more-than-expected number of retirements among active members and a less-than-expected number of deaths among retired members, was unfavorable, resulting in a loss.

These factors resulted in changes as illustrated in Table 2(B).

Table 2(B)

Unfunded Liability
(Thousands)

1991 Unfunded Liability	\$ 2,279,432
Change due to:	
Payment schedule	61,672
Plan change	1,082
Investment return	29,528
Supplemental State aid	(13,886)
Other actuarial experience	85,893
1992 Unfunded Liability	\$ 2,443,721

Funding Method

Act 205 requires the unfunded actuarial accrued liability be funded in annual level dollar payments. Because the City of Philadelphia is classified as a Distress Level III municipality, it is exempt from this requirement with respect to unfunded liabilities as of July 1, 1985 and amortizes the unfunded actuarial accrued liability as follows: The remaining July 1, 1985 unfunded actuarial accrued liability (net of the Dombrowski class action obligation) is amortized over 40 years ending June 30, 2019 in annual payments increasing 6% per year.

Changes in the actuarial accrued liability realized after July 1, 1985 are amortized in level dollar payments over the years shown:

- Changes in actuarial assumptions – 20 years
- Experience gains and losses – 15 years
- Active members' benefit modifications – 20 years
- Nonactive members' benefit modifications – 10 years.

This valuation determines the City's fiscal year ending June 30, 1994 contribution requirements. The unfunded actuarial accrued liability is adjusted from July 1, 1992 to July 1, 1993 to recognize the one-year delay in report findings. Table 3 summarizes the unfunded actuarial accrued liability payment derivation for the fiscal year ending June 30, 1994.

Table 3
Total Annual Payment
Toward the Unfunded Actuarial Accrued Liability
for Fiscal Year Ending June 30, 1994
(Thousands)

	<i>Beginning-of- Year Payments</i>	<i>End-of-Year Payments</i>
1. Expected fiscal 1994 payment based on July 1, 1992 actuarial valuation		
a. Dombrowski	\$ 3,498	\$ 3,813
b. Remaining	<u>135,800</u>	<u>148,022</u>
c. Subtotal	\$139,298	\$ 151,835
2. Changes in payment based on July 1, 1992 actuarial valuation		
a. (Gains)/Losses (15-year amortization)	\$ 12,596	\$ 13,730
b. Plan change (20-year amortization)	<u>119</u>	<u>129</u>
c. Subtotal	<u>\$ 12,715</u>	<u>\$ 13,859</u>
3. Total annual payment for fiscal 1994 based on July 1, 1992 valuation (1c) + (2c)	\$152,013	\$ 165,694

Total Contributions

The resulting estimated City contributions for year ending June 30, 1994 are illustrated in Tables 4(A) and 4(B).

Table 4(A)

1994 City Contributions (Thousands)

	<i>Beginning of Year</i>	<i>End of Year</i>
Normal cost	\$ 65,559 ^a	\$ 71,459 ^a
Amortization payments	<u>152,013</u>	<u>165,694</u>
Total	\$ 217,572 ^b	\$ 237,153 ^b

a. Based on July 1, 1992 payroll. Actual normal cost will be based on estimated fiscal year 1993 payroll.

b. The City may use general State aid and State cost-of-living reimbursements to meet this commitment. For fiscal year 1993, these totaled \$35,082,000. Supplemental State aid (\$6,518,000 in fiscal year 1993) may not be used as part of this commitment.

Table 4(B)

Employee Contribution Rates Effective July 1, 1993

	<i>Municipal</i>	<i>Elected</i>	<i>Police</i>	<i>Fire</i>
1967 Plan	3.75 % ^c	--	6.00 %	6.00 %
Plan 87	2.05 %	7.88 %	5.00 %	5.00 %

c. 6.00% on wages over the Social Security maximum taxable wagebase — \$57,600 in 1993.

For Plan 87, municipal employees are to contribute 30% of the gross normal cost. Police and firefighters are to contribute 5% of pay, but not less than 30% or more than 50% of gross normal cost. Elected officials will contribute 30% of the municipal plan calculated

gross normal cost plus 100% of the gross normal cost due to additional benefits payable under the elected officials plan. The rates should go into effect July 1, 1993.

Other Report Sections

Section 3 presents supporting tables, including employee age/service scatter charts along with salaries by age and service groupings. In addition, there are tables of current pension amounts by age.

Section 4 summarizes financial information used in the valuation, including a statement of assets at cost and market value and a statement of receipts and disbursements for the fiscal year ending June 30, 1992 as well as the development of the actuarial asset valuation.

Section 5 presents the Retirement System's salient features reflected in the valuation determinations.

Section 6 presents the actuarial cost method, factors, and assumptions used to determine costs and liabilities.

Section 7 presents the actuarial present value of projected benefit obligation according to GASB Statement No. 5. This section reflects a measurement of the accrued benefits for the Retirement System as of July 1, 1992 and compares the value of these accrued benefits to the cost value of the fund.

2. Cost Derivation

This section develops the Retirement System's costs. Cost estimates have been determined using the entry age actuarial cost method. The cost estimates derived in this actuarial valuation will be used as the basis for pension costs for the fiscal year ending June 30, 1994. Pension costs consist of the normal cost and the unfunded actuarial accrued liability amortization payment.

Derivation of Normal Cost

The normal cost is the sum of the individual normal costs determined for each member assuming the plan always existed and the actuarial assumptions underlying the cost determinations are exactly realized. Benefits payable under every circumstance (retirement, death, disability, and termination) are included in the calculations. Anticipated employee contributions to be made during the year are subtracted from this normal cost to determine the City's normal cost. The City's normal cost is divided by total payroll to determine the normal cost as a percent of pay for each division and the entire Retirement System.

Derivation of the Unfunded Actuarial Accrued Liability

The actuarial accrued liability is the sum of the actuarial present value of all normal costs that would have accumulated if the assumed normal cost had always been contributed in the past and the actuarial assumptions had been exactly realized.

The valuation assets are determined as of July 1, 1992 on an actuarial asset method that spreads investment experience over a 5-year period to minimize the investment volatility on the Retirement System's cost. Specifically, the method adopted measures gains or losses against the assumed 9% investment yield, recognizing one-fifth of the gain or loss over 5 years prospectively.

The unfunded actuarial accrued liability is the accrued liability less the fund's assets at valuation date.

Experience gains and losses is the difference between the expected unfunded actuarial accrued liability and the actual unfunded actuarial accrued liability (determined in the preceding paragraphs) calculated at the valuation date.

The portion of the unfunded actuarial accrued liability attributable to the Dombrowski class action suit is amortized in level dollar payments over 40 years ending June 30, 2009. The remaining July 1, 1985 unfunded actuarial accrued liability is amortized over 40 years ending

June 30, 2019 in annual payments increasing 6.0% per year. Changes in the actuarial accrued liability realized after July 1, 1985 are amortized in level dollar payments over the following years according to Act 205:

- Changes in actuarial assumptions – 20 years
- Experience gains and losses – 15 years
- Active members' benefit modifications – 20 years
- Nonactive members' benefit modifications – 10 years

A detailed analysis of the derivation of plan costs is presented in Tables 5 through 15.

Table 16 projects the annual payments to fund the anticipated unfunded actuarial accrued liability through fiscal year ending June 30, 2019.

Table 5

July 1, 1992 Derivation of Normal Cost
(Dollars in Thousands)

	1967 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
1. Number of Active Members	20,344	4,867	1,918	1,739	22	1,491	306	30,687
2. Total Normal Cost								
a. Service Retirement	\$ 34,780	\$ 18,722	\$ 7,254	\$ 1,908	\$ 152	\$ 3,042	\$ 649	\$ 66,508
b. Preretirement Death	4,209	1,167	461	275	13	254	58	6,437
c. Disability Retirement	5,834	4,199	1,625	281	11	989	229	13,168
d. Vested Termination	8,654	1,187	491	517	8	947	194	11,998
e. Refund of Nonvested Members' Contributions	4,273	933	395	188	10	288	56	6,142
f. Health Care Benefit	0	26	11	0	0	5	1	.43
g. Administrative Expenses	2,577	906	348	116	1	99	20	4,068
h. Total	\$ 60,326	\$ 27,140	\$ 10,585	\$ 3,286	\$ 195	\$ 5,624	\$ 1,207	\$ 108,363
3. Expected Employee Contributions	\$ 23,513	\$ 10,949	\$ 4,289	\$ 986	\$ 118	\$ 2,450	\$ 499	\$ 42,804
4. City Normal Cost (2h) - (3)	\$ 36,813	\$ 16,191	\$ 6,296	\$ 2,300	\$ 77	\$ 3,174	\$ 708	\$ 65,559
5. Current Total Annual Payroll	\$ 630,711	\$ 182,477	\$ 71,486	\$ 48,158	\$ 1,499	\$ 49,008	\$ 9,979	\$ 993,318
6. City Normal Cost as a Percent of Pay Assuming Payment at Beginning of Year (4) ÷ (5)	5.837%	8.873%	8.808%	4.776%	5.121%	6.476%	7.100%	6.600%
7. City Normal Cost as a Percent of Pay Assuming Payment at End of Year (6) x 1.09	6.362%	9.672%	9.601%	5.206%	5.582%	7.059%	7.739%	7.194%

Note: Numbers may not add due to rounding.

Table 6

Derivation of Unfunded Actuarial
Accrued Liability as of July 1, 1992
(Dollars in Thousands)

	1967 Plan			Plan 87			Total
	Municipal	Police	Fire	Municipal	Elected	Police	
1. Number of Members							
a. Active	20,344	4,867	1,918	1,739	22	1,491	30,687
b. Retired	15,614	6,241	2,657	0	0	0	24,512
c. Disabled	2,141	2,401	634	0	0	0	5,176
d. Terminated Vested	564	89	13	0	0	0	666
e. Total	38,663	13,598	5,222	1,739	22	1,491	61,041
2. Total Annual Benefits							
a. Retired	\$ 129,876	\$ 76,947	\$ 31,663	\$ 0	\$ 0	\$ 0	\$ 238,486
b. Disabled	21,285	33,062	9,566	0	0	0	63,913
c. Terminated Vested	5,382	787	94	0	0	0	6,263
d. Total	\$ 156,543	\$ 110,796	\$ 41,323	\$ 0	\$ 0	\$ 0	\$ 308,662
3. Present Value of Benefits							
a. Active Members							
Service Retirement	\$1,164,843	\$ 640,703	\$270,100	\$24,572	\$4,043	\$44,030	\$2,157,229
Pre Retirement Death	115,034	27,698	11,359	3,604	295	3,587	162,352
Disability Retirement	148,249	83,647	33,196	3,892	286	13,887	286,193
Vested Termination	200,670	13,054	4,060	7,071	176	13,944	241,708
Refund of Nonvested							
Members' Contributions	10,249	947	211	2,049	15	4,019	18,233
Health Care Benefit	0	423	180	0	0	73	693
Subtotal	\$1,639,045	\$ 766,472	\$319,106	\$41,189	\$4,815	\$79,540	\$2,866,408
b. Nonactive Members							
Service Retired	\$1,000,362	\$ 665,557	\$255,524	\$ 0	\$ 0	\$ 0	\$1,921,442
Disabled	157,210	279,534	80,263	0	0	0	517,008
Terminated Vested	26,528	6,276	750	0	0	0	33,555
Nonvested Members'							
Contributions	779	48	11	0	0	0	838
Health Care Benefit	0	2,095	435	0	0	0	2,529
Subtotal	\$1,184,879	\$ 953,510	\$336,982	\$ 0	\$ 0	\$ 0	\$2,475,371
c. Total	\$2,823,924	\$1,719,982	\$656,088	\$41,189	\$4,815	\$79,540	\$5,341,780

Note: Numbers may not add due to rounding.

Table 6 (Continued)
Derivation of Unfunded Actuarial
Accrued Liability as of July 1, 1992
(Thousands)

	1987 Plan					Plan 87				
	Municipal	Police	Fire	Municipal	Excess	Police	Fire	Total		
4. Present Value of Future Normal Costs										
a. Service Retirement	\$ 301,317	\$ 148,608	\$ 52,746	\$19,067	\$1,241	\$37,649	\$ 7,624	\$ 568,232		
b. Preretirement Death	38,858	9,240	3,346	2,870	114	3,159	686	58,272		
c. Disability Retirement	53,581	33,251	11,813	3,089	100	12,172	2,689	116,694		
d. Vested Termination	85,257	9,345	3,422	5,603	70	11,945	2,384	118,025		
e. Refund of Nonvested Members' Contributions	38,833	7,002	2,682	1,803	72	3,612	667	54,670		
f. Health Care Benefit	0	202	78	0	0	64	15	359		
g. Total	\$ 517,846	\$ 207,648	\$ 74,087	\$32,433	\$1,595	\$ 68,601	\$14,064	\$ 916,273		
5. Actuarial Accrued Liability (3) - (4)										
a. Active Members										
Service Retirement	\$ 863,525	\$ 492,094	\$ 217,354	\$ 5,506	\$2,802	\$ 6,380	\$1,314	\$1,588,977		
Preretirement Death	76,176	18,459	8,013	734	181	428	90	104,080		
Disability Retirement	94,668	50,396	21,382	802	187	1,715	347	169,498		
Vested Termination	115,413	3,709	638	1,468	106	2,000	349	123,683		
Refund of Nonvested Members' Contributions	(28,583)	(6,055)	(2,471)	246	(36)	407	76	(36,437)		
Health Care Benefit	0	221	102	0	0	9	2	334		
Subtotal	\$1,121,199	\$ 558,824	\$ 245,019	\$ 8,756	\$3,220	\$ 10,939	\$2,178	\$1,950,135		
b. Nonactive Members										
Service Retired	\$1,000,362	\$ 665,557	\$ 255,524	\$ 0	\$ 0	\$ 0	\$ 0	\$1,921,442		
Disabled	157,210	279,534	80,263	0	0	0	0	517,008		
Terminated Vested	26,528	6,276	750	0	0	0	0	33,555		
Nonvested Members' Contributions	779	48	11	0	0	0	0	838		
Health Care Benefit	0	2,093	435	0	0	0	0	2,529		
Subtotal	\$1,184,879	\$ 953,510	\$ 336,982	\$ 0	\$ 0	\$ 0	\$ 0	\$2,475,371		
c. Total	\$2,306,078	\$1,512,334	\$ 582,001	\$ 8,756	\$3,220	\$10,939	\$2,178	\$4,425,507		

Note: Numbers may not add due to rounding.

Table 6 (Continued)
Derivation of Unfunded Actuarial
Accrued Liability as of July 1, 1992
(Thousands)

	1967 Plan			Plan 87				
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total
6. Assets for Valuation Purposes	\$1,083,212	\$ 610,660	\$ 254,787	\$11,205	\$ 683	\$ 17,579	\$ 3,659	\$1,981,786
7. Unfunded Actuarial Accrued Liability (5c) - (6)	\$1,222,866	\$ 901,674	\$ 327,215	\$(2,450)	\$2,537	\$ (6,640)	\$(1,481)	\$2,443,721

Note: Numbers may not add due to rounding.

Table 7
Development of the Expected Unfunded Actuarial
Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	1967 Plan			Plan 87				
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 Valuation	\$1,121,524	\$901,733	\$327,104	\$ (3,958)	\$1,701	\$ (5,967)	\$ (1,033)	\$2,341,104
2. Changes in July 1, 1992 Unfunded Actuarial Accrued Liability Due to								
a. Actuarial Experience	\$ 100,260	\$ (59)	\$ 111	\$ 1,508	\$ 836	\$ (673)	\$ (448)	\$ 101,535
b. Plan Amendment	<u>1,082</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,082</u>
c. Subtotal	\$ 101,343	\$ (59)	\$ 111	\$ 1,508	\$ 836	\$ (673)	\$ (448)	\$ 102,617
3. Actual Unfunded Actuarial Accrued Liability July 1, 1992 (1) + (2c)	\$1,222,866	\$901,674	\$327,215	\$ (2,450)	\$2,537	\$ (6,640)	\$ (1,481)	\$2,443,721
4. Expected Changes in Unfunded Actuarial Accrued Liability from July 1, 1992 to July 1, 1993:								
a. Interest .09 x (2c)	\$ 9,121	\$ (5)	\$ 10	\$ 136	\$ 75	\$ (61)	\$ (40)	\$ 9,236
b. Increase in Unfunded Actuarial Accrued Liability from July 1, 1992 to July 1, 1993 According to Amortization Schedule Per 1992 Valuation Report	<u>40,984</u>	<u>16,762</u>	<u>8,240</u>	<u>155</u>	<u>(74)</u>	<u>230</u>	<u>39</u>	<u>66,337</u>
c. Subtotal	\$ 50,105	\$ 16,757	\$ 8,250	\$ 291	\$ 1	\$ 169	\$ (1)	\$ 75,572
5. Expected July 1, 1993 Unfunded Actuarial Accrued Liability (3) + (4c)	\$1,272,971	\$918,431	\$335,465	\$ (2,159)	\$2,538	\$ (6,471)	\$ (1,482)	\$2,519,293

Note: Numbers may not add due to rounding.

Table 8
Development of Municipal Division (1967 Plan) Annual End-of-Year Payments Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	Outstanding Balance July 1, 1992	Fiscal Year Ending June 30, 1994		Annual End-of-Year Payment ^a
		Expected Balance July 1, 1993	Amortization Period Remaining	
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation				
a. Dombrowski	\$ 17,195	\$ 16,730	16	\$ 2,013
b. Remaining	<u>1,104,328</u>	<u>1,145,778</u>	—	<u>61,877^b</u>
c. Subtotal	\$ 1,121,524	\$ 1,162,508	—	\$ 63,889
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992				
a. (Gains)/Losses	\$ 100,260	\$ 109,284	15	\$ 13,558
b. Plan Change	<u>1,082</u>	<u>1,180</u>	20	<u>129</u>
c. Subtotal	\$ 101,343	\$ 110,464	—	\$ 13,687
3. Total (1c) + (2c)	\$ 1,222,866	\$ 1,272,971	—	\$ 77,576

Note: Numbers may not add due to rounding.

a. Includes interest at 9% to year-end.

b. Payments towards unfunded liability as of July 1, 1985, increasing at 6% per year. All other payments are level dollar amounts.

Table 9
Development of Police Division (1967 Plan) Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	Outstanding Balance July 1, 1992	Fiscal Year Ending June 30, 1994		Annual End-of-Year Payment ^a
		Expected Balance July 1, 1993	Amortization Period Remaining	
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation				
a. Dombrowski	\$ 11,000	\$ 10,702	16	\$ 1,287
b. Remaining	<u>890,734</u>	<u>907,793</u>	—	<u>65,635^b</u>
c. Subtotal	\$ 901,733	\$ 918,495	—	\$ 66,922
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992				
a. (Gain)/Losses	\$ (59)	\$ (64)	15	\$ (8)
b. Plan Change	<u>0</u>	<u>0</u>	—	<u>0</u>
c. Subtotal	\$ (59)	\$ (64)	—	\$ (8)
3. Total (1c) + (2c)	\$ 901,674	\$ 918,431	—	\$ 66,914

Note: Numbers may not add due to rounding.

- a. Includes interest at 9% to year-end.
b. Payments towards unfunded liability as of July 1, 1985, increasing at 6% per year. All other payments are level dollar amounts.

Table 10
Development of Fire Division (1967 Plan) Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	Outstanding Balance July 1, 1992	Fiscal Year Ending June 30, 1994		Annual End-of-Year Payments ^a
		Expected Balance July 1, 1993	Amortization Period Remaining	
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation				
a. Dombrowski	\$ 4,380	\$ 4,262	16	\$ 513
b. Remaining	<u>322,724</u>	<u>331,083</u>	—	<u>21,695^b</u>
c. Subtotal	\$ 327,104	\$ 335,344	—	\$ 22,207
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992				
a. (Gains)/Losses	\$ 111	\$ 121	15	\$ 15
b. Plan Change	<u>0</u>	<u>0</u>	—	<u>0</u>
c. Subtotal	\$ 111	\$ 121	15	\$ 15
3. Total (1c) + (2c)	\$ 327,215	\$ 335,465	—	\$ 22,222

Note: Numbers may not add due to rounding.

- a. Includes interest at 9% to year-end.
b. Payments towards unfunded liability as of July 1, 1985, increasing at 6% per year. All other payments are level dollar amounts.

Table 11
Development of Municipal Division (Plan 87) Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	Outstanding Balance July 1, 1992	Fiscal Year Ending June 30, 1994		Annual End-of-Year Payment ^a
		Expected Balance July 1, 1993	Amortization Period Remaining	
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation	\$ (3,958)	\$ (3,803)	—	\$ (511)
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992				
a. (Gains)/Losses	\$ 1,508	\$ 1,644	15	\$ 204
b. Plan Change	0	0	—	0
c. Subtotal	\$ 1,508	\$ 1,644		\$ 204
3. Total (1) + (2c)	\$ (2,450)	\$ (2,159)		\$ (307)

Note: Numbers may not add due to rounding.

a. Includes interest at 9% to year-end.

Table 12
Development of Elected Division (Plan 87) Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	Outstanding Balance July 1, 1992	Fiscal Year Ending June 30, 1994		Annual End-of-Year Payment ^a
		Expected Balance July 1, 1993	Amortization Period Remaining	
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation	\$ 1,701	\$ 1,627	—	\$ 227
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992				
a. (Gains)/Losses	\$ 836	\$ 911	15	\$ 113
b. Plan Change	0	0	—	0
c. Subtotal	\$ 836	\$ 911		\$ 113
3. Total (1) + (2c)	\$ 2,537	\$ 2,538	—	\$ 340

Note: Numbers may not add due to rounding.

a. Includes interest at 9% to year-end.

Table 13
Development of Police Division (Plan 87) Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	<u>Fiscal Year Ending June 30, 1994</u>		<u>Annual</u> <u>End-of-Year</u> <u>Payment^a</u>
	<u>Outstanding Balance</u> <u>July 1, 1992</u>	<u>Expected Balance</u> <u>July 1, 1993</u>	<u>Amortization</u> <u>Period Remaining</u>
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation	\$ (5,967)	\$ (5,737)	—
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992			
a. (Gains)/Losses	\$ (673)	\$ (734)	15
b. Plan Change	<u>0</u>	<u>0</u>	—
c. Subtotal	\$ (673)	\$ (734)	\$ (91)
3. Total (1) + (2c)	\$ (6,640)	\$ (6,471)	\$ (858)

Note: Numbers may not add due to rounding.

a. Includes interest at 9% to year-end.

Table 14
Development of Fire Division (Plan 87) Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	<u>Fiscal Year Ending June 30, 1994</u>		<u>Annual</u> <u>End-of-Year</u> <u>Payment^a</u>
	<u>Outstanding Balance</u> <u>July 1, 1992</u>	<u>Expected Balance</u> <u>July 1, 1993</u>	<u>Amortization</u> <u>Period Remaining</u>
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation	\$ (1,033)	\$ (993)	—
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1992			
a. (Gain)/Losses	\$ (448)	\$ (489)	15
b. Plan Change	<u>0</u>	<u>0</u>	—
c. Subtotal	\$ (448)	\$ (489)	\$ (61)
3. Total (1) + (2c)	\$ (1,481)	\$ (1,482)	\$ (193)

Note: Numbers may not add due to rounding.

a. Includes interest at 9% to year-end.

Table 15
Development of Total Division Annual End-of-Year Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1994
(Thousands)

	Outstanding Balance July 1, 1992	Fiscal Year Ending June 30, 1994		Annual End-of-Year Payment ^a
		Expected Balance July 1, 1993	Amortization Period Remaining	
1. Expected July 1, 1992 Unfunded Actuarial Accrued Liability based on July 1, 1991 valuation				
a. Dombrowski	\$ 32,575	\$ 31,694	16	\$ 3,813
b. Remaining	<u>2,308,529</u>	<u>2,375,747</u>	—	<u>148,022^b</u>
c. Subtotal	\$ 2,341,104	\$ 2,407,441	—	\$ 151,835
2. Changes in Unfunded Actuarial Accrued Liability as of July 1, 1992				
a. (Gains)/Losses	\$ 101,535	\$ 110,673	15	\$ 13,730
b. Plan Change	<u>1,082</u>	<u>1,180</u>	20	<u>129</u>
c. Subtotal	\$ 102,617	\$ 111,853		\$ 13,859
3. Total (1c) + (2c)	\$ 2,443,721	\$ 2,519,293	—	\$ 165,694

Note: Numbers may not add due to rounding.

a. Includes interest at 9% to year-end.

b. Payments towards unfunded liability as of July 1, 1985, increasing at 6% per year. All other payments are level dollar amounts.

Table 16

**Schedule of Annual Payments to Fund the
Anticipated July 1, 1993 Unfunded Actuarial Accrued Liability
(Dollars in Thousands)**

Fiscal Year Ending June 30	Annual End-of-Year Payment							Progress of Unfunded Actuarial Accrued Liability	Estimated Annual Payroll	Annual Payment as a Percent of Payroll
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total		
1993	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 2,519,293	N/A
1994	\$ 77,576	\$ 66,914	\$ 22,222	\$ (307)	\$ 340	\$ (858)	\$ (193)	\$ 165,694	\$ 993,318	15.7%
1995	81,749	69,594	23,291	(307)	340	(858)	(193)	173,616	1,052,917	15.7%
1996	86,171	72,434	24,424	(307)	340	(858)	(193)	182,011	1,116,092	15.6%
1997	90,839	75,445	25,625	(307)	340	(858)	(193)	190,911	1,183,058	15.4%
1998	95,389	78,095	26,690	(307)	340	(858)	(193)	199,156	1,254,041	15.2%
1999	100,656	81,477	28,039	(307)	340	(858)	(193)	209,154	1,329,284	15.0%
2000	106,240	85,063	29,469	(307)	340	(858)	(193)	219,754	1,409,041	14.8%
2001	112,158	83,666	28,887	(307)	340	(858)	(193)	223,693	1,493,583	14.7%
2002	118,432	87,695	30,494	(307)	340	(858)	(193)	235,603	1,583,198	14.1%
2003	134,050	95,986	34,326	(307)	340	(858)	(193)	263,344	1,678,190	14.0%
2004	141,050	98,337	35,684	(307)	340	(866)	(212)	274,026	1,778,881	14.8%
2005	141,877	97,102	36,867	(208)	192	(800)	(186)	274,844	1,885,614	14.5%
2006	150,468	98,544	37,698	(139)	203	(752)	(157)	285,865	1,998,751	13.8%
2007	165,184	94,781	38,039	52	204	(239)	(84)	297,937	2,118,676	13.5%
2008	172,425	102,041	40,820	177	109	(94)	(61)	315,417	2,245,797	13.3%
2009	168,300	108,107	43,221	(27)	(4)	(3)	(1)	319,593	2,380,544	13.2%
2010	176,287	113,242	45,270	(27)	(4)	(3)	(1)	334,764	2,523,377	12.7%
2011	187,384	120,265	47,969	0	0	0	0	355,618	2,674,780	12.5%
2012	198,619	127,481	50,847	0	0	0	0	376,947	2,835,266	12.5%
2013	210,528	135,130	53,898	0	0	0	0	399,556	2,362,892	12.5%
2014	223,023	143,238	57,132	0	0	0	0	423,393	2,175,996	12.5%
2015	236,405	151,832	60,560	0	0	0	0	448,797	1,948,443	12.5%
2016	250,589	160,942	64,193	0	0	0	0	475,724	1,675,006	12.5%
2017	265,624	170,599	68,045	0	0	0	0	504,268	1,350,033	12.5%
2018	281,562	180,834	72,128	0	0	0	0	534,524	967,268	12.5%
2019	298,455	191,685	76,455	0	0	0	0	566,595	519,798	12.5%

Note: Numbers may not add due to rounding.

GAAP Funding Requirements Comparison

The GAAP specified standards require the unfunded actuarial accrued liability be funded over 40 years in level dollar payments. The City-adopted funding policy requires the July 1, 1985 unfunded actuarial accrued liability be amortized over 40 years ending June 30, 2019 with payments increasing 6.0% per year. Changes in the actuarial accrued liability realized after July 1, 1985 are amortized in level dollar payments in accordance with Act 205 as follows:

- Changes in actuarial assumptions – 20 years
- Experience gains and losses – 15 years
- Active members' benefit modifications – 20 years
- Nonactive members' benefit modifications – 10 years.

The Dombrowski unfunded actuarial accrued liability is amortized in level dollar payments over 40 years ending June 30, 2009, as ordered by the Court of Common Pleas of Philadelphia County.

Table 17 compares the City's funding policy to amortize the unfunded actuarial accrued liability with the GAAP-specified funding standards.

For Table 17, the anticipated July 1, 1981 unfunded actuarial accrued liability was the starting point. Adjustments resulting from benefit modifications, changes in assumptions, funding method, and/or actuarial experience recognized in subsequent valuations are reflected.

Under GAAP standards, adjustments determined under subsequent valuations are amortized over a 40-year period from when first recognized.

Table 17 shows the annual and accumulated *deficit* between the funding policies of the City and those under GAAP. Because the City's funding policy results in the complete amortization of the unfunded actuarial accrued liability, the accumulated deficit between the City's funding policy and GAAP decreases to \$0 at the end of the last 40-year GAAP amortization period.

Table 17
Comparison of Official Unfunded Accrued Liability Funding
With Funding Under the Provisions of APB No. 8
(Thousands)

Schedule of Annual End-of-Year Payments to Fund the Anticipated July 1, 1993 Unfunded Accrued Liability												Comparison of Official Schedule and 40-Year Amortization Under GAAP			
Fiscal Year	Ending June 30	Unfunded Accrued Liability 1987 Plan			Unfunded Accrued Liability Plan 87			Total	GAAP 40-Year Amortization	GAAP Deficit	Accumulated Deficit				
		Municipal	Police	Fire	Municipal	Elected	Police					Fire			
1982		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1983		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1984		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1985		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1986		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1987		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1988		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1989		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1990		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1991		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1992		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1993		N/A	N/A	N/A	N/A	N/A	N/A	N/A							
1994		\$ 77,576	\$ 66,914	\$ 22,222	N/A	N/A	N/A	N/A							
1995		81,749	69,594	23,291	(307)	\$ 340	(858)	(193)							
1996		86,171	72,434	24,424	(307)	340	(858)	(193)							
1997		90,859	75,445	25,625	(307)	340	(858)	(193)							
1998		95,389	78,095	26,690	(307)	340	(858)	(193)							
1999		100,656	81,477	28,039	(307)	340	(858)	(193)							
2000		106,240	85,063	29,469	(307)	340	(858)	(193)							
2001		112,158	83,666	28,887	(307)	340	(858)	(193)							
2002		118,432	87,695	30,494	(307)	340	(858)	(193)							
2003		134,050	95,986	34,326	(307)	340	(858)	(193)							
2004		141,050	98,337	35,684	(307)	340	(866)	(212)							
2005		141,877	97,102	36,867	(208)	192	(800)	(186)							
2006		150,468	98,544	37,698	(139)	203	(752)	(157)							
2007		165,184	94,781	38,039	52	204	(729)	(84)							
2008		172,425	102,041	40,820	177	109	(94)	(61)							
2009		168,300	108,107	43,221	(27)	(4)	(3)	(1)							
2010		176,287	113,242	45,270	(27)	(4)	(3)	(1)							
2011		187,384	120,265	47,969	0	0	0	0							

Table 17 (Continued)
Comparison of Official Unfunded Accrued Liability Funding
With Funding Under the Provisions of APB No. 8
(Thousands)

Comparison of Official Schedule and 40-Year Amortization Under GAAP											
Schedule of Annual End-of-Year Payments to Fund the Anticipated July 1, 1993 Unfunded Accrued Liability											
Fiscal Year Ending June 30	Unfunded Accrued Liability 1967 Plan			Unfunded Accrued Liability Plan 87			GAAP 40-Year Amortization	GAAP Deficit	Accumulated Deficit		
	Municipal	Police	Fire	Municipal	Elected	Police				Fire	Total
2012	\$ 198,619	\$ 127,481	\$ 50,847	\$ 0	\$ 0	\$ 0	\$ 0	\$ 376,947	\$ 160,641	\$ (216,307)	\$1,318,256
2013	210,528	135,130	53,898	0	0	0	0	399,556	160,641	(238,916)	1,197,983
2014	223,023	143,238	57,132	0	0	0	0	423,393	160,641	(262,752)	1,043,049
2015	236,405	151,832	60,560	0	0	0	0	448,796	160,641	(288,156)	848,768
2016	250,589	160,942	64,193	0	0	0	0	475,724	160,641	(315,084)	610,073
2017	265,624	170,599	68,045	0	0	0	0	504,268	160,641	(343,627)	321,353
2018	281,562	180,834	72,128	0	0	0	0	534,524	160,641	(373,883)	(23,608)
2019	298,455	191,685	76,455	0	0	0	0	566,595	160,641	(405,954)	(431,688)
2020	0	0	0	0	0	0	0	0	160,641	160,641	(309,899)
2021	0	0	0	0	0	0	0	0	160,641	160,641	(177,149)
2022	0	0	0	0	0	0	0	0	24,434	24,434	(168,658)
2023	0	0	0	0	0	0	0	0	24,434	24,434	(159,403)
2024	0	0	0	0	0	0	0	0	29,771	29,771	(143,979)
2025	0	0	0	0	0	0	0	0	29,771	29,771	(127,166)
2026	0	0	0	0	0	0	0	0	34,934	34,934	(103,677)
2027	0	0	0	0	0	0	0	0	23,732	23,732	(89,276)
2028	0	0	0	0	0	0	0	0	31,230	31,230	(66,081)
2029	0	0	0	0	0	0	0	0	29,205	29,205	(42,823)
2030	0	0	0	0	0	0	0	0	19,189	19,189	(27,488)
2031	0	0	0	0	0	0	0	0	12,448	12,448	(17,514)
2032	0	0	0	0	0	0	0	0	9,551	9,551	(9,539)
2033	0	0	0	0	0	0	0	0	10,398	10,398	0

Note: Numbers may not add due to rounding.

Estimated Pension Fund Progress

Table 18 shows the pension fund's estimated progress for fiscal years 1993 through 2012. The July 1, 1992 adjusted market value of fund assets is the starting point. This projection shows the emerging benefit payments of the fund and the concurrent fund growth. The projection is based on the same assumptions used to determine the Retirement System's annual cost and related liabilities.

The City contribution of normal cost plus the scheduled payments toward amortizing the unfunded actuarial accrued liability is used in the projection. The first year of the projection reflects the anticipated City contribution based on the July 1, 1991 valuation. Subsequent contributions are based on the July 1, 1992 valuation. The contribution's normal cost component increases 6.0% annually, reflecting anticipated increases in the aggregate salary. The projected employee contributions also increase annually, reflecting assumed salary increases at 6.0%.

The fund projection is limited to the period ending with the fiscal year ending June 30, 2012. Fluctuations from the figures shown in this 20-year period are to be expected.

The fund's underlying growth trend tends to follow that shown in Table 18, even though the actual numbers vary. The projection shows the City and employee combined fund contributions do not exceed the benefits paid. However, expected contributions combined with expected investment earnings cover the cashflow requirements to meet benefit payments and allow for continued fund growth.

Table 18

**Estimated Progress of City of Philadelphia Municipal Retirement
System Fund for the Period July 1, 1992 Through June 30, 2012**
(Dollars in Thousands)

Fiscal Year Ending June 30	Fund at Beginning of Year	City Contributions ^a	Employee Contributions ^a	Benefit Payments ^a	Investment Income	Net Increase	Fund at End of Year
1993	\$ 1,981,786	\$ 216,439	\$ 42,965	\$ 306,384	\$ 166,507	\$ 119,526	\$ 2,101,312
1994	2,101,312	241,441	48,626	316,056	177,084	151,094	2,252,406
1995	2,252,406	253,907	51,543	327,146	190,314	168,618	2,421,024
1996	2,421,024	267,121	54,636	339,715	205,064	187,105	2,608,129
1997	2,608,129	281,127	57,914	353,203	221,444	207,282	2,815,411
1998	2,815,411	294,784	61,389	367,936	239,592	227,829	3,043,240
1999	3,043,240	310,520	65,072	384,278	259,527	250,841	3,294,081
2000	3,294,081	327,202	68,976	401,028	281,525	276,675	3,570,756
2001	3,570,756	337,588	73,115	417,986	305,849	298,566	3,869,322
2002	3,869,322	356,332	77,502	437,599	332,035	328,270	4,197,591
2003	4,197,591	391,317	82,152	459,116	360,820	375,173	4,572,765
2004	4,572,765	409,677	87,081	481,837	393,785	408,706	4,981,471
2005	4,981,471	418,634	92,306	505,386	429,744	435,298	5,416,768
2006	5,416,768	438,284	97,844	529,219	468,097	475,007	5,891,775
2007	5,891,775	459,499	103,715	552,782	510,052	520,484	6,412,259
2008	6,412,259	486,672	109,938	576,269	556,118	576,459	6,988,718
2009	6,988,718	501,126	116,534	598,902	607,278	626,036	7,614,754
2010	7,614,754	527,188	123,526	620,720	662,954	692,948	8,307,702
2011	8,307,702	559,587	130,938	642,081	724,692	773,136	9,080,838
2012	9,080,838	593,154	138,794	662,370	793,715	863,293	9,944,131

Note: Numbers may not add due to rounding.

a. City contributions are assumed to be made at year-end with interest. Employee contributions and benefit payments are assumed to be made mid-year.

3. Plan Membership

Active, retired, disabled, and terminated vested members data as of July 1, 1992 was provided by the Philadelphia Board of Pensions and Retirement to determine benefit liabilities and annual costs.

The active member data, supplied on tape and list, contained information for all Retirement System members as of July 1, 1992. The data contained basic identifying information on each employee in addition to the annual rate of base compensation, overtime pay, longevity payments, and employee contribution totals. The data was reviewed for consistency and completeness. The data was also verified against the July 1, 1991 data for continued active member coverage. Members in 1991 not active or new nonactive members were analyzed and allocated to the most probable nonactive status.

The nonactive member data, also supplied on tape and list, contained information for all retired, beneficiary, disabled, and terminated vested members as of July 1, 1992.

Table 20 summarizes the changes in plan membership for the period between valuations. Based on the information provided, changes in status due to retirement, disablement, death, and new entrants could be identified. However, information regarding transfers, return to

employment, and data corrections was not available, resulting in *Net Other Terminations* consisting of:

- Active
 - Terminated and left member contributions on deposit
 - Died without a spouse or beneficiary
 - Returned to employment
 - Transferred from one division to another.
- Retired or Disabled
 - Died during the period
 - Returned to employment.
- Terminated Vested
 - Retired or died during the period
 - Returned to employment.

Table 19 illustrates that total plan membership increased during the period.

Table 19
Total Plan Membership Net Change

	<i>Number of Members</i>	<i>Percentage Increase (Decrease)</i>
Active	+ 436	+ 1.4%
Retired	+ 678	+ 4.2
Surviving Spouses	+ 83	+ 1.2
Other Beneficiaries	+ 67	+ 7.3
Disabled	+ 212	+ 4.3
Terminated Vested	+ 165	+32.9

Table 21 breaks down active members' payroll and nonactive members' benefit payments.

Table 20

Reconciliation of Included Members

	1967 Plan			Plan 87				
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total
Active Members								
Active, July 1, 1991	19,378	5,207	2,139	1,971	17	1,310	229	30,251
New Entrants and Rehires	+ 2,158	+ 26	+ 3	+ 654	+ 8	+ 221	+ 84	+ 3,154
Transfers In	+ 572	+ 24	+ 12	+ 7	+ 2	0	+ 7	+ 624
Transfers Out	- 45	- 1	- 1	- 570	- 1	- 6	0	- 624
Separations from Active Service								
Refunded Contributions	- 274	- 6	- 1	- 183	0	- 7	- 7	- 478
Terminated Vested	- 22	- 1	0	- 1	0	0	0	- 24
Became Disabled	- 144	- 93	- 48	0	0	- 4	0	- 289
Died	0	- 1	0	0	0	0	0	- 1
Retired	- 700	- 263	- 171	- 3	- 3	0	0	- 1,140
Net Other Terminations ^a	- 579	- 25	- 15	- 136	- 1	- 23	- 7	- 786
Active, July 1, 1992	20,344	4,867	1,918	1,739	22	1,491	306	30,687
Retired Members								
Retired as of July 1, 1991	10,430	4,088	1,585	0	0	0	0	16,103
New Retirees	+ 709	+ 272	+ 171	0	0	0	0	+ 1,152
Net Other Terminations	- 321	- 75	- 78	0	0	0	0	- 474
Retired, July 1, 1992	10,818	4,285	1,678	0	0	0	0	16,781
Surviving Spouses								
Receiving Benefit, July 1, 1991	3,934	1,791	937	0	0	0	0	6,662
New Spouses	+ 10	+ 3	+ 1	0	0	0	0	+ 14
Net Other Terminations	+ 65	0	+ 4	0	0	0	0	+ 69
Receiving Benefit, July 1, 1992	4,009	1,794	942	0	0	0	0	6,745

a. Includes terminations who left employee contributions on deposit, and deaths without continuing benefits to beneficiaries.

Table 20 (Continued)

Reconciliation of Included Members

	1967 Plan			Plan 87					Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire		
Other Beneficiaries									
Receiving Benefit, July 1, 1991	734	149	36	0	0	0	0	919	
New Beneficiaries	0	0	0	0	0	0	0	0	
Net Other Terminations	+ 53	+ 13	+ 1	— 0	— 0	— 0	— 0	+ 67	
Receiving Benefit, July 1, 1992	787	162	37	0	0	0	0	986	
Disabled Members									
Disabled, July 1, 1991	2,039	2,346	579	0	0	0	0	4,964	
New Disabilities	+ 144	+ 97	+ 48	0	0	0	0	+ 289	
Net Other Terminations	— 42	— 42	+ 7	— 0	— 0	— 0	— 0	— 77	
Disabled, July 1, 1992	2,141	2,401	634	0	0	0	0	5,176	
Terminated Vested Members									
Terminated Vested, July 1, 1991	414	75	12	0	0	0	0	501	
New Vested Terminations	+ 23	+ 1	0	0	0	0	0	+ 24	
Net Other Terminations	+ 127	+ 13	+ 1	— 0	— 0	— 0	— 0	+ 141	
Terminated Vested, July 1, 1992	564	89	13	0	0	0	0	666	

Table 21
Summary of Annual Payroll and Annual Benefits
(Thousands)

	<u>1967 Plan</u>			<u>Plan 87</u>			<u>Total</u>
	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>	<u>Municipal</u>	<u>Elected</u>	<u>Police</u>	
Active Members							
Active as of July 1, 1991	\$582,580	\$194,897	\$79,897	\$54,825	\$ 735	\$42,412	\$ 962,921
New Entrants and Pay Increases	<u>48,131</u>	<u>(12,420)</u>	<u>(8,411)</u>	<u>(6,667)</u>	<u>764</u>	<u>6,596</u>	<u>30,397</u>
Active as of July 1, 1992	\$630,711	\$182,477	\$71,486	\$48,158	\$1,499	\$49,008	\$ 993,318
Retired Members							
Retired as of July 1, 1991	\$102,044	\$ 61,433	\$23,276	\$ 0	\$ 0	\$ 0	\$186,753
Net New Retirees	<u>9,788</u>	<u>5,972</u>	<u>3,831</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>19,591</u>
Retired as of July 1, 1992	\$111,832	\$ 67,405	\$27,107	\$ 0	\$ 0	\$ 0	\$206,343
Surviving Spouses							
Receiving Benefit as of July 1, 1991	\$ 14,222	\$ 8,599	\$ 4,293	\$ 0	\$ 0	\$ 0	\$ 27,114
Net New Spouses	<u>964</u>	<u>217</u>	<u>65</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,246</u>
Receiving Benefit as of July 1, 1992	\$ 15,186	\$ 8,816	\$ 4,358	\$ 0	\$ 0	\$ 0	\$ 28,360
Other Beneficiaries							
Receiving Benefit as of July 1, 1991	\$ 2,464	\$ 596	\$ 174	\$ 0	\$ 0	\$ 0	\$ 3,234
Net New Beneficiaries	<u>395</u>	<u>130</u>	<u>24</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>550</u>
Receiving Benefit as of July 1, 1992	\$ 2,859	\$ 726	\$ 198	\$ 0	\$ 0	\$ 0	\$ 3,784

Table 21 (Continued)
Summary of Annual Payroll and Annual Benefits
(Thousands)

	<u>1967 Plan</u>			<u>Plan 87</u>			<u>Total</u>
	<u>Municipal</u>	<u>Police</u>	<u>Fire</u>	<u>Municipal</u>	<u>Elected</u>	<u>Police</u>	
Disabled Members							
Disabled as of July 1, 1991	\$ 19,201	\$ 31,213	\$ 8,280	\$ 0	\$ 0	\$ 0	\$ 58,694
Net New Disabilities	<u>2,084</u>	<u>1,849</u>	<u>1,285</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,219</u>
Disabled as of July 1, 1992	\$ 21,285	\$ 33,062	\$ 9,566	\$ 0	\$ 0	\$ 0	\$ 63,913
Terminated Vested Members							
Terminated Vested as of July 1, 1991	\$ 3,620	\$ 610	\$ 82	\$ 0	\$ 0	\$ 0	\$ 4,312
New Vested Terminations	<u>1,762</u>	<u>177</u>	<u>12</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,951</u>
Terminated Vested as of July 1, 1992	\$ 5,382	\$ 787	\$ 94	\$ 0	\$ 0	\$ 0	\$ 6,263

A distribution of the active employees' annual earnings for each division by age and service group as of July 1, 1992 is presented in Tables 22 through 42.

A distribution of terminated vested members by age and monthly pension is shown in Table 43. Tables 44, 45, and 46 present distributions of the 1967 Plan municipal division retired and disabled members by number of members, total monthly pensions, and the average monthly pension. This information is shown separately for members retiring before and after July 1, 1991. Similarly, Tables 47 through 52 show this information for retired and disabled police and fire members respectively.

Table 22

Municipal (1967 Plan) Annual Earnings by Age Groups
(Dollars in Thousands)

Age Group	M a l e			F e m a l e			A l l		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number Of People	Total Annual Earnings	Average Annual Earnings	Number Of People	Total Annual Earnings	Average Annual Earnings
0-19	7	122	17	5	82	16	12	204	17
20-24	193	4,833	25	170	3,619	21	363	8,452	23
25-29	702	19,587	28	605	14,604	24	1,307	34,191	26
30-34	1,478	46,229	31	1,093	28,888	26	2,571	75,117	29
35-39	1,924	64,258	33	1,363	36,983	27	3,287	101,242	31
40-44	2,457	86,283	35	1,552	44,211	28	4,009	130,494	33
45-49	1,987	72,783	37	1,393	40,192	29	3,380	112,975	33
50-54	1,478	52,257	35	1,153	31,064	27	2,631	83,322	32
55-59	916	31,898	35	666	17,639	26	1,582	49,537	31
60-64	498	16,614	33	348	8,885	26	846	25,499	30
65-69	115	3,711	32	116	2,806	24	231	6,517	28
70-74	44	1,369	31	39	783	20	83	2,152	26
75-79	17	476	28	12	240	20	29	715	25
80-84	5	195	39	4	56	14	9	251	28
85+	2	10	5	2	33	17	4	44	11
TOTAL	11,823	400,625	34	8,521	230,086	27	20,344	630,711	31

Note: Age represents attained age

Table 23
Municipal (1967 Plan) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	M a l e			F e m a l e			A l l		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0	371	9,030	24	343	6,465	19	714	15,495	22
1	429	10,688	25	245	5,401	22	674	16,089	24
2	639	18,398	29	702	15,452	22	1,341	33,850	25
3	559	15,982	29	705	14,710	21	1,264	30,692	24
4	711	21,007	30	568	13,822	24	1,279	34,828	27
5	607	18,695	31	600	15,784	26	1,207	34,479	29
6-10	2,350	76,832	33	1,823	51,073	28	4,173	127,905	31
11-15	1,841	66,323	36	1,042	31,484	30	2,883	97,807	34
16-20	2,159	79,751	37	1,024	30,583	30	3,183	110,333	35
21-25	1,286	48,974	38	788	23,891	30	2,074	72,865	35
26-30	609	24,128	40	377	12,097	32	986	36,224	37
31+	262	10,819	41	304	9,325	31	566	20,144	36
TOTAL	11,823	400,625	34	8,521	230,086	27	20,344	630,711	31

Note: Age represents attained age

Table 24

Municipal (1967 Plan) Service Groups by Age Groups

Age Group	Service Group						6-10	11-15	OVER	TOTAL
	0	1	2	3	4	5				
Male										
0-19	4	2	0	0	0	1	0	0	0	7
20-24	51	38	59	28	8	4	5	0	0	193
25-29	65	83	141	107	112	73	110	11	0	702
30-34	63	92	136	134	167	167	559	156	4	1,478
35-39	63	81	130	96	143	119	540	504	248	1,924
40-44	57	57	72	64	111	91	430	457	1,118	2,457
45-49	31	34	40	52	76	60	256	297	1,141	1,987
50-54	19	26	31	37	44	45	154	176	946	1,478
55-59	15	11	18	24	25	24	132	123	544	916
60-64	3	3	9	12	14	16	118	84	239	498
65-69	0	2	2	4	9	5	28	19	46	115
70-74	0	0	0	1	0	2	15	10	16	44
75-79	0	0	1	0	0	0	2	3	11	17
80-84	0	0	0	0	1	0	0	1	3	5
85+	0	0	0	0	1	0	1	0	0	2
TOTAL	371	429	639	559	711	607	2,350	1,841	4,316	11,823
Female										
0-19	3	2	0	0	0	0	0	0	0	5
20-24	46	14	45	41	14	8	2	0	0	170
25-29	58	39	124	99	67	81	128	9	0	605
30-34	82	48	144	122	116	118	321	134	8	1,093
35-39	55	49	136	129	120	128	344	191	211	1,363
40-44	40	44	102	116	86	117	348	223	476	1,552
45-49	22	18	72	92	71	66	269	158	625	1,393
50-54	18	18	41	50	55	31	168	141	631	1,153
55-59	11	10	26	32	24	23	129	87	324	666
60-64	8	1	9	13	12	24	69	66	146	348
65-69	0	1	2	7	2	3	34	20	47	116
70-74	0	1	1	2	0	1	7	7	20	39
75-79	0	0	0	1	1	0	3	3	4	12
80-84	0	0	0	0	0	0	0	3	1	4
85+	0	0	0	1	0	0	1	0	0	2
TOTAL	343	245	702	705	568	600	1,823	1,042	2,493	8,521

Note: Age represents attained age

Table 25

Police (1967 Plan) Annual Earnings by Age Group
(Dollars in Thousands)

Age Group	M a l e			F e m a l e			A l l		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0-19	0	0	0	0	0	0	0	0	0
20-24	3	95	32	1	34	34	4	130	32
25-29	117	4,083	35	46	1,579	34	163	5,662	35
30-34	536	19,300	36	158	5,568	35	694	24,868	36
35-39	843	31,145	37	206	7,346	36	1,049	38,491	37
40-44	1,257	47,581	38	170	6,106	36	1,427	53,687	38
45-49	950	36,606	39	51	1,853	36	1,001	38,459	38
50-54	367	14,470	39	7	267	38	374	14,737	39
55-59	112	4,618	41	0	0	0	112	4,618	41
60-64	36	1,522	42	0	0	0	36	1,522	42
65-69	7	302	43	0	0	0	7	302	43
70-74	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0
85 +	0	0	0	0	0	0	0	0	0
TOTAL	4,228	159,723	38	639	22,754	36	4,867	182,477	37

Note: Age represents attained age

Table 26

Police (1967 Plan) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	Number of People	Total Annual Earnings	Male		Female		All		
			Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0	2	62	31	1	30	30	3	92	31
1	1	31	31	1	30	30	2	61	30
2	9	285	32	3	97	32	12	382	32
3	14	477	34	11	369	34	25	846	34
4	108	3,754	35	45	1,544	34	153	5,298	35
5	190	6,619	35	116	4,028	35	306	10,647	35
6-10	643	23,034	36	248	8,773	35	891	31,807	36
11-15	804	29,924	37	123	4,447	36	927	34,372	37
16-20	885	33,322	38	74	2,792	38	959	36,114	38
21-25	1,117	43,172	39	15	565	38	1,132	43,737	39
26-30	372	15,086	41	2	80	40	374	15,166	41
31+	83	3,956	48	0	0	0	83	3,956	48
TOTAL	4,228	159,723	38	639	22,754	36	4,867	182,477	37

Note: Age represents attained age

Table 27

Police (1967 Plan) Service Groups by Age Groups

Age Group	0	1	2	3	Service Group	4	5	6-10	11-15	Over	Total
	Male										
0-19	0	0	0	0	0	0	0	0	0	0	0
20-24	1	0	0	1	0	1	0	0	0	0	3
25-29	1	1	8	5	22	36	42	2	0	0	117
30-34	0	0	0	4	50	95	285	102	0	0	536
35-39	0	0	1	4	24	38	217	402	157	0	843
40-44	0	0	0	0	10	19	91	219	918	1,257	1,257
45-49	0	0	0	0	0	2	7	74	5	867	950
50-54	0	0	0	0	0	0	0	0	362	367	367
55-59	0	0	0	0	1	0	0	0	111	112	112
60-64	0	0	0	0	1	0	0	0	35	36	36
65-69	0	0	0	0	0	0	0	0	7	7	7
70-74	0	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0	0
TOTAL	2	1	9	14	108	190	643	804	2,457	4,228	4,228
	Female										
0-19	0	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	1	0	0	0	0	0	1
25-29	0	1	3	3	6	17	16	0	0	0	46
30-34	0	0	0	5	15	32	82	24	0	0	158
35-39	0	0	0	1	10	40	83	47	25	0	206
40-44	1	0	0	2	13	25	59	32	38	25	170
45-49	0	0	0	0	0	2	8	19	22	6	51
50-54	0	0	0	0	0	0	0	1	0	0	7
55-59	0	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0	0
TOTAL	1	1	3	11	45	116	248	123	91	639	639

Note: Age represents attained age

Table 28

Fire (1967 Plan) Annual Earnings by Age Groups
(Dollars in Thousands)

Age Group	M a l e			F e m a l e			A l l		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0-19	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0
25-29	15	515	34	0	0	0	15	515	34
30-34	157	5,454	35	0	0	0	157	5,454	35
35-39	337	12,251	36	1	35	35	338	12,286	36
40-44	684	25,445	37	0	0	0	684	25,445	37
45-49	501	19,134	38	0	0	0	501	19,134	38
50-54	183	7,100	39	0	0	0	183	7,100	39
55-59	36	1,398	39	0	0	0	36	1,398	39
60-64	3	108	36	0	0	0	3	108	36
65-69	1	46	46	0	0	0	1	46	46
70-74	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0
TOTAL	1,917	71,451	37	1	35	35	1,918	71,486	37

Note: Age represents attained age

Table 29

Fire (1967 Plan) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	Number of People	Total Annual Earnings	M a l e		F e m a l e		A l l	
			Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings
0	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0
2	0	0	0	0	0	0	0	0
3	2	67	34	0	0	0	2	67
4	30	1,027	34	0	0	0	30	1,027
5	45	1,558	35	0	0	0	45	1,558
6-10	304	10,615	35	1	35	35	305	10,650
11-15	280	10,172	36	0	0	0	280	10,172
16-20	608	22,829	38	0	0	0	608	22,829
21-25	422	16,030	38	0	0	0	422	16,030
26-30	181	7,264	40	0	0	0	181	7,264
31+	45	1,888	42	0	0	0	45	1,888
TOTAL	1,917	71,451	37	1	35	35	1,918	71,486

Note: Age represents attained age

Fire (1967 Plan) Service Groups by Age Groups

Note: Age represents attained age

Table 31

Municipal (Plan 87) Annual Earnings by Age Groups
(Dollars in Thousands)

Age Group	M a l e			F e m a l e			A l l		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0-19	0	0	0	0	0	0	0	0	0
20-24	44	992	23	69	1,449	21	113	2,441	22
25-29	167	4,688	28	218	5,868	27	385	10,556	27
30-34	154	4,876	32	159	4,445	28	313	9,321	30
35-39	108	3,700	34	132	3,692	28	240	7,392	31
40-44	90	3,240	36	108	3,279	30	198	6,520	33
45-49	58	2,001	35	92	2,618	28	150	4,619	31
50-54	44	1,842	42	54	1,367	25	98	3,210	33
55-59	30	891	30	52	869	17	82	1,760	21
60-64	28	804	29	40	550	14	68	1,354	20
65-69	14	286	20	28	212	8	42	498	12
70-74	8	141	18	30	123	4	38	264	7
75-79	4	191	48	4	18	5	8	209	26
80-84	0	0	0	4	15	4	4	15	4
85+	0	0	0	0	0	0	0	0	0
TOTAL	749	23,653	32	990	24,505	25	1,739	48,158	28

Note: Age represents attained age

Table 32
Municipal (Plan 87) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	Number of People	M a l e			F e m a l e			A l l		
		Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	
0	173	6,480	37	209	5,809	28	382	12,378	32	
1	87	2,289	26	110	2,406	22	197	4,695	24	
2	148	4,268	29	224	5,155	23	372	9,423	25	
3	138	3,963	29	168	3,659	22	306	7,622	25	
4	125	2,251	38	80	4,594	27	302	8,228	27	
5	59	3,634	44	15	2,154	28	139	4,405	32	
6-10	10	2,251	40	4	120	30	25	812	32	
11-15	5	397	37	3	104	35	9	342	38	
16-20	3	222	0	0	0	0	6	213	36	
21-25	0	110	0	0	0	0	0	0	0	
26-30	1	40	0	0	0	0	1	40	40	
31+	0	0	0	0	0	0	0	0	0	
TOTAL	749	23,653	32	990	24,505	25	1,739	48,158	28	

Note: Age represents attained age

Table 33

Municipal (Plan 87) Service Groups by Age Groups

Service Group	0	1	2	3	4	5	6-10	11-15	Over	Total
M a l e										
0-19	0	0	0	0	0	0	0	0	0	0
20-24	17	3	11	6	4	2	1	0	0	44
25-29	41	29	35	31	22	7	2	0	0	167
30-34	36	14	38	30	20	14	2	0	0	154
35-39	24	11	17	18	20	13	1	3	1	108
40-44	17	10	14	19	22	5	1	2	0	90
45-49	13	11	8	5	13	6	1	0	1	58
50-54	9	4	9	8	7	6	0	0	1	44
55-59	8	1	6	7	5	2	0	0	1	30
60-64	6	2	6	5	6	1	0	0	1	28
65-69	2	1	1	5	3	2	2	0	0	14
70-74	0	1	2	2	3	0	0	0	0	8
75-79	0	0	1	2	0	1	0	0	0	4
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0
TOTAL	173	87	148	138	125	59	10	5	4	749
F e m a l e										
0-19	0	0	0	0	0	0	0	0	0	0
20-24	14	10	24	12	4	4	1	0	0	69
25-29	60	36	61	28	25	8	0	0	0	218
30-34	29	17	30	29	35	17	2	0	0	159
35-39	31	12	24	24	25	13	2	1	0	132
40-44	25	7	23	15	23	14	0	0	1	108
45-49	18	5	18	13	22	13	2	0	1	92
50-54	6	4	14	11	13	4	0	2	0	54
55-59	11	5	12	8	9	3	2	1	1	52
60-64	12	5	2	8	7	3	3	0	0	40
65-69	2	7	8	7	3	0	1	0	0	28
70-74	1	2	4	10	11	1	1	0	0	30
75-79	0	0	1	3	0	0	0	0	0	4
80-84	0	0	3	0	0	0	0	0	0	4
85+	0	0	0	0	0	0	1	0	0	4
TOTAL	209	110	224	168	177	80	15	4	3	990

Note: Age represents attained age

Table 34
Elected (Plan 87) Annual Earnings by Age Group
(Dollars in Thousands)

Age Group	M a l e			F e m a l e			A l l		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0-19	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0
30-34	1	65	65	0	0	0	0	0	0
35-39	1	65	65	0	0	0	1	65	65
40-44	4	267	67	0	0	0	1	65	65
45-49	4	315	79	1	0	0	4	267	67
50-54	0	0	0	2	65	65	5	380	76
55-59	1	65	65	4	130	65	2	130	65
60-64	0	0	0	2	263	66	5	328	66
65-69	0	0	0	2	135	68	2	135	68
70-74	1	65	65	0	0	0	0	0	0
75-79	1	65	65	0	0	0	1	65	65
80-84	0	0	0	0	0	0	1	65	65
85+	0	0	0	0	0	0	0	0	0
TOTAL	13	907	70	9	593	66	22	1,499	68

Note: Age represents attained age

Table 35
Elected (Plan 87) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	M a i l e		F e m a l e		A l l	
	Number of People	Total Annual Earnings	Number of People	Total Annual Earnings	Number of People	Total Annual Earnings
0	4	260	2	130	6	390
1	0	0	0	0	0	0
2	1	70	0	0	1	0
3	0	0	0	0	1	70
4	0	0	0	0	0	0
5	0	0	0	0	0	0
6-10	2	130	0	0	0	0
11-15	4	130	1	65	3	195
16-20	4	315	4	262	8	577
21-25	1	67	1	68	2	135
26-30	1	65	0	0	1	65
31+	0	0	0	0	0	0
TOTAL	13	907	9	593	22	1,499

Note: Age represents attained age

Table 36

Elected (Plan 87) Service Groups by Age Groups

Age Group	0	1	2	3	4	5	6-10	11-15	Over	Total
0-19	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0
30-34	1	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0
40-44	1	0	0	0	0	0	1	0	0	1
45-49	1	0	0	0	0	0	0	1	0	1
50-54	0	0	0	0	0	0	0	2	1	4
55-59	1	0	0	0	0	0	0	0	1	4
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	1	0	0	1
80-84	0	0	0	0	0	0	0	1	0	1
85+	0	0	0	0	0	0	0	0	0	0
TOTAL	4	0	1	0	0	0	2	4	2	13

Age Group	0	1	2	3	4	5	6-10	11-15	Over	Total
0-19	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0	0	0
50-54	1	0	0	0	0	0	0	1	0	1
55-59	1	0	0	0	0	0	1	0	0	2
60-64	0	0	0	0	0	0	0	2	1	4
65-69	0	0	0	0	0	0	0	1	1	2
70-74	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0
TOTAL	2	0	0	0	0	0	1	4	2	9

Note: Age represents attained age

Table 37
Police (Plan 87) Annual Earnings by Age Groups
(Dollars in Thousands)

Age Group	M a l e		F e m a l e		A l l	
	Number of People	Total Annual Earnings	Number of People	Total Annual Earnings	Number of People	Total Annual Earnings
0-19	0	0	0	0	0	0
20-24	294	9,554	70	2,270	364	11,824
25-29	471	15,482	130	4,294	601	19,776
30-34	244	8,055	80	2,645	324	10,700
35-39	98	3,259	87	2,880	185	6,139
40-44	4	133	12	401	16	533
45-49	1	35	0	0	1	35
50-54	0	0	0	0	0	0
55-59	0	0	0	0	0	0
60-64	0	0	0	0	0	0
65-69	0	0	0	0	0	0
70-74	0	0	0	0	0	0
75-79	0	0	0	0	0	0
80-84	0	0	0	0	0	0
85+	0	0	0	0	0	0
TOTAL	1,112	36,518	379	12,490	1,491	49,008
		33		33		33

Note: Age represents attained age

Table 38
Police (Plus ST) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	Number of People	M a l e			F e m a l e			A l l		
		Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People
0	157	4,801	31	48	1,459	30	205	6,259	31	
1	97	3,143	32	39	1,265	32	136	4,408	32	
2	596	19,635	33	171	5,640	33	767	25,280	33	
3	255	8,701	34	117	3,992	34	372	12,688	34	
4	2	67	33	2	67	33	4	134	33	
5	1	33	33	0	0	0	1	33	33	
6-10	2	68	34	2	68	34	4	136	34	
11-15	1	34	34	0	0	0	1	34	34	
16-20	1	35	35	0	0	0	1	35	35	
21-25	0	0	0	0	0	0	0	0	0	
26-30	0	0	0	0	0	0	0	0	0	
31+	0	0	0	0	0	0	0	0	0	
TOTAL	1,112	36,518	33	379	12,490	33	1,491	49,008	33	

Note: Age represents attained age

Table 39

Police (Plan 87) Service Groups by Age Groups

Age Group	0	1	2	3	Service Group					6-10	11-15	Over	Total
					4	5							
	Male												
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	57	37	160	40	0	0	0	0	0	0	0	0	294
25-29	68	42	240	119	2	0	0	0	0	0	0	0	471
30-34	26	13	138	64	0	1	0	2	0	0	0	0	244
35-39	6	5	55	31	0	0	0	0	0	1	0	0	98
40-44	0	0	3	1	0	0	0	0	0	0	0	1	4
45-49	0	0	0	0	0	0	0	0	0	0	0	0	1
50-54	0	0	0	0	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	157	97	596	255	2	1		2		1		1	1,112
	Female												
0-19	0	0	0	0	0	0	0	0	0	0	0	0	0
20-24	11	13	38	8	0	0	0	0	0	0	0	0	70
25-29	20	12	43	54	1	0	0	0	0	0	0	0	130
30-34	10	6	39	23	1	0	0	1	0	0	0	0	80
35-39	6	8	47	25	0	0	0	1	0	0	0	0	87
40-44	1	0	4	7	0	0	0	0	0	0	0	0	12
45-49	0	0	0	0	0	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	48	39	171	117	2	0		2		0		0	379

Note: Age represents attained age

Table 40
Fire (Plan 87) Annual Earnings by Age Groups
(Dollars in Thousands)

Age Group	Male			Female			All		
	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings
0-19	0	0	0	0	0	0	0	0	0
20-24	22	695	32	0	0	0	22	695	32
25-29	96	3,078	32	6	198	33	102	3,277	32
30-34	105	3,440	33	4	135	34	109	3,575	33
35-39	58	1,923	33	1	33	33	59	1,956	33
40-44	11	370	34	0	0	0	11	370	34
45-49	3	106	35	0	0	0	3	106	35
50-54	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0
TOTAL	295	9,613	33	11	367	33	306	9,979	33

Note: Age represents attained age

Table 4)
Fire (Plan 87) Annual Earnings by Service Groups
(Dollars in Thousands)

Service Group	Number of People	Total Annual Earnings	M a l e		F e m a l e		A l l	
			Average Annual Earnings	Number of People	Total Annual Earnings	Average Annual Earnings	Number of People	Total Annual Earnings
0	78	2,321	30	1	30	30	79	2,351
1	33	1,090	33	2	66	33	35	1,156
2	87	2,893	33	5	169	34	92	3,062
3	93	3,179	34	3	101	34	96	3,280
4	1	30	30	0	0	0	1	30
5	1	31	31	0	0	0	1	31
6-10	1	35	35	0	0	0	1	35
11-15	0	0	0	0	0	0	0	0
16-20	1	34	34	0	0	0	1	34
21-25	0	0	0	0	0	0	0	0
26-30	0	0	0	0	0	0	0	0
31+	0	0	0	0	0	0	0	0
TOTAL	295	9,613	33	11	367	33	306	9,979

Note: Age represents attained age

Table 42

Fire (Plan 87) Service Groups by Age Groups

Age Group	0	1	2	3	Service Group 4	5	6-10	11-15	Over	Total
0-19	0	0	0	0	0	0	0	0	0	0
20-24	11	8	1	2	0	0	0	0	0	22
25-29	37	13	29	16	1	0	0	0	0	96
30-34	25	7	34	38	0	0	0	0	0	105
35-39	5	4	18	29	0	0	0	0	0	58
40-44	0	0	4	7	0	0	1	0	1	11
45-49	0	1	1	1	0	0	0	0	0	3
50-54	0	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0
TOTAL	78	33	87	93	1	1	1	0	1	295

	Female									
0-19	0	0	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0	0	0
25-29	1	1	4	0	0	0	0	0	0	6
30-34	0	0	1	3	0	0	0	0	0	4
35-39	0	1	0	0	0	0	0	0	0	1
40-44	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	0	0	0	0
55-59	0	0	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0	0	0
65-69	0	0	0	0	0	0	0	0	0	0
70-74	0	0	0	0	0	0	0	0	0	0
75-79	0	0	0	0	0	0	0	0	0	0
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0
TOTAL	1	2	5	3	0	0	0	0	0	11

Note: Age represents attained age

Table 43

Terminated Vested (1967 Plan) Members, July 1, 1992

Age	Municipal Members		Police Members		Fire Members		Monthly Pension
	Lives	Monthly Pension	Lives	Monthly Pension	Lives		
Under 40	71	\$ 50,327	20	\$14,044	3		\$1,724
40-44	144	118,454	59	45,834	8		4,802
45-49	166	146,579	5	2,326	1		833
50-54	152	121,971	4	2,311	0		0
55-59	12	5,296	0	0	1		502
60-64	4	2,643	0	0	0		0
over 64	15	3,226	1	1,068	0		0
Total	564	\$448,497	89	\$65,583	13		\$7,862

Average Monthly Pension		
Municipal		\$795
Police		\$737
Fire		\$605

Table 44

Number of Disabled and Retired Municipal (1967 Plan) Members, July 1, 1992

Age	Disabled			Number of Lives			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total	Prior	New	Total
UNDER 45	133	42	175	439	34	473	572	76	648			
45-49	152	36	188	131	13	144	283	49	332			
50-54	248	48	296	235	18	253	483	66	549			
55-59	320	21	341	1,094	382	1,476	1,414	403	1,817			
60-64	354	2	356	2,390	300	2,690	2,744	302	3,046			
65-69	361	0	361	2,930	185	3,115	3,291	185	3,476			
70-74	239	0	239	2,767	79	2,846	3,006	79	3,085			
75-79	120	0	120	2,071	43	2,114	2,191	43	2,234			
80-84	48	0	48	1,408	20	1,428	1,456	20	1,476			
OVER 84	17	0	17	1,047	28	1,075	1,064	28	1,092			
TOTAL	1,992	149	2,141	14,512	1,102	15,614	16,504	1,251	17,755			

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 45

Total Monthly Pensions of Disabled and Retired Municipal (1967 Plan) Members, July 1, 1992

Age	Disabled			Total Monthly Pension Amounts			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
UNDER 45	144,979.63	56,050.98	201,030.61	124,968.76	14,871.89	139,840.65	269,948.39	70,922.87	340,871.26
45-49	160,038.09	45,895.37	205,933.46	51,594.86	10,488.99	62,083.85	211,632.95	56,384.36	268,017.31
50-54	229,172.26	59,933.50	289,105.76	128,391.32	12,356.18	140,747.50	357,563.58	72,289.68	429,853.26
55-59	280,981.61	28,589.43	309,571.04	1,135,648.55	552,783.44	1,688,431.99	1,416,630.16	581,372.87	1,998,003.03
60-64	267,769.24	2,370.08	270,139.32	2,428,054.60	360,975.59	2,789,030.19	2,695,823.84	363,345.67	3,059,169.51
65-69	249,073.37	0.00	249,073.37	2,388,207.47	162,365.12	2,550,572.59	2,637,280.84	162,365.12	2,799,645.96
70-74	148,369.33	0.00	148,369.33	1,657,587.12	54,045.41	1,711,632.53	1,805,956.45	54,045.41	1,860,001.86
75-79	68,838.78	0.00	68,838.78	916,845.38	25,028.49	941,873.87	985,684.16	25,028.49	1,010,712.65
80-84	25,089.67	0.00	25,089.67	482,178.35	7,541.73	489,720.08	507,268.02	7,541.73	514,809.75
OVER 84	6,620.35	0.00	6,620.35	300,224.71	8,868.91	309,093.62	306,845.06	8,868.91	315,713.97
TOTAL	1,580,932.33	192,839.36	1,773,771.69	9,613,701.12	1,209,325.75	10,823,026.87	11,194,633.45	1,402,165.11	12,596,798.56

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 46

Average Monthly Pension of Disabled and Retired Municipal (1967 Plan) Members, July 1, 1992

Age	Disabled			Average Monthly Pension Amounts					
	Prior	New	Total	Retired			Total		
				Prior	New	Total	Prior	New	Total
UNDER 45	1,090.07	1,334.55	1,148.75	284.67	437.41	295.65	471.94	933.20	526.04
45-49	1,052.88	1,274.87	1,095.39	393.85	806.85	431.14	747.82	1,150.70	807.28
50-54	924.08	1,248.61	976.71	546.35	686.45	556.31	740.30	1,095.30	782.97
55-59	878.07	1,361.40	907.83	1,038.07	1,447.08	1,143.92	1,001.86	1,442.61	1,099.62
60-64	756.41	1,185.04	758.82	1,015.92	1,203.25	1,036.81	982.44	1,203.13	1,004.32
65-69	689.95	0.00	689.95	815.09	877.65	818.80	801.36	877.65	805.42
70-74	620.79	0.00	620.79	599.06	684.12	601.42	600.78	684.12	602.92
75-79	573.66	0.00	573.66	442.71	582.06	445.54	449.88	582.06	452.42
80-84	522.70	0.00	522.70	342.46	377.09	342.94	348.40	377.09	348.79
OVER 84	389.43	0.00	389.43	286.75	316.75	287.53	288.39	316.75	289.12
TOTAL	793.64	1,294.22	828.48	662.47	1,097.39	693.16	678.30	1,120.84	709.48

Note: Prior indicates lives whose benefit payments commenced more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 47

Number of Disabled and Retired Police (1967 Plan) Members, July 1, 1992

Age	Disabled			Number of Lives			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total	Prior	New	Total
UNDER 45	403	57	460	138	9	147	541	66	607			
45-49	452	30	482	551	175	726	1,003	205	1,208			
50-54	340	6	346	965	89	1,054	1,305	95	1,400			
55-59	291	3	294	914	41	955	1,205	44	1,249			
60-64	331	3	334	953	21	974	1,284	24	1,308			
65-69	268	1	269	622	18	640	890	19	909			
70-74	108	0	108	402	5	407	510	5	515			
75-79	76	0	76	515	12	527	591	12	603			
80-84	22	0	22	363	5	368	385	5	390			
OVER 84	10	0	10	434	9	443	444	9	453			
TOTAL	2,301	100	2,401	5,857	384	6,241	8,158	484	8,642			

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 48

Total Monthly Pensions of Disabled and Retired Police (1967 Plan) Members, July 1, 1992

Age	Disabled			Total Monthly Pension Amounts			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
UNDER 45	631,861.12	106,497.30	738,358.42	71,945.04	8,220.10	80,165.14	703,806.16	114,717.40	818,523.56
45-49	601,239.27	60,661.22	661,900.49	731,955.10	303,517.87	1,035,472.97	1,333,194.37	364,179.09	1,697,373.46
50-54	374,203.44	12,084.88	386,288.32	1,247,622.67	175,208.75	1,422,831.42	1,621,826.11	187,293.63	1,809,119.74
55-59	276,066.44	5,908.24	281,974.68	1,094,840.67	79,134.29	1,173,974.96	1,370,907.11	85,042.53	1,455,949.64
60-64	280,976.20	8,314.08	289,290.28	1,083,818.53	42,954.89	1,126,773.42	1,364,794.73	51,268.97	1,416,063.70
65-69	224,167.77	3,237.53	227,405.30	663,063.86	27,897.72	690,961.58	887,231.63	31,135.25	918,366.88
70-74	87,999.49	0.00	87,999.49	262,548.04	1,968.15	264,516.19	350,547.53	1,968.15	352,515.68
75-79	59,562.73	0.00	59,562.73	281,081.36	4,898.09	285,979.45	340,644.09	4,898.09	345,542.18
80-84	15,346.09	0.00	15,346.09	155,115.12	1,375.00	156,490.12	170,461.21	1,375.00	171,836.21
OVER 84	7,000.00	0.00	7,000.00	171,632.90	3,429.77	175,062.67	178,632.90	3,429.77	182,062.67
TOTAL	2,558,422.55	196,703.25	2,755,125.80	5,763,623.29	648,604.63	6,412,227.92	8,322,045.84	845,307.88	9,167,353.72

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 58

Allocation of Assets for Valuation Purposes between
Divisions as of June 30, 1992
(Thousands)

	1967 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
1. Assets for Valuation Purposes as of June 30, 1991	\$ 1,021,326	\$ 577,177	\$240,856	\$ 12,761	\$ 350	\$ 11,123	\$ 2,370	\$ 1,865,964
2. Transactions During Period July 1, 1991 - June 30, 1992:								
a. Contributions								
Commonwealth and City	\$ 99,730	\$ 86,387	\$ 29,967	\$ 3,382	\$ 233	\$ 3,322	\$ 673	\$ 223,693
Employees	23,833	11,864	4,845	1,407	122	2,316	449	44,836
Quasi-Public Agencies	4,757	0	0	0	0	0	0	4,757
Transfer and Employee Contributions Receivable ^a	7,669	0	0	(6,632)	0	0	0	1,037
	311	115	32	0	1	0	0	458
b. Miscellaneous Income and Expenses								
c. Pension Benefits	144,589	105,087	37,948	21	59	85	9	287,798
d. Withdrawals	3,120	1,657	460	421	0	40	25	5,723
e. Administrative Expenses ^b	2,533	937	363	135	1	90	16	4,074
f. Net Transactions (a) + (b) - (c) - (d) - (e)	\$ (13,942)	\$ (9,315)	\$ (3,927)	\$ (2,420)	\$ 296	\$ 5,422	\$ 1,072	\$ (22,814)
3. Mean Fund Balance Prior to Allocation of Realized and Unrealized Income (1) + [1/2 x (2f)]	\$ 1,014,356	\$ 572,519	\$238,892	\$ 11,552	\$ 498	\$ 13,834	\$ 2,906	\$ 1,854,557
4. Realized and Unrealized Income for Period July 1, 1991 - June 30, 1992 (allocated in proportion to (3))	\$ 75,827	\$ 42,798	\$ 17,858	\$ 864	\$ 37	\$ 1,034	\$ 217	\$ 138,636
5. Assets for Valuation Purposes as of June 30, 1992 (1) + (2f) + (4)	\$ 1,083,212	\$ 610,660	\$254,787	\$ 11,205	\$ 683	\$ 17,579	\$ 3,659	\$ 1,981,786

Note: Numbers may not add due to rounding.

- a. Includes asset transfer of \$6,632,000 (from Plan M to Plan J) and \$1,037,000 in employee contributions receivable because of plan amendment changing District Council 47 employees from Plan M to Plan J.
- b. Allocated in proportion to the number of active and nonactive members in each division as of July 1, 1991.

5. Salient Features of the Retirement System

1967 PLAN		
	MUNICIPAL (PLAN J)	UNIFORMED (PLANS D AND X)
Participation	Full-time employees participate on their date of employment. Temporary employees participate after completing six months employment. Participation is limited to employees hired before January 8, 1987. District Council 33 members continue to be Plan participants regardless of hire date. Current District Council 47 members hired after January 8, 1987 were switched from Plan 87 to 1967 Plan effective on their hire dates.	Same as municipal.
Credited Service	Credited service means the period of employment with the City during which the employee makes contributions to the Retirement System. Certain leaves of absence may also be credited.	Same as municipal.
Total Compensation	<p>Total compensation means:</p> <ul style="list-style-type: none"> • For members represented by AFSCME District Council 33, AFL-CIO or District Council 47, AFL-CIO or employees of the Common Pleas Court, the base rate of pay, longevity payments, and overtime received during a 12-month period • For members who hold an elected office, exempt position or other position not represented by a union, the base rate of pay and longevity payments received during 12-month period. 	Total compensation means the base rate of pay and longevity payments received during a 12-month period.
Final Compensation	Final compensation means the greater of the annual base rate of pay at the time of termination and the total compensation received during the 12 months immediately preceding termination.	Same as municipal.
Average Final Compensation	Average final compensation means:	Average final compensation means the highest of:

1967 PLAN

	MUNICIPAL (PLAN J)	UNIFORMED (PLANS D AND X)
	<ul style="list-style-type: none"> • For members represented by AFSCME District Council 33, AFL-CIO or District Council 47, AFL-CIO or employees of the Common Pleas Court, Municipal Court, or Traffic Court, the arithmetic average of the total compensation received during the three calendar or anniversary years that produces the highest average • For members who hold an elected office, exempt position or other positions not represented by a union, the arithmetic average of the total compensation received during the three calendar or anniversary years that produces the highest average. 	<ul style="list-style-type: none"> • The total compensation received during the 12-month period; or • The annual base rate of pay, excluding longevity payments, calculated from the final pay period; or • The arithmetic average of the total compensation received during five calendar years of employment.
Employee Contributions	<p>Each employee who participates in the Social Security System, contributes 3-3/4% of his total compensation up to the taxable wage base (\$55,500 in 1992 and \$57,600 in 1993) and 6% of his total compensation above the taxable wage base to the Retirement System.</p> <p>Each employee who does not participate in the Social Security System contributes 6% of his total compensation to the Retirement System.</p>	Same as municipal.
Service Retirement		
Eligibility	Each municipal employee is eligible to retire and receive a service pension at age 55.	Each uniformed employee is eligible to retire and receive a service pension at age 45.
Benefit Amount	The service pension equals 2-1/2% of the employee's average final compensation multiplied by his years credited service to a maximum of 20 years plus 2% of the employee's average final compensation multiplied by his years credited service in excess of 20, such sum limited to 80% of the employee's average final compensation.	The service pension equals a 2-1/2% of the employee's average final compensation multiplied by his years credited service, subject to a maximum of 100% of average final compensation.
Deferred Vested Retirement		
Eligibility	A terminating employee who has completed 10 or more years credited service is eligible for a deferred vested retirement benefit.	Same as municipal.

Benefit Amount	Service-Connected Death	Eligibility	Benefit Amount	Ordinary Death
<p>The annual deferred vested benefit is determined the same as service pensions, based on average final compensation and credited service at termination. This benefit begins at his service retirement date. If the member dies before beginning his deferred vested benefit, an ordinary death benefit is payable (see Ordinary Death below).</p> <p>Alternatively, the terminating employee may request any time before benefit commencement to receive a return of employee contributions (without interest) in lieu of the deferred vested benefit.</p>	<p>Each terminating employee who has completed less than 10 years credited service will receive a withdrawal benefit equal to his employee contributions (without interest).</p>	<p>The beneficiary of each active employee who dies solely from the performance of duties of the employee's position with the City is eligible for an immediate death benefit.</p>	<p>The death benefit equals the sum of the total employee contributions paid to the Retirement System, plus a yearly payment of 60% of the employee's final compensation reduced by any death benefit payable under the Workers' Compensation Act.</p>	<p>This benefit is payable to the spouse until her death or remarriage, whichever occurs first. The spouse is entitled to an additional yearly payment of 10% of final compensation for each dependent child (up to two children) until the child reaches age 18.</p> <p>If there is no spouse, or if the spouse dies or remarries, each dependent child (up to three children) is eligible for a 25% of final compensation yearly payment until the child reaches age 18. If there is no spouse or dependent children, each dependent parent is entitled to a 15% of final compensation yearly payment for the remainder of his lifetime.</p>
Same as municipal.	Same as municipal.	Same as municipal.	Same as municipal.	Same as municipal.

MUNICIPAL (PLAN 1)

UNIFORMED (PLANS D AND X)

Eligibility

The beneficiary of an active employee (or a terminated active employee who did not withdraw his vested employee who did not withdraw his while actively employed) (or a terminated active employee of any employee who dies immediately or reaches age 55 is eligible for an immediate death benefit equal to a yearly lump sum payment, whichever the beneficiary chooses.

Annual Pension

The annual ordinary death pension, payable for life, is equal to the regular service pension the employee would have received had he been eligible to retire on the day before he died and elected option 2, (based upon a minimum of 10 years service) had he been eligible to retire on the day before he died and had elected option 2, joint and 100% contingent annuitant (see Survival Benefits below).

Lump Sum Payments

The lump sum payment is equal to 10% of the deceased employee's average final compensation multiplied by his years credited service to a maximum of 10, plus the deceased employee's contributions to the Retirement System, minus the total amount of the deceased employee's city-paid life insurance.

Service-Connected Disability

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An active employee found by the Board of Pensions and Retirement to be mentally or physically performance incapacitated from any further performance of duties due solely to the result of the performance of duties is eligible for an immediate service-connected disability pension.

Benesi: Amours

The service-connected disability benefit is equal to the employee's Retirement System contributions, plus a yearly benefit of 70% of the employee's final compensation, reduced by any disability benefit payable under the Workers' Compensation Act. If the employee leaves his employment contributions with the Retirement System, he may choose a survivor benefit option (see Survival Benefits below) to continue benefit payments after his death. If he elects to receive his employee's contributions, the benefit is payable for his lifetime only.

Ordinary Disability	Eligibility	Benefit Amount	Survivor Benefit
An active employee found by the Board to be mentally or physically permanently incapacitated from the further performance of duties due to an accident or illness not caused by the performance of duties is eligible for an immediate ordinary disability benefit provided he has completed at least 10 years credited service.	An active employee found by the Board to be mentally or physically permanently incapacitated from the further performance of duties due to an accident or illness not caused by the performance of duties is eligible for an immediate ordinary disability benefit provided he has completed at least 5 years credited service and is a fireman. If the disability is permanent and partial and the employee is a policeman, he must have completed at least 10 years credited service. If the disability is permanent and total and the employee is a policeman, there is no service requirement.	The annual ordinary disability benefit is equal to the benefit determined under the service pension formula using average final compensation and credited service as of the date of disablement.	Service pensions, deferred vested benefits, service-connected disability benefits (if employee contributions are left on deposit), and ordinary disability benefits are payable under 4 optional forms. Options 1, 2, and 3 provide benefits actuarially equivalent to a lifetime only pension while option 4 has no reduction.
Option 1 - a benefit is payable to the employee with the provision that upon his death, the beneficiary will receive a lump sum equal to the excess, if any, of the employee's contributions over the sum of the payments received.	Option 2 - a reduced benefit payable to the employee with the provision that 100% of the reduced benefit will be paid to the designated beneficiary for life after the death of the employee.	Option 3 - Same as option 2 except only 50% of the reduced benefit is continued to the designated beneficiary.	

If a uniformed employee dies from the performance of his duties, a service-connected health care benefit may be payable to the surviving spouse and dependent children. Regular payments will be made of the appropriate cost of maintaining medical, dental, optical and pharmaceutical prescription benefits as were in force at the time of the employee's death. Payments to the spouse cease upon remarriage and to dependent children at age 18 (age 22 if full-time student).

Not applicable.

Service-Connected Health Care Benefit

Waiver of Benefit

Any employee at service retirement age with less than 3 but more than 1 year credited service, may waive his right to receive a monthly benefit and in lieu thereof, receive a lump sum payment of twice his employee contributions without interest.

Same as municipal.

Minimum Pension

The monthly minimum pension to a pensioner is equal to \$25 multiplied by the number of the pensioner's completed years of credited service, to a 10 year maximum.

The monthly minimum pension to pensioners is \$500. The monthly minimum pension to all other pensioners is \$440 providing such pension will increase to \$500 at the time the pensioner reaches age 60.

Option 4 - Upon the employee's death, 50% of the benefit will continue to be paid to the surviving spouse for the remainder of her lifetime, provided that the employee and his spouse were married for 2 years before retirement. If there is no eligible spouse at the time the employee dies, or the spouse dies before the full amount of the contributions have been returned, 50% of the benefit is continued to dependent children until age 18, or if no dependent children, payments are given to dependent parents for the remainder of their lives. In addition, option 4 provides for a guaranteed return of employee contributions as described in option 1 above.

MUNICIPAL (PLAN J)

UNIFORMED (PLANS D AND X)

1967 PLAN

PLAN 87 MUNICIPAL (PLAN M) UNIFORMED (PLANS A AND J)

PLAN 87

Participation	Full-time employees participate on their date of employment. Temporary employees participate after completing 6 months employment. Participation is limited to employees hired on or after January 8, 1987. Any members of the 1967 Plan may irrevocably elect to participate in the Plan 87. Current District Council 33 and 47 members do not participate in this Plan.	Same as municipal.	Credited service means the period of employment with the City during which the employee makes contributions to the Retirement System. Certain leaves of absence may also be credited.	Same as municipal.	Total compensation means the base rate of pay and longevity payments received during a 12-month period.	Same as municipal.	Final compensation means the annual base rate of pay at the time of termination, including supplementary compensation received under Civil Service Regulation No. 32.	Average final compensation means the arithmetic average of the total compensation received during the three calendar or anniversary years producing the highest average.	Total employee contributions equal 5% of local compensation, but not less than 30% or greater than 50% of gross normal cost for members in the uniformed division.	Service Retirement	Eligibility	Each municipal employee is eligible to retire and receive a service pension at age 60 and if he has 10 or more years credited service.	The service pension equals the sum of 2% of the employee's average final compensation multiplied by his years credited service.	Benefit Amount	Early Retirement	Eligibility	Each municipal employee is eligible to retire and receive a reduced service pension at age 52 if he has 10 or more years credited service. Alternatively, a member is eligible if he has 33 years credited service, regardless of age.	Each uniformed employee is eligible to retire and receive a reduced service pension at age 40. Alternatively, a member is eligible if he has 25 years credited service, regardless of age.
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PLAN 87

MUNICIPAL (PLAN M)

UNIFORMED (PLANS A AND J)

<i>Benefit Amount</i>	The annual amount is calculated the same as service retirement, reduced by $\frac{1}{4}$ of 1% for each month the employee is younger than his minimum retirement age. Benefits are not reduced if the employee has 33 or more years of credited service.	The annual amount is calculated the same as service retirement, reduced by $\frac{1}{4}$ of 1% for each month the employee is younger than his minimum retirement age. Benefits are not reduced if the employee has 25 or more years of credited service.
Deferred Vested Retirement		
<i>Eligibility</i>	A terminating employee who completed 10 or more years credited service is eligible for a deferred vested retirement benefit provided he has not withdrawn his contributions.	Same as municipal.
<i>Benefit Amount</i>	<p>The annual deferred vested benefit is determined the same as service pensions, based on average final compensation and credited service at termination. This benefit begins at his service retirement date. If the member dies before his deferred vested benefit begins, an ordinary death benefit is payable (see Ordinary Death below).</p> <p>Alternatively, the terminating employee may request at any time before benefits begin a return of employee contributions (without interest) in lieu of the deferred vested benefit.</p>	
Withdrawal Benefit	Each terminating employee who has completed less than 10 years credited service will receive a withdrawal benefit equal to his employee contributions (without interest).	Same as municipal.
Service-Connected Death		
<i>Eligibility</i>	The beneficiary of each active employee who dies solely from the performance of duties of the employee's position with the City is eligible for an immediate death benefit.	Same as municipal.
<i>Benefit Amount</i>	<p>The death benefit equals the sum of the total employee contributions paid to the Retirement System (without interest), plus a yearly payment of 60% of the employee's final compensation reduced by any death benefits payable under the Workers' Compensation Act.</p> <p>This benefit is payable to the spouse until her death or remarriage, whichever occurs first. The spouse is entitled to an additional 10% of final compensation yearly payment for each dependent child (up to two children) until the child reaches age 18. This total benefit shall not exceed 80% of final compensation.</p>	Same as municipal.

PLAN 87

MUNICIPAL (PLAN M)

UNIFORMED (PLANS A AND J)

If there is no spouse, or if the spouse dies or remarries, each dependent child (up to three children) is eligible for a yearly payment of 25% of final compensation until the child reaches age 18. If there is no spouse or dependent children, each dependent parent is entitled to a 15% of final compensation yearly payment for the remainder of his lifetime.

Ordinary Death

Eligibility

The beneficiary of an active employee (or a terminated vested employee who did not withdraw his employee contributions) who dies after completing 10 years credited service or who has reached 60 is eligible for an immediate death benefit equal to an annual pension or a lump sum payment, whichever the beneficiary chooses.

The beneficiary of any employee who dies while actively employed (or a terminated vested employee who did not withdraw his employee contributions) is eligible for a death benefit equal to an annual pension or a lump sum payment, whichever the beneficiary chooses.

The beneficiary of an active employee who dies before completing 10 years credited service or reaching age 60 is eligible for a lump sum payment.

The beneficiary may be any relative by blood or marriage.

The beneficiary may be any relative by blood or marriage.

Annual Pension

The annual ordinary death pension, payable for life, is equal to the regular service pension the employee would have received had he been eligible to retire on the day before he died and had elected option 2, joint and 100% contingent annuitant (see Ordinary Disability below).

The annual ordinary death pension, payable for life, is equal to the regular service pension the employee would have received (based on a minimum of 10 years service) had he been eligible to retire on the day before he died and had elected option 2, joint and 100% contingent annuitant (see Ordinary Disability below).

Lump Sum Payment

The lump sum payment is equal to 10% of the deceased employee's average final compensation multiplied by his years credited service to a maximum of 10, plus the deceased employee's contributions to the Retirement System (without interest), minus the total amount of the deceased employee's life insurance which was paid by the City.

Same as municipal.

Service-Connected Disability

Eligibility

An active employee found by the Board of Pensions and Retirement to be mentally or physically permanently incapacitated from any further performance of duties due solely to the result of the performance of duties is eligible for an immediate service-connected disability pension. The application for benefit must be made within one year after termination of employment.

Same as municipal.

Benefit Amount	The service-connected disability benefit is equal to the employee's contributions to the Retirement System; plus a yearly benefit of 70% of the employee's final compensation; reduced by any disability benefit payable under the Workers' Compensation Act.	Ordinary Disability	Eligibility	An active employee found by the board to be mentally or physically permanently incapacitated from the further performance of duties due to an accident or illness not caused by the performance of duties is eligible for an immediate ordinary disability benefit provided he has completed at least 5 years credited service and is a fireman. If the disability is permanent and partial and the employee is a policeman, he must have completed at least 10 years credited service. If the disability is permanent and total and the employee is a policeman, there is no service requirement. The application for benefits must be made within one year after termination.	An active employee found by the Board to be mentally or physically permanently incapacitated from the further performance of duties due to an accident or illness not caused by the performance of duties is eligible for an immediate ordinary disability benefit provided he has completed at least 5 years credited service and is a fireman. If the disability is permanent and partial and the employee is a policeman, he must have completed at least 10 years credited service. If the disability is permanent and total and the employee is a policeman, there is no service requirement. The application for benefits must be made within one year after termination.	Benefit Amount	The annual ordinary disability benefit is equal to the benefit determined under the service pension formula using average final compensation and credited service as of the date of disablement.	Same as municipal.	Survivor Benefits	Service pensions, deferred vested benefits, service-connected disability benefits, and ordinary disability benefits are payable under 3 optional forms. Options 2 and 3 provide benefits actuarially equivalent to a lifetime only pension while option 1 has no reduction.	Option 1 - a benefit is payable to the employee providing on his death, the beneficiary will receive a lump sum equal to the excess, if any, of the employee's contributions over the sum of the payments received.	Option 2 - a reduced benefit payable to the employee providing 100% of the reduced benefit will continue to be paid to the designated beneficiary for life after the death of the employee.	Option 3 - the same as option 2 except only 50% of the reduced benefit is continued to the designated beneficiary.
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Service-Connected Health Care Benefit

Not applicable.

In the event of the death of a uniformed employee resulting from the performance of his duties, a service-connected health care benefit may be payable to the surviving spouse and dependent children. Regular payments will be made of the appropriate cost of maintaining medical, dental, optical and pharmaceutical prescription benefits in force at the time of the employee's death. Payments to the spouse cease upon remarriage and to dependent children at age 18 (age 22 if full-time student).

UNIFORMED (PLANS A AND J)

MUNICIPAL (PLAN M)

PLAN 87

PLAN 87

Elected Plan

Participation	Any City employee elected on or after January 8, 1987, in any general, municipal, or special election, participates in this Plan.
Credited Service	Credited service means the period of employment with the City during which the employee makes contributions to the Retirement Systems. Certain leaves of absence may also be credited.
Total Compensation	Total compensation means the base rate of pay and longevity payments received during a 12-month period.
Final Compensation	Final compensation means the annual base rate of pay at the time of termination, including supplementary compensation received under Civil Service Regulation No. 32.
Average Final Compensation	Average final compensation means the arithmetic average of the total compensation received during the three calendar or anniversary years that produce the highest average.
Employee Contributions	Total employee contributions equal 30% of the gross normal cost for all members in the elected division calculated under the municipal plan plus 100% of the gross normal cost that exceeds the cost for the municipal plan.
Service Retirement	
<i>Eligibility</i>	Each elected official is eligible to retire and receive a service pension at age 55 if he has 10 or more years credited service.
<i>Benefit Amount</i>	The service pension equals 3.5% of the employee's average final compensation multiplied by his years credited service.
Early Retirement	
<i>Eligibility</i>	Each elected official is eligible to retire if he has 33 years credited service, regardless of age.
<i>Benefit Amount</i>	Benefits are not reduced if the employee has 33 or more years credited service.
Deferred Vested Retirement	
<i>Eligibility</i>	A terminating employee who has completed 10 or more years credited service is eligible for a deferred vested retirement benefit provided he has not withdrawn his contributions.
<i>Benefit Amount</i>	<p>The annual deferred vested benefit is determined in the same manner as service pensions, based on average final compensation and credited service at the time of termination. This benefit begins at the service retirement date. If the member dies before beginning his deferred vested benefit, an ordinary death benefit is payable (see Ordinary Death below).</p> <p>Alternatively, the terminating employee may request at any time before beginning benefits to receive a return of employee contributions (without interest) in lieu of the deferred vested benefit.</p>
Withdrawal Benefit	Each terminating employee who completed less than 10 years credited service will receive a withdrawal benefit equal to his employee contributions (without interest).
Service-Connected Death	
<i>Eligibility</i>	The beneficiary of each active employee who dies solely from performing duties of the employee's position with the City is eligible for an immediate death benefit.

The death benefit equals the sum of the total employee contributions paid to the Retirement System (without interest), plus a yearly payment of 60% of the employee's final compensation reduced by any death benefit payable under the Workers' Compensation Act.

This benefit is payable to the spouse until her death or remarriage, whichever occurs first. The spouse is entitled to an additional yearly payment of 10% of final compensation for each dependent child (up to two children) until the child reaches age 18. This total benefit shall not exceed 80% of final compensation.

If there is no spouse, or if the spouse dies or remarries each dependent child (up to three children) is eligible for a 25% of final compensation yearly payment until the child reaches age 18. If there is no spouse or dependent children, each dependent parent is entitled to a 15% of final compensation yearly payment for the remainder of his lifetime.

The beneficiary of an active employee (or a terminated vested employee who did not withdraw his employee contributions) who dies after completing 10 years credited service or reaching age 55 is eligible for an immediate death benefit equal to an annual pension or a lump sum payment, whichever the beneficiary chooses.

The beneficiary of an active employee who dies before completing 10 years credited service or reaching age 55 is eligible for a lump sum payment.

The beneficiary may be any relative by blood or marriage.

The annual ordinary death pension, payable for life, is equal to the regular services pension the employee would have received had he been eligible to retire on the day before he died and had elected option 2, joint and 100% contingent annuitant (see Survivor Benefits below).

The lump sum payment is equal to 10% of the deceased employee's average final compensation multiplied by his years credited service to a maximum of 10, plus the deceased employee's contributions to the Retirement System (without interest), minus the total amount of the deceased employee's life insurance which was paid by the City.

Service-Connected Disability

Eligibility

An active employee found by the Board of Pensions and Retirement to be mentally or physically permanently incapacitated from any further performance of duties due solely to the result of the performance of duties is eligible for an immediate service-connected disability pension.

The service-connected disability benefit is equal to the employee's contributions to the Retirement System, plus a yearly benefit of 70% of the employee's final compensation, reduced by any disability benefit payable under the Workers' Compensation Act.

Benefit Amount

Lump Sum Payment

Annual Pension

Ordinary Death Eligibility

Benefit Amount

Ordinary Disability	Eligibility	Benefit Amount	Survivor Benefits	Service-Connected Health Care Benefit	Not applicable.
<p>An active employee found by the Board to be mentally or physically permanently incapacitated from the further performance of duties due to an accident or illness not caused by the performance of duties is eligible for an immediate ordinary disability benefit provided he has completed at least 10 years credited service.</p>					
<p>The annual ordinary disability benefit is equal to the benefit determined under the service pension formula using average final compensation and credited service as of the date of disablement.</p>					
<p>Service pensions, deferred vested benefits, service-connected disability benefits, and ordinary disability benefits are payable under 3 optional forms. Options 2 and 3 provide benefits actuarially equivalent to a lifetime only pension while option 1 has no reduction.</p>					
<p>Option 1 - a benefit is payable to the employee providing upon his death, the beneficiary will receive a lump sum equal to the excess, if any, of the employee's contributions over the sum of the payments received.</p>					
<p>Option 2 - a reduced benefit payable to the employee providing 100% of the reduced benefit will continue to be paid to the designated beneficiary for life after the death of the employee.</p>					
<p>Option 3 - same as option 2 except only 50% of the reduced benefit is continued to the designated beneficiary.</p>					

6. Actuarial Cost Method, Factors, and Assumptions Used in Cost Determinations

The actuarial cost method, factors, and assumptions used in determining cost estimates are presented below.

Member Data: The member data used to determine cost estimates is pertinent information on active, retired, disabled, and deferred vested municipal and uniformed members of the City of Philadelphia Municipal Retirement System as supplied by the Philadelphia Board of Pensions and Retirement to the actuary.

Valuation Date: July 1, 1992.

Actuarial Cost Method: The costs of the System have been determined according to the individual entry age actuarial cost method. The Dombrowski unfunded actuarial accrued liability is amortized in level dollar payments over 40 years ending June 30, 2009 as ordered by the Court of Common Pleas of Philadelphia County. The remaining July 1, 1985 unfunded actuarial accrued liability is amortized over 40 years ending June 30, 2019 with payments increasing 6.0% per year. Changes in the actuarial accrued liability realized after July 1, 1985 are amortized in level dollar payments:

- Changes in actuarial assumptions – 20 years
- Experience gains and losses – 15 years
- Active members' benefit modifications – 20 years
- Nonactive members' benefit modifications – 10 years

Annual Rate of Withdrawal Prior to Retirement: The assumed annual rates of withdrawal may best be illustrated by the probabilities at quinquennial ages in Table 59:

Table 59
Withdrawal Probabilities at Quinquennial Ages

<i>Attained Age</i>	<i>Municipal and Elected Officials</i>		<i>Uniformed Unisex</i>
	<i>Males</i>	<i>Females</i>	
20	.180033	.164561	.042000
25	.135489	.150758	.040600
30	.083265	.109685	.033088
35	.048320	.074256	.019696
40	.034625	.053585	.011184
45	.027264	.042840	.000000
50	.021953	.034613	.000000
55	.000000	.000000	.000000

In addition, it is assumed a vested terminating employee (with 10 years service) will elect an employee contributions refund unless his age plus years of service at termination equal 55 or more (rule of 55), in which event he will be assumed to elect a deferred pension beginning at service retirement age.

Annual Rate of Disability Prior to Retirement: The assumed annual disability rates may best be illustrated by the probabilities at quinquennial ages in Table 60.

Table 60
Disability Probabilities at Quinquennial Ages

<i>Attained Age</i>	<i>Municipal and Elected Officials</i>		<i>Uniformed Unisex</i>
	<i>Males</i>	<i>Females</i>	
20	.000009	.000010	.000795
25	.000025	.000043	.000976
30	.000305	.000184	.001812
35	.001023	.000482	.003686
40	.002395	.001138	.006934
45	.005166	.002630	.012991
50	.009635	.005799	.016000
55	.012774	.008360	.016000
60	.013500	.009000	.016000
65	.000000	.000000	.000000

In addition, it is assumed 85% of all disabilities among municipal and elected members are ordinary (15% are service-connected) and 65% of all disabilities among uniformed members are ordinary (35% are service-connected).

Annual Rate of Mortality Prior to Retirement: It is assumed deaths among active municipal and elected male members may be represented by 80% of the UP-84 Mortality Table with ages set forward one year. Deaths among municipal and elected female members are assumed to be represented by 80% of the UP-84 Mortality Table with ages set back four years. In addition, it is assumed 97.5% of all deaths among active municipal and elected members are ordinary (2.5% are service-connected).

It is assumed deaths among active uniformed male members may be represented by 80% of the UP-84 Mortality Table with ages set forward one year. Deaths among uniformed female members are assumed to be represented by 80% of the UP-84 Mortality Table with ages set back four years. In addition, it is assumed 95% of all deaths among active uniformed members are ordinary (5% are service-connected).

Service Retirement: It is assumed active members in the 1967 Plan will retire according to the rates in Table 61.

Table 61
1967 Plan Service Retirement Rates

<i>Age</i>	<i>Municipal and Elected Officials</i>		<i>Uniformed</i>
	<i>Males</i>	<i>Females</i>	<i>Unisex</i>
45	--	--	.160
46	--	--	.110
47	--	--	.110
48	--	--	.120
49	--	--	.120
50	--	--	.120
51	--	--	.125
52	--	--	.145
53	--	--	.160
54	--	--	.160
55	.190	.150	.170
56	.120	.090	.200
57	.120	.110	.200
58	.100	.110	.200
59	.110	.100	.240
60	.110	.115	.240
61	.130	.115	.240
62	.300	.250	.280
63	.180	.180	.280
64	.210	.180	.320
65	.320	.280	.350
66	.200	.230	.350
67	.250	.230	.350
68	.200	.230	.350
69	.200	.250	.350
70+	1.000	1.000	1.000

The corresponding rates for members under Plan 87 are in Table 62.

Table 62

Plan 87 Service Retirement Rates

Age	Municipal and Elected Officials			Uniformed		
	Reduced Benefits	Full Benefits		Reduced Benefits	Full Benefits	
		First Year Eligible ^a	Subsequent Years		First Year Eligible ^a	Subsequent Years
40	—	—	—	—	—	—
41	—	—	—	.040	.500	.125
42	—	—	—	.040	.500	.125
43	—	—	—	.040	.500	.125
44	—	—	—	.040	.500	.125
45	—	—	—	.040	.500	.125
46	—	—	—	.040	.500	.125
47	—	—	—	.040	.480	.125
48	—	—	—	.040	.460	.125
49	—	—	—	.040	.440	.125
50	—	—	—	.040	.420	.125
51	—	—	—	.040	.400	.125
52	.033	.450	.060	.040	.400	.125
53	.033	.420	.060	.040	.400	.140
54	.033	.390	.060	.040	.400	.150
55	.033	.360	.060	.040	.400	.170
56	.033	.330	.060	.040	.400	.190
57	.033	.300	.060	.040	.400	.215
58	.033	.300	.060	.040	.400	.225
59	.033	.300	.080	.040	.400	.225
60	.033	.300	.100	.040	.400	.230
61	.033	.350	.150	.040	.400	.245
62	.033	.430	.300	.040	.400	.245
63	.033	.500	.187	.040	.400	.295
64	.033	.500	.199	.040	.400	.265
65	.033	.600	.309	1.000	.400	1.000
66	.033	.600	.232	—	—	—
67	.033	.600	.214	—	—	—
68	.033	.600	.214	—	—	—
69	.033	.600	.238	—	—	—
70	1.000	.600	1.000	—	—	—

a. Earlier of age 60 and 10 years service, or 33 years service for municipal; earlier of age 50 and 10 years service, or 25 years service for police and fire; and 33 years service for elected officials.

Annual Rate of Mortality After Retirement: Postretirement mortality has been assumed to follow 110% of the UP-84 Mortality Table with ages set forward one year for males and to follow 110% of the UP-84 Mortality Table with ages set back four years for females. Post-disablement mortality has been assumed to follow the above-mentioned tables with the adjustment factors in Table 63 applied at each age.

Table 63
Mortality Adjustment Factors

Age	Adjustment Factor		Age	Adjustment Factor	
	Male	Female		Male	Female
47 and Earlier	5.40	6.90	62	1.57	2.00
48	4.59	5.87	63	1.51	1.93
49	4.10	5.24	64	1.46	1.86
50	3.78	4.83	65	1.40	1.79
51	3.46	4.42	66	1.35	1.73
52	3.19	4.07	67	1.32	1.68
53	2.86	3.66	68	1.30	1.66
54	2.59	3.31	69	1.30	1.66
55	2.38	3.04	70	1.24	1.59
56	2.16	2.76	71	1.19	1.52
57	1.94	2.48	72	1.19	1.52
58	1.84	2.35	73	1.13	1.45
59	1.73	2.21	74	1.10	1.41
60	1.67	2.14	75 and Later	1.08	1.38
61	1.62	2.07			

Salary Scale: It is assumed salaries, including longevity and overtime, will increase at a compound annual rate of 6.0% per year.

Rate of Investment Return: It is assumed the assets of the fund will accumulate at a compound annual rate of 9% per year, net of the annual expenses incurred in the investment of the fund's assets by the equity and debt money managers contracted by the Board of Pensions and Retirement.

Expenses: The administrative expenses of servicing the Retirement System are based on the estimated operating budget of the Board of Pensions and Retirement for fiscal year 1992 excluding the costs of the money managers contracted to invest the fund's assets.

Value of Investments: Assets held by the fund are valued at market value as reported by the City. The difference between the market value of the assets reported and last year's assets projected forward at the rate of investment return is determined and four-fifths of this difference is deferred and recognized over the next four years one-fifth at a time.

Family Composition: It is assumed 70% of all active members and 60% of all nonactive members will be survived by a spouse and female (male) spouses are four years younger (older) than members.

Form of Annuity: It is assumed all members will elect Option 4 unless otherwise indicated in the participant's data.

Rate of Covered Payroll Growth: It is assumed the annual rate of growth of total covered payroll is 6% per year. This is supported by the actuarial experience study for the five year period ending June 30, 1989 that showed the adjusted growth rate of covered payroll averaged 5.8% for the period of the study.

7. Statement of Actuarial Present Value of Accrued Benefits Under GASB Statement No. 5

The Governmental Accounting Standards Board (GASB) Statement No. 5 relates to the disclosure of pension liabilities on a public employer's financial statements. Beginning in 1987, GASB Statement No. 5 must be followed by any public employee retirement system following generally accepted accounting principles (GAAP).

The disclosures required by GASB Statement No. 5 provide users with information to assess the funding status of retirement systems on a going-concern basis, progress made in accumulating assets to pay benefits when due, and whether employers are making actuarially determined contributions to plans.

Footnote disclosures required by GASB Statement No. 5 include a description of the plan, a summary of significant accounting policies and actuarial assumptions, the plan's funding status using a standardized measure of pension obligation, and contributions required and contributions made during the period. The standardized measure of the pension obligation is the actuarial present value of credited projected benefits prorated on service. 10-year historical trend information is to be included as required supplementary information. This historical information need not be supplied retroactively if information is not available.

It has been our interpretation of GASB No. 5 that vested liabilities do not include liabilities for future salary increases. Therefore, all liabilities for salary increases for vested members are included in nonvested liabilities.

Pension liabilities under GASB No. 5 are in Table 64.

Table 64
GASB Statement No. 5, Disclosure Information
as of July 1, 1992
(Thousands)

Current Employees	
Employee Contributions	\$ 354,341
Employer-Financed Vested	1,075,865
Employer-Financed Non-Vested	330,432
 Nonactive Participants	
Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Not Yet Receiving Benefits	 <u>2,475,371</u>
 Total Pension Benefit Obligation	 \$4,236,009
 Assets at Cost Value (Market Value = \$1,961,513)	 <u>1,848,182</u>
 Unfunded Pension Benefit Obligation	 \$2,387,827

Table 49

Average Monthly Pension of Disabled and Retired Police (1967 Plan) Members, July 1, 1992

Average Monthly Pension Amounts									
Age	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
UNDER 45	1,567.89	1,868.37	1,605.13	521.34	913.34	545.34	1,300.94	1,738.14	1,348.47
45-49	1,330.18	2,022.04	1,373.24	1,328.41	1,734.39	1,426.27	1,329.21	1,776.48	1,405.11
50-54	1,100.60	2,014.15	1,116.44	1,292.87	1,968.64	1,349.93	1,242.78	1,971.51	1,292.23
55-59	948.68	1,969.41	959.10	1,197.86	1,930.10	1,229.29	1,137.68	1,932.78	1,165.69
60-64	848.87	2,771.36	866.14	1,137.27	2,045.47	1,156.85	1,062.92	2,136.21	1,082.62
65-69	836.45	3,237.53	845.37	1,066.02	1,549.87	1,079.63	996.89	1,638.70	1,010.30
70-74	814.81	0.00	814.81	653.10	393.63	649.92	687.35	393.63	684.50
75-79	783.72	0.00	783.72	545.79	408.17	542.66	576.39	408.17	573.04
80-84	697.55	0.00	697.55	427.31	275.00	425.24	442.76	275.00	440.61
OVER 84	700.00	0.00	700.00	395.47	381.09	395.18	402.33	381.09	401.90
TOTAL	1,111.87	1,967.03	1,147.49	984.06	1,689.07	1,027.44	1,020.11	1,746.50	1,060.79

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 50

Number of Disabled and Retired Fire (1967 Plan) Members, July 1, 1992

Age	Number of Lives								
	Disabled			Retired					
	Prior	New	Total	Prior	New	Total			
UNDER 45	52	33	85	37	1	38	89	34	123
45-49	111	10	121	129	80	209	240	90	330
50-54	115	3	118	195	60	255	310	63	373
55-59	60	2	62	248	29	277	308	31	339
60-64	50	0	50	217	12	229	267	12	279
65-69	67	0	67	330	4	334	397	4	401
70-74	76	0	76	431	13	444	507	13	520
75-79	27	0	27	444	9	453	471	9	480
80-84	24	0	24	269	6	275	293	6	299
OVER 84	4	0	4	138	5	143	142	5	147
TOTAL	586	48	634	2,438	219	2,657	3,024	267	3,291

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

Table 51

Total Monthly Pensions of Disabled and Retired Fire (1967 Plan) Members, July 1, 1992

Age	<i>Disabled</i>			<i>Total Monthly Pension Amounts</i>			<i>Total</i>		
	<i>Prior</i>	<i>New</i>	<i>Total</i>	<i>Prior</i>	<i>New</i>	<i>Total</i>	<i>Prior</i>	<i>New</i>	<i>Total</i>
UNDER 45	70,347.17	62,222.38	132,569.55	20,967.92	719.21	21,687.13	91,315.09	62,941.59	154,256.68
45-49	148,092.29	20,775.07	168,867.36	170,830.79	154,559.90	325,390.69	318,923.08	175,334.97	494,258.05
50-54	162,203.85	6,805.35	169,009.20	291,610.52	144,224.33	435,834.85	453,814.37	151,029.68	604,844.05
55-59	84,181.55	6,203.93	90,385.48	347,541.01	73,890.58	421,431.59	431,722.56	80,094.51	511,817.07
60-64	59,662.96	0.00	59,662.96	251,321.60	29,110.27	280,431.87	310,984.56	29,110.27	340,094.83
65-69	65,733.31	0.00	65,733.31	335,205.13	2,838.74	338,043.87	400,938.44	2,838.74	403,777.18
70-74	67,717.12	0.00	67,717.12	329,140.74	4,242.99	333,383.73	396,857.86	4,242.99	401,100.85
75-79	22,042.70	0.00	22,042.70	270,061.28	2,741.55	272,802.83	292,103.98	2,741.55	294,845.53
80-84	18,290.08	0.00	18,290.08	151,453.89	1,823.81	153,277.70	169,743.97	1,823.81	171,567.78
OVER 84	2,900.00	0.00	2,900.00	53,343.80	3,004.68	56,348.48	56,243.80	3,004.68	59,248.48
TOTAL	701,171.03	96,006.73	797,177.76	2,221,476.68	417,156.06	2,638,632.74	2,922,647.71	513,162.79	3,435,810.50

Note: *Prior* indicates lives whose benefit payments began more than one year before the valuation date; *New* indicates lives whose benefit payments began in the year preceding the valuation date.

Table 52

Average Monthly Pension of Disabled and Retired Fire (1967 Plan) Members, July 1, 1992

Age	Disabled			Average Monthly Pension Amounts			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total	Prior	New	Total
UNDER 45	1,352.83	1,885.53	1,559.64	566.70	719.21	570.71	1,026.01	1,851.22	1,254.12			
45-49	1,334.16	2,077.51	1,395.60	1,324.27	1,932.00	1,556.89	1,328.85	1,948.17	1,497.75			
50-54	1,410.47	2,268.45	1,432.28	1,495.44	2,403.74	1,709.16	1,463.92	2,397.30	1,621.57			
55-59	1,403.03	3,101.97	1,457.83	1,401.38	2,547.95	1,521.41	1,401.70	2,583.69	1,509.78			
60-64	1,193.26	0.00	1,193.26	1,158.16	2,425.86	1,224.59	1,164.74	2,425.86	1,218.98			
65-69	981.09	0.00	981.09	1,015.77	709.68	1,012.11	1,009.92	709.68	1,006.93			
70-74	891.01	0.00	891.01	763.67	326.38	750.86	782.76	326.38	771.35			
75-79	816.40	0.00	816.40	608.25	304.62	602.21	620.18	304.62	614.26			
80-84	762.09	0.00	762.09	563.03	303.97	557.37	579.33	303.97	573.81			
OVER 84	725.00	0.00	725.00	386.55	600.94	394.05	396.08	600.94	403.05			
TOTAL	1,196.54	2,000.14	1,257.38	911.19	1,904.82	993.09	966.48	1,921.96	1,044.00			

Note: Prior indicates lives whose benefit payments began more than one year before the valuation date; New indicates lives whose benefit payments began in the year preceding the valuation date.

4. Financial Experience of Fund

The July 1, 1992 Retirement System assets are \$1,961,512,646 on a market value basis and \$1,848,181,829 on a cost value basis. A summary of the asset holdings is in Table 53. The receipts and disbursements statement is in Table 54. Table 55 itemizes City contributions for the year ending June 30, 1992 and Table 56 summarizes 1992 fiscal year administrative expenses. Table 57 shows July 1, 1992 adjusted market value of assets under the 5-year spread gain asset valuation method. Table 58 shows the July 1, 1992 allocation of the adjusted assets between all divisions.

Table 54 showing the fund's receipts and disbursements during the fiscal year ending June 30, 1992 also shows employee, City, and State contributions are approximately 57% of the yearly receipts. On the disbursement side, benefit payments were approximately 95% of all disbursements, on a market value basis.

Below is a summary of the approximate rates of return for the year compared to last year.

Rates of Return Comparison

	<i>Fiscal Year Ending</i>	
	<i>June 30, 1991</i>	<i>June 30, 1992</i>
Cost Value	3.3%	11.9%
Market Value	4.3%	10.0%
Adjusted Market Value	7.7%	7.5%

Table 57 derives the adjusted market value of assets used in the cost calculations. All assets are valued each year at market value and compared to the expected value of assets based on a 9% return assumption. The difference is spread equally over the current year and the next 4 years.

Table 58 shows the July 1, 1992 asset allocation used for valuation purposes between all divisions. As required under Act 205, experience gains and losses and changes in the unfunded actuarial accrued liability due to plan amendments and/or changes in actuarial assumptions must be reported separately for each participating division. For the valuation, assets must be allocated between the divisions; however, this allocation does not constitute a legal separation of the assets.

The table begins with July 1, 1991 valuation assets. These assets were allocated by the actuarial accrued liability as of July 1, 1985. The noninvestment transactions (item 2, Table 58), other than administrative expenses attributable to each division, were provided by the City of Philadelphia's Finance Department. Administrative expenses were allocated based on

the member count of each division as of the beginning of the fiscal year. Investment income (net of investment expenses) was allocated in proportion to the mean fund balance as of the valuation date before recognizing fund earnings.

Table 53

Statement of Assets and Liabilities
(Fiscal Year Ending June 30, 1992)

	<i>Cost Value</i>	<i>Market Value</i>
Assets		
Cash	\$ 43,956,990	\$ 43,956,990
Investment Accounts	1,789,065,071	1,902,395,888
Due from Other Funds	1,792,758	1,792,758
Accounts Receivable ^a	5,559,160	5,559,160
Interest and Dividends Receivable	12,490,135	12,490,135
Due from Other Governmental Units	1,436,104	1,436,104
Other Assets	<u>11,220</u>	<u>11,220</u>
Total Assets	\$ 1,854,311,438	\$ 1,967,642,255
Liabilities		
Vouchers Payable	\$ 175,243	\$ 175,243
Accounts Payable	1,700,609	1,700,609
Salaries and Wages Payable	42,988	42,988
Accrued Expenses	1,231,810	1,231,810
Due to Other Funds	1,819	1,819
Funds Held in Escrow	3,066	3,066
Deferred Revenue	2,750,117	2,750,117
Other Liabilities	<u>223,957</u>	<u>223,957</u>
Total Liabilities	\$ 6,129,609	\$ 6,129,609
Fund Balance	\$ 1,848,181,829	\$ 1,961,512,646

- a. Includes employee contributions receivable of \$1,037,281 because of plan amendment changing District Council 47 employees' plan status.

Table 54
Statement of Receipts and Disbursements

	<i>Cost Value</i>	<i>Market Value</i>
Balance as of July 1, 1991	\$ 1,673,670,258	\$ 1,804,078,797
Receipts		
Contributions:		
Commonwealth of Pennsylvania		
<i>Supplemental State Aid (Act 205)</i>	\$ 13,885,656	\$ 13,885,656
City of Philadelphia ^a	209,807,358	209,807,358
Employees ^b	45,873,248	45,873,248
Quasi-Public Agencies	4,756,635	4,756,635
Interest and Dividends	73,509,220	73,509,220
Gain from Sale of Investments	129,959,778	129,959,778
Miscellaneous Operating Revenues	<u>684,756</u>	<u>684,756</u>
Total Receipts	\$ 478,476,651	\$ 478,476,651
Disbursements		
Withdrawals	\$ 5,723,196	\$ 5,723,196
Benefit Payments	287,797,557	287,797,557
Administrative Expenses	4,073,894	4,073,894
Investment Manager Fees	<u>6,370,433</u>	<u>6,370,433</u>
Total Disbursements	\$ 303,965,080	\$ 303,965,080
Change in Unrealized Appreciation/ Depreciation	—	\$ (17,077,722)
Balance as of July 1, 1992	\$ 1,848,181,829	\$ 1,961,512,646
Approximate Return on Investments During Year	11.9%	10.0%

a. Includes Commonwealth of Pennsylvania general state aid and COLA reimbursement.

b. Includes \$1,037,281 in employee contributions receivable because of plan amendment changing District Council 47 employees' plan status.

Table 55

Fiscal 1992 City Contributions

<i>Date</i>	<i>Amount</i>
April 15, 1992	\$ 8,000,000
May 15, 1992	23,000,000
June 16, 1992	167,720,533
June 23, 1992	8,500,000
Various	4,756,635 ^a
Accrued	<u>2,586,826</u>
Total	\$ 214,563,994

a. Quasi-public agencies.

Table 56

Statement of Administrative Expenses
for Year Ending June 30, 1992

Personal Services	\$1,505,181
Purchase of Services	1,628,932
Materials and Supplies	50,478
Employer's Share of Fringe Benefits	741,604
Miscellaneous	<u>147,699</u>
Total	\$4,073,894

Table 57
Derivation of Assets for Valuation Purposes
as of July 1, 1992
5-Year Spread Gain Method

July 1	Total Gain or (Loss)	1988	1989	1990	1991	1992	Unrecognized Amount
1988	\$ (119,614,517)	\$(23,922,904)	\$(23,922,904)	\$(23,922,903)	\$(23,922,903)	\$(23,922,903)	\$ 0
1989	66,836,337	—	13,367,268	13,367,268	13,367,267	13,367,267	13,367,267
1990	1,084,726	—	—	216,946	216,945	216,945	433,890
1991	(81,684,057)	—	—	—	(16,336,811)	(16,336,811)	(49,010,433)
1992	18,670,166	—	—	—	—	3,734,034	<u>14,936,132</u>
Total							\$ (20,273,146)

1. July 1, 1992 Market Value \$1,961,512,646
2. Unrecognized Gain/(Loss) (20,273,146)
3. July 1, 1992 Adjusted Market (1) - (2) \$1,981,785,792

Foster Higgins