

1/10/90

CITY OF PHILADELPHIA
MUNICIPAL RETIREMENT SYSTEM

JULY 1, 1990
ACTUARIAL VALUATION REPORT

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1. Findings

This report summarizes the findings of the actuarial valuation and analyzes the change in cost and liabilities as of July 1, 1990 of the City of Philadelphia Municipal Retirement System.

Findings Summary

Table 1 shows actuarial valuation results for all divisions as of July 1, 1990. City contributions for the July 1, 1991 through June 30, 1992 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).

Table 1**July 1, 1990 Actuarial Valuation**
(Thousands)

Participants	
Active	32,314
Retired and Beneficiaries	23,606
Disabled	4,832
Terminated Vested	549
Total	61,301
Total Annual Salaries	\$ 936,981
Net Actuarial Accrued Liability	\$ 3,969,454
Assets for Valuation Purposes	\$ 1,748,583
Unfunded Actuarial Accrued Liability	\$ 2,220,871
City Normal Cost as Percent of Payroll (before deduction of contributions from Commonwealth)	
Assuming Beginning of Year Payment	6.719%
Assuming End of Year Payment	7.324%

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, 1990 through June 30, 2010.

Analysis of Findings

Table 2 compares the July 1, 1990 valuation and the July 1, 1989 valuation.

Table 2
Current Versus Previous Valuation Comparison

	<i>July 1, 1989</i>	<i>July 1, 1990</i>	<i>Change</i>
City Normal Cost Rate Assuming Payment at Beginning of Year			
1967 Plan			
Municipal Division	5.830%	5.915%	+.085%
Police Division	8.695	8.699	+.004
Fire Division	8.553	8.622	+.069
Plan 87			
Municipal Division	4.593	4.793	+.200
Elected Officials	5.807	6.016	+.209
Police Division	6.630	6.605	-.025
Fire Division	6.773	7.175	+.402
Total	6.636%	6.719%	+.083%
Unfunded Actuarial Accrued Liability (Thousands)	\$2,117,773	\$2,220,871	+\$103,098

Normal cost rate changes in Table 2 are primarily the result of actuarial experience after July 1, 1989. In accordance with Act 189 of 1990, to determine the City's normal cost for the year ending June 30, 1992, the rates should be applied to the City's payroll in the year in which the 1992 fiscal budget is determined.

Actuarial Experience and Other Changes

During the plan year ending June 30, 1990, the actuarial experience resulted in a net loss of \$28,604,000. This includes favorable investment experience with a 10.7% return on the adjusted asset value, compared to the 9% assumed rate.

The principal cause of the experience loss was a \$46,244,000 loss due to the pay increases over the assumed 6% rate. This was not due to large pay increases. Rather, it was due to a 6% increase effective retroactively to July 1, 1989 which was not included in the 1989 valuation date.

Accordingly, for police and fire members, this year's valuation reflects both the July 1, 1989 increase (6%) and the July 1, 1990 increase (5%) for a total of 11% plus merit increases. When the 1989-90 \$16,244,000 actuarial loss for pay increases is combined with the prior years \$40,467,000 actuarial **gain**, the result is a net two year loss of less than \$6,000,000.

Timing of City Contributions

The report presents the recommended city contribution assuming payment is made at the beginning of the year (July 1, 1990) and, alternatively at the end of the year (June 30, 1991). The end of the year payment reflects one year's interest at the valuation rate of 9%. In accordance with our interpretation of recently adopted Act 189 of 1990, the City is not legally required to pay this interest if the payment is made

by June 30, 1992. **However**, the full year's interest charge must be paid if its contribution is made later than June 30, 1992. This includes interest during the year plus interest from the end of the year to date paid. Interest after the end of the year is at the greater of 9% or at the 6 month maturity U.S. Treasury Bills discount rate as of June 30, 1992.

If the City contributions are made by June 30, 1992, any interest not paid will be treated as an actuarial loss and be amortized over 15 years.

Table 3
Results of July 1, 1990 Actuarial Valuation

	<i>Normal Cost Rate (Beginning of Year)</i>	<i>Unfunded Actuarial Accrued Liability (Thousands)</i>
1. Expected July 1, 1990 Results Based on July 1, 1989 Valuation Report	6.636%	\$2,192,267
2. Impact of Actuarial Experience		
a. Investment Return	--	\$ - 1,085
b. Salary Increases	--	46,244
c. Other Actuarial Experience	.083%	9,665
d. Asset Method Adjustment		-26,220
e. Subtotal	.083%	28,604
3. Benefit Improvements	--	--
4. Change in Actuarial Assumptions	--	--
5. Total Changes (2) + (3) + (4)	.083	28,604
6. July 1, 1990 Valuation Results (1) + (5)	6.719%	\$2,220,871

Employee Contributions

Table 4
Employee Contribution Rates
Effective July 1, 1991

	<i>Municipal</i>	<i>Elected</i>	<i>Police</i>	<i>Fire</i>
1967 Plan	3.75%	--	6.00%	6.00%
Plan 87	2.05%	8.72%	5.00%	5.00%

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, 1991.

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 Bogen and

Dombrowski class action obligations) 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, 1992 contribution requirements. The unfunded actuarial accrued liability is adjusted from July 1, 1990 to July 1, 1991 to recognize the one-year delay in report findings. Table 4 summarizes the unfunded actuarial accrued liability payment derivation for the fiscal year ending June 30, 1992.

Table 4
Total Annual Payment
Toward the Unfunded Actuarial Accrued Liability
for Fiscal Year Ending June 30, 1992
(Thousands)

	<i>Beginning of Year Payments</i>	<i>End-of-Year Payments</i>
1. Expected June 30, 1992 payment based on July 1, 1989 actuarial valuation		
a. Dombrowski	\$ 3,498	\$ 3,813
b. Bogen	4,618	5,034
c. Remaining	<u>119,965</u>	<u>130,762</u>
d. Subtotal	\$128,081	\$139,609
2. Changes in payment based on July 1, 1990 actuarial valuation		
a. (Gains)/Losses (15-Year Amortization)	<u>3,549</u>	<u>3,868</u>
3. Total annual payment as of June 30, 1992 based on July 1, 1990 valuation (1d) + (2)	\$131,630	\$143,477

Other Report Sections

Section 3 presents supporting tables, including an employee age/service scatter 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 and a statement of receipts and disbursements for the fiscal year ending June 30, 1990 as well as the development of the actuarial asset valuation.

Section 5 presents the Retirement System's salient features that valuation determinations are based on.

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, 1990 and compares the value of these accrued benefits to the cost value of funds.

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, 1992. Pension costs consist of the normal cost and the unfunded actuarial accrued liability 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, 1990 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 portion of the unfunded actuarial accrued liability attributable to the Bogen class action suit is amortized in level dollar payments over 20 years ending June 30, 1992. 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
- Benefit modifications applicable to active members – 20 years
- Benefit modifications applicable to nonactive members – 10 years

A detailed analysis of the derivation of plan costs is presented in the Tables 5 through 11.

Table 5

July 1, 1990 Derivation of Normal Cost
(Dollars in Thousands)

	1967 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
1. Number of Active Members	21,061	5,593	2,243	2,119	11	1,083	204	32,314
2. Total Normal Cost								
a. Service Retirement	\$ 31,304	\$ 20,893	\$ 8,075	\$ 2,132	\$ 52	\$ 2,032	\$ 403	\$ 64,891
b. Preretirement Death	3,777	1,331	526	299	5	174	36	6,148
c. Disability Retirement	5,253	4,682	1,808	304	3	664	141	12,855
d. Vested Termination	7,693	1,249	536	564	2	626	114	10,784
e. Refund of Nonvested Members' Contributions	3,844	932	408	207	5	196	33	5,625
f. Health Care Benefit	0	29	11	0	0	4	1	45
g. Administrative Expenses	2,269	815	315	124	1	63	12	3,599
h. Total	\$ 54,140	\$ 29,931	\$ 11,679	\$ 3,630	\$ 68	\$ 3,759	\$ 740	\$ 103,947
3. Expected Employee Contributions	\$ 20,927	\$ 12,218	\$ 4,791	\$ 1,089	\$ 40	\$ 1,619	\$ 304	\$ 40,988
4. City Normal Cost (2h) - (3)	\$ 33,213	\$ 17,714	\$ 6,888	\$ 2,541	\$ 28	\$ 2,139	\$ 436	\$ 62,959
5. Current Total Annual Payroll	\$ 561,532	\$ 203,625	\$ 79,889	\$ 53,005	\$ 463	\$ 32,390	\$ 6,077	\$ 936,981
6. City Normal Cost as a Percent of Pay Assuming Payment at Beginning of Year (4) ÷ (5)	5.915%	8.699%	8.622%	4.793%	6.016%	6.605%	7.175%	6.719%
7. City Normal Cost as a Percent of Pay Assuming Payment at End of Year (6) × 1.09	6.447%	9.482%	9.398%	5.224%	6.557%	7.199%	7.821%	7.324%

Note: Numbers may not add due to rounding.

Table 6

**Derivation of Unfunded Actuarial
Accrued Liability as of July 1, 1990**
(Dollars in Thousands)

	1967 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
1. Number of Members								
a. Active	21,061	5,593	2,243	2,119	11	1,083	204	32,314
b. Retired	15,103	5,961	2,542	0	0	0	0	23,606
c. Disabled	2,036	2,237	559	0	0	0	0	4,832
d. Terminated Vested	437	95	17	0	0	0	0	549
e. Total	38,637	13,886	5,361	2,119	11	1,083	204	61,301
2. Total Annual Benefits								
a. Retired	\$ 116,060	\$ 67,916	\$ 26,829	\$ 0	\$ 0	\$ 0	\$ 0	\$ 210,805
b. Disabled	17,956	28,281	7,755	0	0	0	0	53,992
c. Terminated Vested	3,666	773	114	0	0	0	0	4,553
d. Total	\$ 137,683	\$ 96,970	\$ 34,698	\$ 0	\$ 0	\$ 0	\$ 0	\$ 269,351
3. Present Value of Benefits								
a. Active Members								
Service Retirement	\$ 996,856	\$ 683,572	\$ 291,324	\$ 24,710	\$ 1,485	\$ 26,092	\$ 5,125	\$ 2,029,163
Preretirement Death	99,077	30,102	12,538	3,526	106	2,227	455	148,030
Disability Retirement	127,348	93,184	37,404	3,773	86	8,472	1,767	272,033
Vested Termination	173,541	15,793	5,364	6,895	38	8,167	1,508	211,306
Refund of Nonvested Members' Contributions	10,447	1,468	308	2,174	6	2,526	424	17,352
Health Care Benefit	0	474	193	0	0	49	10	726
Subtotal	\$ 1,407,269	\$ 824,593	\$ 347,130	\$ 41,077	\$ 1,720	\$ 47,532	\$ 9,289	\$ 2,678,610
b. Nonactive Members								
Service Retired	\$ 903,538	\$ 590,074	\$ 213,354	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,706,966
Disabled	131,219	240,935	65,204	0	0	0	0	437,358
Terminated Vested	19,559	6,376	942	0	0	0	0	26,877
Nonvested Members' Contributions	1,264	136	72	0	0	0	0	1,472
Health Care Benefit	0	3,564	1,584	0	0	0	0	5,148
Subtotal	\$ 1,055,580	\$ 841,085	\$ 281,156	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,177,821
c. Total	\$ 2,462,849	\$ 1,665,678	\$ 628,286	\$ 41,077	\$ 1,720	\$ 47,532	\$ 9,289	\$ 4,856,431

Note: Numbers may not add due to rounding.

Table 6 (Continued)

Derivation of Unfunded Actuarial
Accrued Liability as of July 1, 1990
(Thousands)

	1967 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
4. Present Value of Future Normal Costs								
a. Service Retirement	\$ 269,453	\$ 174,612	\$ 62,743	\$21,563	\$ 325	\$25,757	\$4,809	\$ 559,262
b. Preretirement Death	34,865	11,101	4,070	3,110	30	2,210	437	55,823
c. Disability Retirement	48,151	39,038	14,046	3,332	23	8,389	1,682	114,661
d. Vested Termination	76,302	10,435	3,973	6,086	14	8,077	1,425	106,312
e. Refund of Nonvested Members' Contributions	35,259	7,400	2,946	1,985	34	2,507	403	50,534
f. Health Care Benefit	<u>0</u>	<u>239</u>	<u>89</u>	<u>0</u>	<u>0</u>	<u>48</u>	<u>10</u>	<u>386</u>
g. Total	\$ 464,030	\$ 242,824	\$ 87,867	\$36,075	\$ 427	\$46,988	\$8,766	\$ 886,977
5. Actuarial Accrued Liability (3) - (4)								
a. Active Members								
Service Retirement	\$ 727,404	\$ 508,960	\$ 228,580	\$ 3,146	\$1,160	\$ 335	\$ 315	\$1,469,901
Preretirement Death	64,212	19,001	8,468	416	76	17	18	92,207
Disability Retirement	79,197	54,146	23,357	440	63	83	85	157,372
Vested Termination	97,239	5,358	1,390	810	23	90	83	104,994
Refund of Nonvested Members' Contributions	(24,812)	(5,932)	(2,637)	189	(28)	18	21	(33,180)
Health Care Benefit	<u>0</u>	<u>235</u>	<u>104</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>339</u>
Subtotal	\$ 943,239	\$ 581,769	\$ 259,263	\$ 5,002	\$1,294	\$ 543	\$ 523	\$1,791,633
b. Nonactive Members								
Service Retired	\$ 903,538	\$ 590,074	\$213,354	\$ 0	\$ 0	\$ 0	\$ 0	\$1,706,966
Disabled	131,219	240,935	65,204	0	0	0	0	437,358
Terminated Vested	19,559	6,376	942	0	0	0	0	26,877
Nonvested Members' Contributions	1,264	136	72	0	0	0	0	1,472
Health Care Benefit	<u>0</u>	<u>3,564</u>	<u>1,584</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,148</u>
Subtotal	\$1,055,580	\$ 841,085	\$281,156	\$ 0	\$ 0	\$ 0	\$ 0	\$2,177,821
c. Total	\$1,998,819	\$1,422,854	\$ 540,418	\$ 5,002	\$1,294	\$ 543	\$ 523	\$3,969,454

Note: Numbers may not add due to rounding.

Table 6 (Continued)
Derivation of Unfunded Actuarial
Accrued Liability as of July 1, 1990
(Thousands)

	1967 Plan			Plan 87			Total
	Municipal	Police	Fire	Municipal	Elected	Police	
6. Assets for Valuation Purposes	\$ 958,699	\$ 548,730	\$ 226,315	\$ 7,989	\$ 279	\$5,206	\$1,748,583
7. Unfunded Actuarial Accrued Liability (5c) - (6)	\$1,040,120	\$ 874,125	\$ 314,104	\$(2,988)	\$1,015	\$ (4,662)	\$1,842
							\$2,220,871

Note: Numbers may not add due to rounding.

Table 7

Development of the Expected Unfunded Actuarial
Accrued Liability for Fiscal Year Ending June 30, 1992
(Thousands)

	1987 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 Valuation	\$1,086,856	\$806,422	\$300,718	\$ (1,579)	\$1,024	\$(869)	\$(305)	\$2,192,267
Change in July 1, 1990 Unfunded Actuarial Accrued Liability Due to								
2. Actuarial Experience	\$ (46,736)	\$ 67,703	\$ 13,386	\$ (1,408)	\$ (10)	\$(3,793)	(537)	\$ 28,604
3. Actual Unfunded Actuarial Accrued Liability July 1, 1990 (1) + (2)	\$1,040,120	\$874,125	\$314,104	\$(2,988)	\$1,015	\$(4,662)	\$(842)	\$2,220,871
4. Expected Changes in Unfunded Actuarial Accrued Liability from July 1, 1990 to July 1, 1991:								
a. Interest .09 x (2)	\$ (4,206)	\$ 6,093	\$ 1,205	\$ (127)	\$ (1)	\$ (341)	\$ (48)	\$ 2,574
b. Increase in Unfunded Actuarial Accrued Liability from July 1, 1990 to July 1, 1991 According to Amortization Schedule Per 1990 Valuation Report	<u>37,278</u>	<u>18,689</u>	<u>8,325</u>	<u>54</u>	<u>(41)</u>	<u>31</u>	<u>10</u>	<u>64,346</u>
c. Subtotal	\$ 33,072	\$ 24,782	\$ 9,530	\$ (73)	\$ (40)	\$ (310)	\$(38)	\$66,920
5. Expected July 1, 1991 Unfunded Actuarial Accrued Liability (3) + (4c)	\$1,073,192	\$898,907	\$323,633	\$(3,061)	\$ 973	\$(4,973)	\$(881)	\$2,287,791

Note: Numbers may not add due to rounding.

Table 8

**Development of Municipal Division (1967 Plan) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992
(Thousands)**

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation				
a. Dombrowski	\$ 18,013	\$ 17,622	18	\$ 2,013
b. Bogen	4,674	2,438	1	2,657
c. Remaining	<u>1,064,169</u>	<u>1,104,075</u>	--	<u>59,372^a</u>
d. Subtotal	\$1,086,856	\$1,124,134	--	\$64,042
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1990				
(Gains)/Losses	\$ (46,736)	\$ (50,942)	15	\$ (6,320)
3. Total (1d) + (2)	\$1,040,120	\$1,073,192	--	\$57,722

Note: Numbers may not add due to rounding.

a. Payment increasing 6% per year, all other payments are level dollar.

Table 9

**Development of Police Division (1967 Plan) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992**
(Thousands)

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation				
a. Dombrowski	\$ 11,523	\$ 11,272	18	\$ 1,287
b. Bogen	2,990	1,559	1	1,700
c. Remaining	<u>791,909</u>	<u>812,279</u>	--	<u>53,152^a</u>
d. Subtotal	\$806,422	\$825,111	--	\$56,139
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1990				
(Gains)/Losses	\$ 67,703	\$ 73,796	15	\$ 9,155
3. Total (1d) + (2)	\$874,125	\$898,907	--	\$ 65,294

Note: Numbers may not add due to rounding.

a. Payment increasing 6% per year, all other payments are level dollar.

Table 10

**Development of Fire Division (1967 Plan) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992
(Thousands)**

		<u>Fiscal Year Ending June 30, 1992</u>		<u>Annual Payment</u>
<u>Outstanding Balance July 1, 1990</u>		<u>Expected Balance July 1, 1991</u>	<u>Amortization Period Remaining</u>	
1.	Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation			
a.	Dombrowski	\$ 4,588	\$ 4,489	18
b.	Bogen	1,191	621	1
c.	Remaining	<u>294,938</u>	<u>303,933</u>	--
d.	Subtotal	\$300,718	\$309,043	--
2.	Changes in Unfunded Actuarial Accrued Liability, July 1, 1990			
	(Gains)/Losses	\$ 13,386	\$ 14,591	15
3.	Total (1d) + (2)	\$314,104	\$323,633	--

Note: Numbers may not add due to rounding.

a. Payment increasing 6% per year, all other payments are level dollar.

Table 11

**Development of Municipal Division (Plan 87) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992
(Thousands)**

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation	\$(1,579)	\$(1,526)	-	\$(196)
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1990 (Gains)/Losses	\$ (1,408)	\$(1,535)	15	\$(190)
3. Total (1) + (2)	\$(2,988)	\$(3,061)	-	\$(386)

Note: Numbers may not add due to rounding.

Table 12

**Development of Elected Division (Plan 87) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992
(Thousands)**

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation	\$1,024	\$ 984	—	\$133
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1990 (Gains)/Losses	\$ (10)	\$(10)	15	\$(1)
3. Total (1) + (2)	\$1,015	\$ 973	—	\$131

Note: Numbers may not add due to rounding.

Table 13

**Development of Police Division (Plan 87) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992**
(Thousands)

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation	\$ (869)	\$ (838)	--	\$(109)
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1990 (Gains)/Losses	\$(3,793)	\$(4,135)	15	\$(513)
3. Total (1) + (2)	\$(4,662)	\$(4,973)	--	\$(622)

Note: Numbers may not add due to rounding.

Table 14

Development of Fire Division (Plan 87) Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1992
(Thousands)

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation	\$ (305)	\$ (295)	-	\$ (37)
2. Changes in Unfunded Actuarial Accrued Liability, July 1, 1990 (Gains)/Losses	\$ (537)	\$ (586)	15	\$ (73)
3. Total (1) + (2)	\$ (842)	\$ (881)	-	\$ (110)

Note: Numbers may not add due to rounding.

Table 15
Development of Total Division Annual Payment Toward the
Unfunded Actuarial Accrued Liability for Fiscal Year Ending June 30, 1991
(Thousands)

	Outstanding Balance July 1, 1990	Fiscal Year Ending June 30, 1992		Annual Payment
		Expected Balance July 1, 1991	Amortization Period Remaining	
1. Expected July 1, 1990 Unfunded Actuarial Accrued Liability based on July 1, 1989 valuation				
a. Dombrowski	\$ 34,125	\$ 33,383	18	\$ 3,813
b. Bogen	8,855	4,618	1	5,034
c. Remaining	<u>2,149,288</u>	<u>2,218,612</u>	--	<u>130,763^a</u>
d. Subtotal	\$2,192,267	\$2,256,613	--	\$139,609
2. Changes in Unfunded Actuarial Accrued Liability as of July 1, 1990				
(Gains)/Losses	\$ 28,604	\$ 31,178	15	\$ 3,868
3. Total (1d) + (2)	\$2,220,871	\$2,287,791	--	\$143,477

Note: Numbers may not add due to rounding.

a. Payment increasing 6% per annum, all other payments are level dollar.

Table 16

**Schedule of Annual Payments to Fund the
Anticipated July 1, 1990 Unfunded Actuarial Accrued Liability
(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
	1967 Plan			Plan 87							
	Municipal	Police	Fire	Municipal	Elected	Police	Fire				
								Total			
1991	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
1992	\$ 57,722	\$ 65,294	\$ 21,447	\$ (386)	\$ 131	\$ (622)	\$ (110)	\$ 143,477	\$ 2,287,791	\$ 936,981	N/A
1993	58,779	65,980	21,721	(386)	131	(622)	(110)	145,493	2,350,215	993,200	14.4
1994	62,715	68,508	22,730	(386)	131	(622)	(110)	152,965	2,416,242	1,052,792	13.8
1995	66,887	71,187	23,799	(386)	131	(622)	(110)	160,886	2,480,738	1,115,959	13.7
									2,543,118	1,182,917	13.6
1996	71,310	74,028	24,932	(386)	131	(622)	(110)	169,283	2,602,716	1,253,892	13.5
1997	75,998	77,039	26,132	(386)	131	(622)	(110)	178,183	2,658,778	1,329,126	13.4
1998	80,527	79,689	27,197	(386)	131	(622)	(110)	186,426	2,711,641	1,408,873	13.2
1999	85,795	83,071	28,546	(386)	131	(622)	(110)	196,425	2,759,264	1,493,405	13.2
2000	91,378	86,657	29,976	(386)	131	(622)	(110)	207,025	2,800,573	1,583,010	13.1
2001	97,297	85,259	29,395	(386)	131	(622)	(110)	210,964	2,841,661	1,677,990	12.6
2002	103,571	89,288	31,002	(386)	131	(622)	(110)	222,874	2,874,537	1,778,670	12.5
2003	119,189	97,580	34,834	(386)	131	(622)	(110)	250,615	2,882,630	1,885,390	13.3
2004	126,188	99,930	36,192	(386)	131	(630)	(128)	261,297	2,880,769	1,998,513	13.1
2005	127,016	98,696	37,374	(287)	(17)	(564)	(103)	262,115	2,877,923	2,118,424	12.4
2006	135,607	100,138	38,205	(218)	(6)	(516)	(73)	273,137	2,863,799	2,245,530	12.2
2007	150,322	96,375	38,546	(27)	(4)	(3)	(1)	285,208	2,836,333	2,380,261	12.0
2008	158,738	102,049	40,805	(27)	(4)	(3)	(1)	301,556	2,790,046	2,523,077	12.0
2009	168,171	108,107	43,221	(27)	(4)	(3)	(1)	319,465	2,721,686	2,674,462	11.9
2010	176,158	113,242	45,270	(27)	(4)	(3)	(1)	334,635	2,632,003	2,834,930	11.8
2011	187,255	120,265	47,969	0	0	0	0	355,489	2,513,394	3,005,025	11.8
2012	198,490	127,481	50,847	0	0	0	0	376,818	2,362,782	3,185,327	11.8
2013	210,399	135,130	53,898	0	0	0	0	399,427	2,176,005	3,376,446	11.8
2014	223,023	143,238	57,132	0	0	0	0	423,393	1,948,452	3,579,033	11.8
2015	236,405	151,832	60,560	0	0	0	0	448,796	1,675,017	3,793,775	11.8
2016	250,589	160,942	64,193	0	0	0	0	475,724	1,350,044	4,021,402	11.8
2017	265,624	170,599	68,045	0	0	0	0	504,268	967,281	4,262,686	11.8
2018	281,562	180,834	72,128	0	0	0	0	534,524	519,812	4,518,447	11.8
2019	298,455	191,685	76,455	0	0	0	0	566,595	0	4,789,554	11.8
2020	316,363	203,186	81,043	0	0	0	0	600,591	(600,591)	5,076,927	11.8

Note: Numbers may not add due to rounding.

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)

Fiscal Year Ending June 30	Schedule of Annual payments to Fund the Anticipated July 1, 1990 Unfunded Accrued Liability								Comparison of Official Schedule and 40- Year Amortization Under GAAP		
	Unfunded Accrued Liability 1967 Plan			Unfunded Accrued Liability 1987 Plan				Total	GAAP 40-Year Amorti- zation	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	68,257	136,206	67,950	67,950
1984	N/A	N/A	N/A	N/A	N/A	N/A	N/A	72,118	136,206	64,088	138,153
1985	N/A	N/A	N/A	N/A	N/A	N/A	N/A	73,696	130,870	57,173	207,761
1986	N/A	N/A	N/A	N/A	N/A	N/A	N/A	77,912	130,870	52,958	279,417
								84,717	125,707	40,989	345,554
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	95,276	136,909	41,633	418,287
1989	N/A	N/A	N/A	N/A	N/A	N/A	N/A	88,533	129,411	40,878	496,810
1990	N/A	N/A	N/A	N/A	N/A	N/A	N/A	96,819	131,435	34,616	576,139
1991	N/A	N/A	N/A	N/A	N/A	N/A	N/A	116,105	141,451	25,346	653,338
								132,959	148,192	15,233	727,372
1992	57,722	65,294	21,447	(386)	131	(622)	(110)	143,477	151,090	7,613	800,448
1993	58,779	65,980	21,721	(386)	131	(622)	(110)	145,493	151,090	5,597	878,085
1994	62,715	68,508	22,730	(386)	131	(622)	(110)	152,965	151,090	(1,876)	955,237
1995	66,887	71,187	23,799	(386)	131	(622)	(110)	160,886	151,090	(9,797)	1,031,412
1996	71,310	74,028	24,932	(386)	131	(622)	(110)	169,283	151,090	(18,193)	1,106,047
1997	75,998	77,039	26,132	(386)	131	(622)	(110)	178,183	151,090	(27,093)	1,178,498
1998	80,527	79,689	27,197	(386)	131	(622)	(110)	186,426	151,090	(35,337)	1,249,226
1999	85,795	83,071	28,546	(386)	131	(622)	(110)	196,425	151,090	(45,335)	1,316,322
2000	91,378	86,657	29,976	(386)	131	(622)	(110)	207,025	151,090	(55,935)	1,378,856
2001	97,297	85,259	29,395	(386)	131	(622)	(110)	210,964	151,090	(59,874)	1,443,079
2002	103,571	89,288	31,002	(386)	131	(622)	(110)	222,874	151,090	(71,784)	1,501,172
2003	119,189	97,580	34,834	(386)	131	(622)	(110)	250,615	151,090	(99,526)	1,536,751
2004	126,188	99,930	36,192	(386)	131	(630)	(128)	261,297	151,090	(110,207)	1,564,852
2005	127,016	98,696	37,374	(287)	(17)	(564)	(103)	262,115	151,090	(111,026)	1,594,663
2006	135,607	100,138	38,205	(218)	(6)	(516)	(73)	273,137	151,090	(122,048)	1,616,135
2007	150,322	96,375	38,546	(27)	(4)	(3)	(1)	285,208	151,090	(134,118)	1,627,469
2008	158,738	102,049	40,805	(27)	(4)	(3)	(1)	301,556	151,090	(150,466)	1,623,475
2009	168,171	108,107	43,221	(27)	(4)	(3)	(1)	319,465	151,090	(168,375)	1,601,213
2010	176,158	113,242	45,270	(27)	(4)	(3)	(1)	334,635	151,090	(183,545)	1,561,777
2011	187,255	120,265	47,969	0	0	0	0	355,489	151,090	(204,399)	1,497,938

Table 17 (Continued)

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

Fiscal Year Ending June 30	Schedule of Annual payments to Fund the Anticipated July 1, 1990 Unfunded Accrued Liability								Comparison of Official Schedule and 40- Year Amortization Under GAAP		
	Unfunded Accrued Liability 1967 Plan			Unfunded Accrued Liability 1987 Plan				Total	GAAP 40-Year Amorti- zation	GAAP Deficit	Accumulated Deficit
	Municipal	Police	Fire	Municipal	Elected	Police	Fire				
2012	198,490	127,481	50,847	0	0	0	0	376,818	151,090	(225,728)	1,407,024
2013	210,399	135,130	53,898	0	0	0	0	399,427	151,090	(248,337)	1,285,319
2014	223,023	143,238	57,132	0	0	0	0	423,393	151,090	(272,303)	1,128,695
2015	236,405	151,832	60,560	0	0	0	0	448,796	151,090	(297,707)	932,570
2016	250,589	160,942	64,193	0	0	0	0	475,724	151,090	(324,634)	691,867
2017	265,624	170,599	68,045	0	0	0	0	504,268	151,090	(353,178)	400,958
2018	281,562	180,834	72,128	0	0	0	0	534,524	151,090	(383,434)	53,610
2019	298,455	191,685	76,455	0	0	0	0	566,595	151,090	(415,505)	(357,070)
2020	0	0	0	0	0	0	0	0	151,090	151,090	(238,117)
2021	0	0	0	0	0	0	0	0	151,090	151,090	(108,457)
2022	0	0	0	0	0	0	0	0	14,884	14,884	(103,335)
2023	0	0	0	0	0	0	0	0	14,884	14,884	(97,752)
2024	0	0	0	0	0	0	0	0	20,220	20,220	(86,329)
2025	0	0	0	0	0	0	0	0	20,220	20,220	(73,879)
2026	0	0	0	0	0	0	0	0	25,383	25,383	(55,145)
2027	0	0	0	0	0	0	0	0	14,181	14,181	(45,927)
2028	0	0	0	0	0	0	0	0	21,679	21,679	(28,381)
2029	0	0	0	0	0	0	0	0	19,655	19,655	(11,281)
2030	0	0	0	0	0	0	0	0	9,638	9,638	(2,659)
2031	0	0	0	0	0	0	0	0	2,898	2,898	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 1991 through 2010. The July 1, 1990 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, 1989 valuation. Subsequent contributions are based on the July 1, 1990 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, 2010. 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 no longer exceed the benefits paid. This results primarily from the impact of the early retirement window. 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, 1990 Through June 30, 2010
(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
1991	\$1,748,583	\$200,733	\$40,963	\$269,082	\$147,107	\$119,721	\$1,868,304
1992	1,868,304	216,220	42,698	278,552	157,534	137,899	2,006,203
1993	2,006,203	222,600	45,260	289,431	169,571	147,999	2,154,202
1994	2,154,202	234,699	47,975	301,669	182,462	163,468	2,317,670
1995	2,317,670	247,524	50,854	314,870	196,710	180,218	2,497,888
1996	2,497,888	261,118	53,905	329,260	212,419	198,183	2,696,070
1997	2,696,070	275,529	57,140	344,441	229,718	217,945	2,914,016
1998	2,914,016	289,613	60,568	360,682	248,756	238,256	3,152,271
1999	3,152,271	305,803	64,202	378,189	269,575	261,391	3,413,662
2000	3,413,662	322,965	68,054	395,842	292,479	287,657	3,701,319
2001	3,701,319	333,861	72,137	414,443	317,715	309,270	4,010,589
2002	4,010,589	353,145	76,466	434,522	344,840	339,929	4,350,518
2003	4,350,518	388,703	81,054	456,221	374,664	388,199	4,738,717
2004	4,738,717	407,670	85,917	478,778	408,806	423,614	5,162,331
2005	5,162,331	417,270	91,072	501,191	446,154	453,305	5,615,636
2006	5,615,636	437,601	96,536	523,752	486,183	496,568	6,112,205
2007	6,112,205	459,540	102,328	546,007	530,133	545,994	6,658,199
2008	6,658,199	486,348	108,468	567,677	578,574	605,712	7,263,911
2009	7,263,911	515,344	114,976	588,032	632,465	674,753	7,938,664
2010	7,938,664	542,267	121,875	607,576	692,623	749,188	8,687,852

Note: Numbers may not add due to rounding.

a. City contributions are assumed to be made at year end. 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, 1990 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, 1990. 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, 1989 data for continued active member coverage. Members in 1989 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, 1990.

Table 19 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 work
 - 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 summarizes the changes in membership, thus illustrating total plan membership remained relatively stable during the period.

Table 19
Total Plan Membership Net Change

	<i>Number of New Members</i>	<i>Percentage Increase (Decrease)</i>
Active	+ 931	+ 3.0%
Retired	+ 27	+ 0.2
Surviving Spouses	+ 139	+ 2.2
Other Beneficiaries	+ 42	+ 5.0
Disabled	+ 199	+ 4.3
Terminated Vested	+ 29	+ 5.6

Table 20 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, 1989	21,016	5,651	2,279	1,686	11	611	129	31,383
New Entrants	+ 1,456	+ 3	+ 1	+ 771	0	+ 701	+ 100	+ 3,032
Separations from Active Service								
Refunded Contributions	- 946	- 164	- 38	- 324	0	- 9	- 7	- 1,488
Terminated Vested	- 32	0	- 1	0	0	0	0	- 33
Became Disabled	- 110	- 160	- 45	0	0	0	0	- 315
Died	- 51	- 19	- 3	0	0	0	0	- 73
Retired	- 313	- 240	- 63	0	0	0	0	- 616
Net Other Terminations ^a	+ 41	+ 522	+ 113	- 14	0	0	0	+ 424
Active, July 1, 1990	21,061	5,593	2,243	2,119	11	1,083	204	32,314
Retired Members								
Retired as of July 1, 1989	10,578	3,924	1,595	0	0	0	0	16,097
New Retirees	+ 313	+ 240	+ 63	0	0	0	0	+ 616
Terminations								
Death	- 222	- 109	- 54	0	0	0	0	- 385
Other	- 155	- 31	- 18	0	0	0	0	- 204
Retired, July 1, 1990	10,514	4,024	1,586	0	0	0	0	16,124
Surviving Spouses								
Receiving Benefit, July 1, 1989	3,801	1,761	893	0	0	0	0	6,455
New Spouses	+ 246	+ 109	+ 57	0	0	0	0	+ 412
Net Other Terminations	- 168	- 73	- 32	0	0	0	0	- 273
Receiving Benefit, July 1, 1990	3,879	1,797	918	0	0	0	0	6,594

a. Includes transfers.

Table 20 (Continued)

Reconciliation of Included Members

	1967 Plan			Plan 87				
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total
Other Beneficiaries								
Receiving Benefit, July 1, 1989	685	124	37	0	0	0	0	846
New Beneficiaries	+ 27	+ 19	0	0	0	0	0	+ 46
Net Other Terminations	<u>- 2</u>	<u>- 3</u>	<u>+ 1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>- 4</u>
Receiving Benefit, July 1, 1990	710	140	38	0	0	0	0	888
Disabled Members								
Disabled, July 1, 1989	1,994	2,114	525	0	0	0	0	4,633
New Disabilities	+ 110	+ 160	+ 45	0	0	0	0	+ 315
Net Other Terminations	<u>- 68</u>	<u>- 37</u>	<u>- 11</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>- 116</u>
Disabled, July 1, 1990	2,036	2,237	559	0	0	0	0	4,832
Terminated Vested Members								
Terminated Vested, July 1, 1989	405	97	18	0	0	0	0	520
New Vested Terminations	+ 32	0	+ 1	0	0	0	0	+ 33
Net Other Terminations	<u>0</u>	<u>- 2</u>	<u>- 2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>- 4</u>
Terminated Vested, July 1, 1990	437	95	17	0	0	0	0	549

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

	1967 Plan			Plan 87				
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total
Active Members								
Active as of July 1, 1989	\$546,289	\$179,462	\$73,103	\$33,740	\$463	\$16,261	\$ 3,539	\$ 852,857
New Entrants and Pay Increases	<u>15,243</u>	<u>24,163</u>	<u>6,786</u>	<u>19,265</u>	<u>0</u>	<u>16,129</u>	<u>2,538</u>	<u>84,124</u>
Active as of July 1, 1990	\$561,532	\$203,625	\$79,889	\$53,005	\$463	\$32,390	\$ 6,077	\$ 936,981
Retired Members								
Retired as of July 1, 1989	\$ 98,805	\$ 55,978	\$21,847	\$ 0	\$ 0	\$ 0	\$ 0	\$176,630
Net New Retirees	<u>1,472</u>	<u>3,014</u>	<u>725</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,211</u>
Retired as of July 1, 1990	\$100,277	\$ 58,992	\$22,572	\$ 0	\$ 0	\$ 0	\$ 0	\$181,841
Surviving Spouses								
Receiving Benefit as of July 1, 1989	\$ 12,654	\$ 7,996	\$ 3,892	\$ 0	\$ 0	\$ 0	\$ 0	\$ 24,542
Net New Spouses	<u>843</u>	<u>382</u>	<u>188</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,413</u>
Receiving Benefit as of July 1, 1990	\$ 13,497	\$ 8,378	\$ 4,080	\$ 0	\$ 0	\$ 0	\$ 0	\$ 25,955
Other Beneficiaries								
Receiving Benefit as of July 1, 1989	\$ 2,205	\$ 574	\$ 196	\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,975
Net New Beneficiaries	<u>82</u>	<u>- 27</u>	<u>- 20</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>35</u>
Receiving Benefit as of July 1, 1990	\$ 2,287	\$ 547	\$ 176	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,010

Table 21 (Continued)

Summary of Annual Payroll and Annual Benefits
(Thousands)

	1967 Plan			Plan 87				
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	Total
Disabled Members								
Disabled as of July 1, 1989	\$ 16,973	\$ 25,227	\$ 6,886	\$ 0	\$ 0	\$ 0	\$ 0	\$ 49,086
Net New Disabilities	<u>983</u>	<u>3,054</u>	<u>869</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,906</u>
Disabled as of July 1, 1990	\$ 17,956	\$ 28,281	\$ 7,755	\$ 0	\$ 0	\$ 0	\$ 0	\$ 53,992
Terminated Vested Members ^a								
Terminated Vested as of July 1, 1989	\$ 2,432	\$ 490	\$ 83	\$ 0	\$ 0	\$ 0	\$ 0	\$ 3,005
New Vested Terminations	<u>1,234</u>	<u>283</u>	<u>31</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,548</u>
Terminated Vested as of July 1, 1990	\$ 3,666	\$ 773	\$ 114	\$ 0	\$ 0	\$ 0	\$ 0	\$ 4,553

a. Does not include new 1987, 1988 or 1989 terminated vested.

A distribution of the active employees' annual earnings for each division by age and service group as of July 1, 1990 are 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 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, 1989. Similarly, Tables 47, 48, 49, 50, 51, and 52 show this information for retired and disabled police and fire members respectively.

Table 22

Municipal (1967 Plan) Annual Earnings by Age Groups

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	6	96	16	12	213	18	18	309	17
20-24	244	5280	22	230	4277	19	474	9557	20
25-29	904	21600	24	687	14587	21	1591	36187	23
30-34	1688	45798	27	1174	27496	23	2862	73294	26
35-39	2033	58334	29	1408	33555	24	3441	91889	27
40-44	2541	76977	30	1540	38580	25	4081	115557	28
45-49	1732	53247	31	1284	30768	24	3016	84016	28
50-54	1546	46784	30	1087	25776	24	2633	72560	28
55-59	953	27849	29	665	15380	23	1618	43229	27
60-64	558	15996	29	385	8831	23	943	24826	26
65-69	144	4375	30	139	2986	21	283	7361	26
70-74	51	1569	31	42	960	23	93	2529	27
75-79	6	168	28	2	51	26	8	219	27
80-84	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0
Total	12406	358074	29	8655	203459	24	21061	561533	27

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	1	5	0	0	0	0	0	0	0	6
20-24	113	59	36	19	10	6	1	0	0	244
25-29	139	134	161	136	121	58	155	0	0	904
30-34	107	141	160	172	134	121	666	183	4	1688
35-39	89	69	138	98	93	92	553	622	279	2033
40-44	47	66	106	98	69	79	426	589	1061	2541
45-49	31	37	54	47	45	34	248	282	954	1732
50-54	19	26	36	38	32	34	172	195	994	1546
55-59	9	22	18	28	26	28	136	134	552	953
60-64	4	8	16	17	12	18	115	108	260	558
65-69	0	2	3	3	4	3	52	27	50	144
70-74	2	1	0	0	2	2	14	10	20	51
75-79	0	0	0	0	1	0	3	1	1	6
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0
Total	561	570	728	656	549	475	2541	2151	4175	12406
Female										
0-19	7	5	0	0	0	0	0	0	0	12
20-24	80	69	36	33	9	3	0	0	0	230
25-29	125	101	79	114	69	51	143	5	0	687
30-34	121	134	115	129	94	92	363	109	17	1174
35-39	117	123	101	139	94	85	313	225	211	1408
40-44	65	91	72	98	69	74	330	271	470	1540
45-49	55	71	62	40	40	47	224	157	588	1284
50-54	35	37	36	25	30	43	166	147	568	1087
55-59	20	21	18	28	14	22	119	101	322	665
60-64	6	10	8	12	9	25	73	67	175	385
65-69	3	4	2	3	4	3	35	14	71	139
70-74	1	3	1	1	1	1	9	6	19	42
75-79	0	0	0	0	0	0	1	0	1	2
80-84	0	0	0	0	0	0	0	0	0	0
85+	0	0	0	0	0	0	0	0	0	0
Total	635	669	530	622	433	446	1776	1102	2442	8655

Note: Age represents attained age

Table 25

Police (1967 Plan) Annual Earnings by Age Groups

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	10	317	32	4	127	32	14	444	32
25-29	274	9900	36	98	3381	35	372	13281	36
30-34	686	25412	37	196	6894	35	882	32306	37
35-39	1056	40731	39	210	7519	36	1266	48250	38
40-44	1471	57226	39	148	5309	36	1619	62535	39
45-49	904	35676	39	32	1182	37	936	36858	39
50-54	335	13414	40	4	151	38	339	13565	40
55-59	117	4833	41	0	0	0	117	4833	41
60-64	42	1790	43	0	0	0	42	1790	43
65-69	6	263	44	0	0	0	6	263	44
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	4901	189563	39	692	24563	35	5593	214126	38

Note: Age represents attained age

Table 26
Police (1967 Plan) Annual Earnings by Service Groups

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	Average Annual Earnings
0	2	59	29	1	29	29	3	88	29
1	13	401	31	8	250	31	21	651	31
2	106	3644	34	45	1490	33	151	5135	34
3	204	7200	35	122	4187	34	326	11388	35
4	173	6291	36	87	3052	35	260	9343	36
5	109	3981	37	44	1559	35	153	5540	36
6-10	679	25254	37	228	8091	35	907	33345	37
11-15	810	30796	38	98	3669	37	908	34465	38
16-20	1558	60973	39	45	1704	38	1603	62677	39
21-25	945	37587	40	14	532	38	959	38118	40
26-30	227	9881	44	0	0	0	227	9881	44
31+	75	3496	47	0	0	0	75	3496	47
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
Total	4901	189563	39	692	24563	35	5593	214126	38

Note: Age represents attained age

Table 27

Police (1967 Plan) Service Groups by Age Groups

Age Group	Service Group									Total
	0	1	2	3	4	5	6-10	11-15	Over	
M a l e										
0-19	0	0	0	0	0	0	0	0	0	0
20-24	0	4	2	3	0	1	0	0	0	10
25-29	1	2	41	84	51	36	58	1	0	274
30-34	0	6	39	70	75	33	357	106	0	686
35-39	1	1	17	36	40	29	170	383	379	1056
40-44	0	0	6	11	7	10	89	257	1091	1471
45-49	0	0	0	0	0	0	4	59	841	904
50-54	0	0	0	0	0	0	1	4	330	335
55-59	0	0	0	0	0	0	0	0	117	117
60-64	0	0	1	0	0	0	0	0	41	42
65-69	0	0	0	0	0	0	0	0	6	6
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	13	106	204	173	109	679	810	2805	4901
F e m a l e										
0-19	0	0	0	0	0	0	0	0	0	0
20-24	0	1	1	2	0	0	0	0	0	4
25-29	1	4	8	32	19	11	23	0	0	98
30-34	0	1	19	36	34	21	72	13	0	196
35-39	0	2	9	37	19	8	76	40	19	210
40-44	0	0	8	15	15	4	56	27	23	148
45-49	0	0	0	0	0	0	1	17	14	32
50-54	0	0	0	0	0	0	0	1	3	4
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	8	45	122	87	44	228	98	59	592

Note: Age represents attained age

Table 29

Fire (1967 Plan) Annual Earnings by Service Groups

Service Group	Number of People	Total Annual Earnings	M a l e		Total Annual Earnings	F e m a l e		Total Annual Earnings	A l l
			Average Annual Earnings	Number of People		Average Annual Earnings	Number of People		
0	1	29	29	0	0	0	1	29	29
1	1	30	30	0	0	0	1	30	30
2	32	1038	32	0	0	0	32	1038	32
3	45	1537	34	0	0	0	45	1537	34
4	45	1538	34	2	68	34	47	1605	34
5	113	3871	34	1	34	34	114	3905	34
6-10	194	6746	35	0	0	0	194	6746	35
11-15	526	18937	36	0	0	0	526	18937	36
16-20	522	19418	37	0	0	0	522	19418	37
21-25	516	19513	38	0	0	0	516	19513	38
26-30	215	8611	40	0	0	0	215	8611	40
31+	30	1281	43	0	0	0	30	1281	43
TOTAL	2240	82550	37	3	101	34	2243	82651	37

Note: Age represents attained age

Table 30

Fire (1967 Plan) Service Groups by Age Groups

Age Group	Service Group									Total
	0	1	2	3	4	5	6-10	11-15	Over	
M a l e										
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	0	9	18	8	20	7	0	0	63
30-34	0	1	14	18	22	46	75	5	2	183
35-39	0	0	8	8	10	40	78	266	100	510
40-44	0	0	1	1	5	7	34	244	526	818
45-49	0	0	0	0	0	0	0	11	420	431
50-54	0	0	0	0	0	0	0	0	185	185
55-59	0	0	0	0	0	0	0	0	37	37
60-64	0	0	0	0	0	0	0	0	11	11
65-69	0	0	0	0	0	0	0	0	1	1
70-74	0	0	0	0	0	0	0	0	1	1
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	1	32	45	45	113	194	526	1283	2240
F e m a l e										
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	1	0	0	0	0	1
35-39	0	0	0	0	1	1	0	0	0	2
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	0	0	0	0	2	1	0	0	0	3

Note: Age represents attained age

Table 31

Municipal (Plan 1987) Annual Earnings by Age Groups

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	8	75	9	25	300	12	33	375	11
20-24	103	2186	21	80	1535	19	183	3721	20
25-29	192	4942	26	233	5619	24	425	10561	25
30-34	168	4491	27	206	5203	25	374	9694	26
35-39	150	4253	28	182	4736	26	332	8989	27
40-44	118	3261	28	163	4291	26	281	7552	27
45-49	64	1829	29	83	2155	26	147	3984	27
50-54	47	1498	32	65	1676	26	112	3174	28
55-59	26	608	23	58	1270	22	84	1878	22
60-64	28	693	25	37	812	22	65	1506	23
65-69	18	444	25	38	870	23	56	1314	23
70-74	8	205	26	19	456	24	27	661	24
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	930	24485	26	1189	28923	24	2119	53408	25

Note: Age represents attained age

Table 32

Municipal (Plan 87) Annual Earnings by Service Groups

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	288	7026	24	371	8339	22	659	15364	23
1	257	6473	25	322	7712	24	579	14185	24
2	251	6929	28	336	8586	26	587	15516	26
3	107	3221	30	120	3130	26	227	6351	28
4	7	254	36	11	327	30	18	581	32
5	5	153	31	5	110	22	10	263	26
6-10	10	252	25	20	584	29	30	836	28
11-15	4	139	35	2	63	31	6	201	34
16-20	1	38	38	1	42	42	2	80	40
21-25	0	0	0	1	30	30	1	30	30
26-30	0	0	0	0	0	0	0	0	0
31+	0	0	0	0	0	0	0	0	0
Total	930	24485	26	1189	28923	24	2119	53408	25

Note: Age represents attained age

Table 33

Municipal (Plan 87) Service Groups by Age Groups

Service Group	0	1	2	3	Service Group		6-10	11-15	Over	Total
					4	5				
M a l e										
0-19	7	1	0	0	0	0	0	0	0	8
20-24	55	25	14	7	0	1	1	0	0	103
25-29	63	66	40	21	1	1	0	0	0	192
30-34	54	45	45	22	2	0	0	0	0	168
35-39	44	25	57	20	0	1	2	1	0	150
40-44	17	41	38	11	2	1	5	3	0	118
45-49	13	15	23	11	0	0	1	0	1	64
50-54	15	11	12	8	0	0	1	0	0	47
55-59	10	9	5	2	0	0	0	0	0	26
60-64	7	10	8	1	2	0	0	0	0	28
65-69	0	5	9	3	0	1	0	0	0	18
70-74	3	4	0	1	0	0	0	0	0	8
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	288	257	251	107	7	5	10	4	1	930
F e m a l e										
0-19	20	5	0	0	0	0	0	0	0	25
20-24	35	25	10	9	1	0	0	0	0	80
25-29	90	65	61	14	0	1	2	0	0	233
30-34	68	54	57	23	2	0	2	0	0	206
35-39	44	49	62	22	1	1	2	1	0	182
40-44	44	39	47	23	2	1	5	0	2	163
45-49	22	18	29	10	3	0	1	0	0	83
50-54	11	18	22	9	0	1	4	0	0	65
55-59	16	18	19	2	1	0	2	0	0	58
60-64	6	11	13	4	0	1	1	1	0	37
65-69	9	15	11	2	1	0	0	0	0	38
70-74	6	5	5	2	0	0	1	0	0	19
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	371	322	336	120	11	5	20	2	2	1189

Note: Age represents attained age

Table 34

Elected (Plan 87) Annual Earnings by Age Groups

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	0	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0	0
40-44	2	80	40	0	0	0	2	80	40
45-49	0	0	0	0	0	0	0	0	0
50-54	3	120	40	1	40	40	4	160	40
55-59	1	40	40	2	86	43	3	126	42
60-64	1	40	40	0	0	0	1	40	40
65-69	1	58	58	0	0	0	1	58	58
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	8	338	42	3	126	42	11	463	42

Note: Age represents attained age

Table 35

Elected (Plan 87) Annual Earnings by Service Groups

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	0	0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	0	0	0
2	3	120	40	0	0	0	3	120	40
3	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0	0
5	0	0	0	0	0	0	0	0	0
6-10	1	40	40	1	40	40	2	80	40
11-15	1	40	40	1	43	43	2	83	41
16-20	2	98	49	0	0	0	2	98	49
21-25	1	40	40	0	0	0	1	40	40
26-30	0	0	0	0	0	0	0	0	0
31+	0	0	0	1	43	43	1	43	43
Total	8	338	42	3	126	42	11	463	42

Note: Age represents attained age

Table 36

Elected (Plan 87) Service Groups by Age Groups

Age Group	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	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	1	0	1	2
45-49	0	0	0	0	0	0	0	0	0	0
50-54	0	0	2	0	0	0	0	0	1	3
55-59	0	0	0	0	0	0	0	1	0	1
60-64	0	0	1	0	0	0	0	0	0	1
65-69	0	0	0	0	0	0	0	0	1	1
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	0	0	3	0	0	0	1	1	3	8
F e m a l e										
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	0	0	0	0	0	0	1	0	0	1
55-59	0	0	0	0	0	0	0	1	1	2
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	0	0	0	0	0	0	1	1	1	3

Note: Age represents attained age

Table 37

Police (Plan 87) Annual Earnings by Age Groups

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	15	438	29	3	88	29	18	525	29
20-24	317	9534	30	69	2100	30	386	11634	30
25-29	290	8804	30	89	2724	31	379	11528	30
30-34	131	3967	30	76	2306	30	207	6274	30
35-39	46	1415	31	46	1382	30	92	2797	30
40-44	0	0	0	0	0	0	0	0	0
45-49	1	35	35	0	0	0	1	35	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	800	24193	30	283	8599	30	1083	32792	30

Note: Age represents attained age

Table 38

Police (Plan 87) Annual Earnings by Service Groups

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	Average Annual Earnings
0	543	15930	29	154	4509	29	697	20439	29
1	252	8108	32	125	3967	32	377	12075	32
2	1	29	29	1	29	29	2	59	29
3	1	28	28	1	33	33	2	62	31
4	0	0	0	1	30	30	1	30	30
5	0	0	0	0	0	0	0	0	0
6-10	2	62	31	1	30	30	3	92	31
11-15	1	35	35	0	0	0	1	35	35
16-20	0	0	0	0	0	0	0	0	0
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	800	24193	30	283	8599	30	1083	32792	30

Note: Age represents attained age

Table 39

Police (Plan 87) Service Groups by Age Groups

Age Group	Service Group									
	0	1	2	3	4	5	6-10	11-15	Over	Total
M a l e										
0-19	15	0	0	0	0	0	0	0	0	15
20-24	225	90	1	1	0	0	0	0	0	317
25-29	189	101	0	0	0	0	0	0	0	290
30-34	90	39	0	0	0	0	2	0	0	131
35-39	24	22	0	0	0	0	0	0	0	46
40-44	0	0	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	1	0	1
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	543	252	1	1	0	0	2	1	0	800
F e m a l e										
0-19	3	0	0	0	0	0	0	0	0	3
20-24	38	31	0	0	0	0	0	0	0	69
25-29	42	46	0	1	0	0	0	0	0	89
30-34	43	30	1	0	1	0	1	0	0	76
35-39	28	18	0	0	0	0	0	0	0	46
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	154	125	1	1	1	0	1	0	0	283

Note: Age represents attained age

Table 40

Fire (Plan 87) Annual Earnings by Age Groups

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	17	541	32	2	69	35	19	610	32
25-29	68	2146	32	5	161	32	73	2307	32
30-34	66	1990	30	1	31	31	67	2021	30
35-39	37	1106	30	0	0	0	37	1106	30
40-44	8	252	32	0	0	0	8	252	32
45-49	0	0	0	0	0	0	0	0	0
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	196	6035	31	8	262	33	204	6296	31

Note: Age represents attained age

Table 43

Terminated Vested (1967 Plan) Members, July 1, 1990

Age	Municipal Members		Police Members		Fire Members	
	Lives	Monthly Pension	Lives	Monthly Pension	Lives	Monthly Pension
Under 40	44	\$ 26,164	29	\$18,284	4	\$2,228
40-44	116	83,241	41	31,004	6	3,948
45-49	113	85,137	23	14,146	4	2,170
50-54	106	76,824	2	972	2	690
55-59	54	32,387	0	0	1	502
60-64	2	1,244	0	0	0	0
over 64	2	500	0	0	0	0
Total	437	\$305,498	95	\$64,406	17	\$9,538

Average Monthly Pension

Municipal	\$699
Police	\$678
Fire	\$561

Note: Does not include 1987, 1988 or 1989 terminated vested.

Table 44

Disabled and Retired Municipal (1967 Plan) Members, July 1, 1990

Age	Number of Lives								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	100	29	129	430	23	453	530	52	582
45-49	127	29	156	135	13	148	262	42	304
50-54	213	33	246	309	17	326	522	50	572
55-59	350	15	365	1412	205	1617	1762	220	1982
60-64	383	3	386	2442	129	2571	2825	132	2957
65-69	369	1	370	2949	92	3041	3318	93	3411
70-74	221	0	221	2657	40	2697	2878	40	2918
75-79	119	0	119	1965	34	1999	2084	34	2118
80-84	25	0	25	1329	19	1348	1354	19	1373
Over 84	19	0	19	889	14	903	908	14	922
Total	1926	110	2036	14517	586	15103	16443	696	17139

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, as of July 1, 1990

Age	Total Monthly Pension Amounts								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	93937.40	35940.92	129878.32	109474.64	13921.11	123395.75	203412.05	49862.03	253274.07
45-49	101137.20	34265.35	135402.55	47497.85	10894.58	58392.43	148635.06	45159.93	193794.98
50-54	174725.98	34495.78	209221.77	215388.92	11411.77	226800.69	390114.90	45907.55	436022.45
55-59	271335.38	16004.45	287339.83	1470687.07	241455.03	1712142.10	1742022.45	257459.48	1999481.93
60-64	280962.55	3953.42	284915.96	720.68	102880.08	2432600.75	2610683.22	106833.50	2717516.72
65-69	230557.88	1170.17	231728.05	2178777.63	55803.83	2234581.46	2409335.52	56974.00	2466309.51
70-74	131747.74	0.00	131747.74	1397377.96	18619.42	1415997.38	1529125.71	18619.42	1547745.13
75-79	65562.37	0.00	65562.37	780967.75	11897.09	792864.83	846530.12	11897.09	858427.20
80-84	13263.79	0.00	13263.79	429607.12	4768.26	434375.38	442870.91	4768.26	447639.17
Over 84	7254.17	0.00	7254.17	235400.78	5165.73	240566.52	242654.96	5165.73	247820.69
Total	1370484.47	125830.08	1496314.55	9194900.42	476816.88	9671717.30	10565384.89	602646.96	11168031.86

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, 1990

Age	Average Monthly Pension Amounts								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	\$ 939.37	\$1239.34	\$1006.81	\$ 254.59	\$ 605.27	\$ 272.40	\$383.80	\$ 958.89	\$ 435.18
45-49	796.36	1181.56	867.97	351.84	838.04	394.54	567.31	1075.24	637.48
50-54	820.31	1045.33	850.49	697.05	671.28	695.71	747.35	918.15	762.28
55-59	775.24	1066.96	787.23	1041.56	1177.83	1058.84	988.66	1170.27	1008.82
60-64	733.58	1317.81	738.12	954.02	797.52	946.17	924.14	809.34	919.01
65-69	624.82	1170.17	626.29	738.82	606.56	734.82	726.14	612.62	723.05
70-74	596.14	0.00	596.14	525.92	465.49	525.03	531.32	465.49	530.41
75-79	550.94	0.00	550.94	397.44	349.91	396.63	406.20	349.91	405.30
80-84	530.55	0.00	530.55	323.26	250.96	322.24	327.08	250.96	326.03
Over 84	381.80	0.00	381.80	264.79	368.98	266.41	267.24	368.98	268.79
Total	711.57	1143.91	734.93	633.39	813.68	640.38	642.55	865.87	651.62

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, 1990

Age	Number of Lives								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	346	106	452	169	18	187	515	124	639
45-49	382	36	418	572	165	737	954	201	1155
50-54	279	13	292	846	69	915	1125	82	1207
55-59	340	4	344	935	32	967	1275	36	1311
60-64	344	1	345	848	28	876	1192	29	1221
65-69	188	0	188	476	14	490	664	14	678
70-74	113	0	113	480	16	496	593	16	609
75-79	49	0	49	493	8	501	542	8	550
80-84	22	0	22	388	9	397	410	9	419
Over 84	14	0	14	386	9	395	400	9	409
Total	2077	160	2237	5593	368	5961	7670	528	8198

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, as of July 1, 1990

Age	Total Monthly Pension Amounts								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	\$ 471371.13	\$189225.58	\$ 660596.71	\$ 100214.23	\$ 9926.14	\$ 110140.37	\$ 571585.36	\$ 199151.72	\$ 770737.08
45-49	422613.32	63168.97	485782.29	722714.44	253549.41	976263.85	1145327.76	316718.38	1462046.14
50-54	282906.79	23160.79	306067.58	1039069.11	101698.38	1140767.49	1321975.90	124859.17	1446835.07
55-59	297989.20	7595.34	305584.54	1081581.96	40673.29	1122255.24	1379571.16	48268.62	1427839.78
60-64	288112.55	2285.76	290398.31	949930.87	31005.37	980936.24	1238043.43	33291.13	1271334.56
65-69	153973.41	0.00	153973.41	444410.11	8375.54	452785.65	598383.52	8375.54	606759.06
70-74	91909.07	0.00	91909.07	287364.62	8045.78	295410.39	379273.69	8045.78	387319.46
75-79	37387.76	0.00	37387.76	255443.03	2444.87	257887.90	292830.79	2444.87	295275.66
80-84	15346.09	0.00	15346.09	158632.97	2475.00	161107.97	173979.06	2475.00	176454.06
Over 84	9710.61	0.00	9710.61	159184.03	2935.05	162119.08	168894.64	2935.05	171829.69
Total	2071319.94	285436.44	2356756.38	5198545.36	461128.83	5659674.19	7269865.30	746565.26	8016430.57

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 49

Average Monthly Pension of Disabled and Retired Police (1967 Plan) Members, July 1, 1990

Age	Average Monthly Pension Amounts								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	\$1362.34	\$1785.15	\$1461.50	\$ 592.98	\$ 551.45	\$ 588.99	\$1109.87	\$1606.06	\$1206.16
45-49	1106.32	1754.69	1162.16	1263.49	1536.66	1324.65	1200.55	1575.71	1265.84
50-54	1014.00	1781.60	1048.18	1228.21	1473.89	1246.74	1175.09	1522.67	1198.70
55-59	876.44	1898.83	888.33	1156.77	1271.04	1160.55	1082.02	1340.80	1089.12
60-64	837.54	2285.76	841.73	1120.20	1107.33	1119.79	1038.63	1147.97	1041.22
65-69	819.01	0.00	819.01	933.63	598.25	924.05	901.18	598.25	894.92
70-74	813.35	0.00	813.35	598.68	502.86	595.59	639.58	502.86	635.99
75-79	763.02	0.00	763.02	518.14	305.61	514.75	540.28	305.61	536.86
80-84	697.55	0.00	697.55	408.85	275.00	405.81	424.34	275.00	421.13
Over 84	693.61	0.00	693.61	412.39	326.12	410.43	422.24	326.12	420.12
Total	997.27	1783.98	1053.53	929.47	1253.07	949.45	947.83	1413.95	977.85

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 1990

Age	Number of Lives								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	48	22	70	46	2	48	94	24	118
45-49	97	16	113	124	42	166	221	58	279
50-54	79	5	84	198	16	214	277	21	298
55-59	54	2	56	207	12	219	261	14	275
60-64	51	0	51	238	10	248	289	10	299
65-69	84	0	84	392	7	399	476	7	483
70-74	55	0	55	458	14	472	513	14	527
75-79	29	0	29	431	12	443	460	12	472
80-84	17	0	17	218	4	222	235	4	239
Over 84	0	0	0	110	1	111	110	1	111
Total	514	45	559	2422	120	2542	2936	165	3101

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, as of July 1, 1990

Age	Total Monthly Pension Amounts								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	\$ 53103.38	\$37516.51	\$ 90619.89	\$ 27145.01	\$ 1852.32	\$ 28997.32	\$ 80248.38	\$ 39368.83	\$ 119617.21
45-49	123579.85	28465.99	152045.83	161257.17	68063.48	229320.65	284837.02	96529.46	381366.48
50-54	103184.47	9394.58	112579.05	277803.10	30522.28	308325.38	380987.57	39916.85	420904.43
55-59	74281.46	3485.92	77767.38	266023.00	18768.50	284791.50	340304.46	22254.42	362558.88
60-64	52628.44	0.00	52628.44	256294.54	6991.08	263285.62	308922.98	6991.08	315914.06
65-69	77376.25	0.00	77376.25	363386.12	4117.52	367503.64	440762.36	4117.52	444879.88
70-74	47063.38	0.00	47063.38	326409.85	4898.58	331308.43	373473.23	4898.58	378371.81
75-79	23351.35	0.00	23351.35	261602.21	3747.65	265349.85	284953.56	3747.65	288701.21
80-84	12838.43	0.00	12838.43	112653.64	1283.93	113937.57	125492.07	1283.93	126776.00
Over 84	0.00	0.00	0.00	42606.20	300.00	42906.20	42606.20	300.00	42906.20
Total	567406.99	78862.99	646269.99	2095180.84	140545.33	2235726.17	2662587.83	219408.32	2881996.15

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 1990

Age	Average Monthly Pension Amounts								
	Disabled			Retired			Total		
	Prior	New	Total	Prior	New	Total	Prior	New	Total
Under 45	\$1106.32	\$1705.30	\$1294.57	\$ 590.11	\$ 926.16	\$ 604.11	\$ 853.71	\$1640.37	\$1013.71
45-49	1274.02	1779.12	1345.54	1300.46	1620.56	1381.45	1288.86	1664.30	1366.90
50-54	1306.13	1878.92	1340.23	1403.05	1907.64	1440.77	1375.41	1900.80	1412.43
55-59	1375.58	1742.96	1388.70	1285.14	1564.04	1300.42	1303.85	1589.60	1318.40
60-64	1031.93	0.00	1031.93	1076.87	699.11	1061.64	1068.94	699.11	1056.57
65-69	921.15	0.00	921.15	927.01	588.22	921.06	925.97	588.22	921.08
70-74	855.70	0.00	855.70	712.69	349.90	701.92	728.02	349.90	717.97
75-79	805.22	0.00	805.22	606.97	312.30	598.98	619.46	312.30	611.66
80-84	755.20	0.00	755.20	516.76	320.98	513.23	534.01	320.98	530.44
Over 84	0.00	0.00	0.00	387.33	300.00	386.54	387.33	300.00	386.54
Total	1103.90	1752.51	1156.12	865.06	1171.21	879.51	906.88	1329.75	929.38

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.

Rates of Return Comparison

	<i>Fiscal Year Ending</i>	
	<i>June 30, 1989</i>	<i>June 30, 1990</i>
Cost Value	8.2%	9.5%
Market Value	13.6%	9.1%
Adjusted Market Value	7.7%	10.7%

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, 1990 assets 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 divisions. 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, 1989 valuation assets. These assets were allocated by the actuarial accrued liability as of that date. 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 propor-

tion 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, 1990)

	<i>Cost Value</i>	<i>Market Value</i>
Assets		
Cash	\$ 8,244,818	\$ 8,244,818
Investment Accounts	1,573,366,975	1,682,594,653
Due From Other Funds	43,265,847	43,265,847
Accounts Receivable	2,509,708	2,509,708
Interest and Dividends Receivable	11,870,804	11,870,804
Due From Other Governmental Units	2,507,971	2,507,971
Other Assets	<u>11,220</u>	<u>11,220</u>
Total Assets	\$1,641,777,343	\$1,751,005,021
Liabilities		
Vouchers Payable	\$ 38,150	\$ 38,150
Accounts Payable	1,050,371	1,050,371
Salaries and Wages Payable	<u>24,003</u>	<u>24,003</u>
Accrued Expenses	1,248,695	1,248,695
Funds Held in Escrow	3,066	3,066
Deferred Revenue	1,919,444	1,919,444
Other Liabilities	<u>274,487</u>	<u>274,487</u>
Total Liabilities	\$ 4,558,216	\$ 4,558,216
Fund Balance	\$1,637,219,127	\$1,746,446,805

Table 54
Statement of Receipts and Disbursements

	<i>Cost Value</i>	<i>Market Value</i>
Balance as of July 1, 1989	\$1,531,784,967	\$1,638,351,708
Receipts		
Contributions:		
Commonwealth of Pennsylvania	\$ 40,947,829	\$ 40,947,829
City of Philadelphia	147,682,905	147,682,905
Employees	40,281,126	40,281,126
Quasi-Public Agencies	3,261,288	3,261,288
Interest and Dividends	84,306,356	84,306,356
Gain from Sale of Investments	65,898,238	65,898,238
Miscellaneous Operating Revenues	<u>280,886</u>	<u>280,886</u>
Total Receipts	\$ 382,658,628	\$ 382,658,628
Disbursements		
Withdrawals	\$ 7,186,438	\$ 7,186,438
Benefit Payments	<u>260,568,087</u>	<u>260,568,087</u>
Administrative Expenses	3,399,301	3,399,301
Investment Manager Fees	<u>6,070,642</u>	<u>6,070,642</u>
Total Disbursements	\$ 277,224,468	\$ 277,224,468
Change in Unrealized Appreciation/ Depreciation	--	\$ 2,660,937
Balance as of July 1, 1990	\$1,637,219,127	\$1,746,446,805
Approximate Return on Investments During Year	9.5%	9.1%

Table 55
Statement of Fund Equity
(Cost Value)

Members' Pension Contributions	\$ 353,136,758
Designated for Pension Benefits	<u>1,284,082,369</u>
Total as of June 30, 1990	\$1,637,219,127

Table 56
Statement of Administrative Expenses
for Year Ending June 30, 1990

Personal Services	\$1,644,838
Purchase of Services	1,430,626
Materials and Supplies	55,629
Employer's Share of Fringe Benefits	<u>268,208</u>
Total	<u>\$3,399,301</u>

Table 57
Derivation of Assets for Valuation Purposes
as of July 1, 1990
5-Year Spread Gain Method

July 1	Total Gain or (Loss)	1986	1987	1988	1989	1990	Unrecognized Amount
1986	154,573,771	30,914,755	30,914,754	30,914,754	30,914,754	\$30,914,754	\$ 0
1987	23,702,415	-	4,740,483	4,740,483	4,740,483	4,740,483	4,740,483
1988	(119,614,517)	-	-	(23,922,904)	(23,922,904)	(23,922,903)	(47,845,806)
1989	66,836,337	-	-	-	13,367,268	13,367,268	40,101,801
1990	1,084,726	-	-	-	-	216,946	<u>867,780</u>
Total							\$ (2,135,742)
1.	July 1, 1990 Market Value			\$1,746,446,805			
2.	Unrecognized Gain/(Loss)			<u>(2,135,742)</u>			
3.	July 1, 1990 Adjusted Market (1) - (2)			\$1,748,582,547			

Table 58

Allocation of Assets for Valuation Purposes Between
Divisions as of June 30, 1990
(Thousands)

	1967 Plan			Plan 87				Total
	Municipal	Police	Fire	Municipal	Elected	Police	Fire	
1. Assets for Valuation Purposes as of June 30, 1989	\$878,789	\$519,174	\$211,181	\$3,967	\$116	\$2,331	\$ 696	\$1,616,256
2. Transactions During Period July 1, 1989 - June 30, 1990:								
a. Contributions								
Commonwealth and City	\$100,474	\$60,329	\$23,039	\$2,709	\$102	\$1,618	\$ 361	\$ 188,631
Employees	21,758	11,676	4,687	993	42	912	213	40,281
Quasi-Public Agencies	3,261	0	0	0	0	0	0	3,261
b. Miscellaneous Income and Expenses	54	(62)	16	0	0	0	0	8
c. Pension Benefits	133,207	93,194	34,150	16	0	1	0	260,568
d. Withdrawals	3,792	2,784	427	177	0	4	2	7,186
e. Administrative Expenses ^a	2,182	775	303	96	1	35	7	3,399
f. Net Transactions (a) + (b) - (c) - (d) - (e)	\$(13,635)	\$(24,811)	\$(7,138)	\$3,413	\$143	\$2,491	\$ 564	\$ (38,973)
3. Mean Fund Balance Prior to Allocation of Realized and Unrealized Income (1) + [1/2 x (2f)]	\$ 871,972	\$ 506,769	\$207,612	\$5,674	\$188	\$3,577	\$ 978	\$1,596,769
4. Realized and Unrealized Income for Period July 1, 1989 - June 30, 1990 (allocated in proportion to (3))	\$ 93,544	\$ 54,366	\$ 22,272	\$ 609	\$ 20	\$ 384	\$ 105	\$ 171,300
5. Assets for Valuation Purposes as of June 30, 1990 (1) + (2f) + (4)	\$958,699	\$548,730	\$226,315	\$7,989	\$279	\$5,206	\$1,366	\$1,748,583

Note: Numbers may not add due to rounding.

a. Allocated in proportion to the number of active and non-active members in each division as of July 1, 1989.

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.	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 the 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 (\$51,300 in 1990 and \$53,400 in 1991) 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		
<i>Eligibility</i>	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.
<i>Benefit Amount</i>	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.

1967 PLAN

	MUNICIPAL (PLAN J)	UNIFORMED (PLANS D AND X)
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.	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 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>	
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, 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 yearly payment of 10% of final compensation for each dependent child (up to two children) until the child reaches age 18.</p>	Same as municipal.

1967 PLAN

MUNICIPAL (PLAN J)

UNIFORMED (PLANS D AND X)

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.

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 reached age 55 is eligible for an immediate death benefit equal to a yearly 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 a yearly pension or a lump sum payment, whichever the beneficiary chooses.

The beneficiary of an active employee who dies before completing 10 years credited service and reaching age 55 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 Survival Benefits below).

The annual ordinary death pension, payable for life, is equal to the regular service pension the employee would have received (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 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, minus the total amount of the deceased employee's city-paid life insurance

Same as municipal.

1967 PLAN

MUNICIPAL (PLAN J)

UNIFORMED (PLANS D AND X)

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.

Same as municipal.

Benefit Amount

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 benefits payable under the Workers' Compensation Act.

Same as municipal.

If the employee leaves his employee 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 contributions, the benefit is payable for his lifetime only.

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 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.

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, except each eligible employee is automatically credited with a minimum of 10 years service for purposes of calculating the annual benefit.

1967 PLAN

	MUNICIPAL (PLAN J)	UNIFORMED (PLANS D AND X)
Survivor Benefit	<p>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.</p> <p><i>Option 1</i> - 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.</p> <p><i>Option 2</i> - 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.</p> <p><i>Option 3</i> - Same as option 2 except only 50% of the reduced benefit is continued to the designated beneficiary.</p> <p><i>Option 4</i> - 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.</p>	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 receiving is equal to \$500. The monthly minimum pension to all other pensioners is equal to \$440 providing such pension will increase to \$500 at the time the pensioner reaches age 60.

1967 PLAN

	MUNICIPAL (PLAN J)	UNIFORMED (PLANS D AND X)
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.
Service-Connected Health Care Benefit	Not applicable.	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).

Plan 87

	<i>MUNICIPAL (PLAN M)</i>	<i>UNIFORMED (PLANS A AND J)</i>
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. District Council 33 members do not participate in this Plan.	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	Total compensation means the base rate of pay and longevity payments received during a 12-month period.	Same as municipal.
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.	Same as municipal.
Average Final Compensation	Average final compensation means the arithmetic average of the total compensation received during the three calendar or anniversary years producing the highest average.	Average final compensation means the arithmetic average of the total compensation received during the two calendar or anniversary years producing the highest average.
Employee Contributions	Total employee contributions equal 30% of the gross normal cost for all members in the municipal division.	Total employee contributions equal 5% of total compensation, but not less than 30% or greater than 50% of total normal costs for members in the uniformed division.
Service Retirement		
<i>Eligibility</i>	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.	Each uniformed employee is eligible to retire and receive a service pension upon the attainment of age 50 and has 10 or more years of credited service.
<i>Benefit Amount</i>	The service pension equals the sum of 2% of the employee's average final compensation multiplied by his years credited service.	The service pension equals 2.2% 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 over 20.

Plan 87

MUNICIPAL (PLAN M)

UNIFORMED (PLANS A AND J)

Early Retirement

Eligibility

Each municipal employee is eligible to retire and receive a reduced service pension at age 52 and 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.

Benefit Amount

The annual amount is calculated the same as service retirement, reduced by $\frac{1}{2}$ 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 $\frac{1}{2}$ 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

Eligibility

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.

Benefit Amount

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).

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.

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

Eligibility

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.

Plan 87

MUNICIPAL (PLAN M)

UNIFORMED (PLANS A AND J)

Benefit Amount

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.

Same as municipal.

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.

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 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.

Plan 87

	MUNICIPAL (PLAN M)	UNIFORMED (PLANS A AND J)
<i>Annual Pension</i>	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).
<i>Lump Sum Payment</i>	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		
<i>Eligibility</i>	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.
<i>Benefit Amount</i>	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 benefits payable under the Workers' Compensation Act.	Same as municipal.

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 10 years credited service.

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, except each eligible employee is automatically credited with a minimum of 10 years service to calculate the annual benefit.

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.

Same as municipal.

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.

Plan 87

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

Plan 87

Elected Plan

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 elect to irrevocably participate in Plan 87. District Council 33 members do not participate 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

Eligibility

Each elected official is eligible to retire and receive a service pension at age 55 if he has 10 or more years credited service.

Benefit Amount

The service pension equals 3.5% of the employee's average final compensation multiplied by his years credited service.

Early Retirement

Eligibility

Each elected official is eligible to retire if he has 33 years credited service, regardless of age.

Benefit Amount

Benefits are not reduced if the employee has 33 or more years credited service.

Deferred Vested Retirement

Eligibility

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.

Benefit Amount

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 this service retirement date. If the member dies before beginning his deferred vested benefit, an ordinary death benefit is payable (see Ordinary Death below).

Alternatively, the terminating employee may request at any time before beginning benefit to receive a return of employee contributions (without interest) in lieu of the deferred vested benefit.

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 Benefit

Eligibility

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.

Benefit Amount

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.

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.

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 reaches 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 and reaches age 55 is eligible for a lump sum payment.

The beneficiary may be any relative by blood or marriage.

<i>Annual Pension</i>	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 Ordinary Disability below).
<i>Lump Sum Payment</i>	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	
<i>Eligibility</i>	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.
<i>Benefit Amount</i>	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 benefits payable under the Workers' Compensation Act.
Ordinary Disability	
<i>Eligibility</i>	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.
<i>Benefit Amount</i>	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.
Survivor Benefits	<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><i>Option 1</i> – 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><i>Option 2</i> – 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>

Plan 87

Elected Plan

Service-Connected Health Care Benefit

Option 3 – same as option 2 except only 50% of the reduced benefit is continued to the designated beneficiary.

Not applicable.

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, 1990.

Actuarial Cost Method: The costs of the System have been determined according to the individual entry age actuarial cost method. The Bogen unfunded actuarial accrued liability is amortized in level dollar payments over 20 years ending June 30, 1992 and 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
- Benefit modifications applicable to active members – 20 years
- Benefit modifications applicable to non-active members – 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 following probabilities at quinquennial ages:

Table 60
Disability Probabilities at Quinquennial Ages

<i>Attained Age</i>	<i>Municipal and Elected Officials</i>		<i>Uniformed</i>
	<i>Males</i>	<i>Females</i>	<i>Unisex</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	<u>Municipal and Elected Officials</u>			<u>Uniformed</u>		
	Reduced Benefits	<u>Full Benefits</u>		Reduced Benefits	<u>Full Benefits</u>	
		First Year Eligible ^a	Subsequent Years		First Year Eligible ^a	Subsequent Years
40	-	-	-	.040	.500	.125
41	-	-	-	.040	.500	.125
42	-	-	-	.040	.500	.125
43	-	-	-	.040	.500	.125
44	-	-	-	.040	.500	.125
45	-	-	-	.040	.500	.125
46	-	-	-	.040	.480	.125
47	-	-	-	.040	.460	.125
48	-	-	-	.040	.440	.125
49	-	-	-	.040	.420	.125
50	-	-	-	.040	.400	.125
51	-	-	-	.040	.400	.125
52	.033	.450	.060	.040	.400	.140
53	.033	.420	.060	.040	.400	.150
54	.033	.390	.060	.040	.400	.170
55	.033	.360	.060	.040	.400	.190
56	.033	.330	.060	.040	.400	.215
57	.033	.300	.060	.040	.400	.225
58	.033	.300	.060	.040	.400	.225
59	.033	.300	.080	.040	.400	.230
60	.033	.300	.100	.040	.400	.230
61	.033	.350	.150	.040	.400	.245
62	.033	.430	.300	.040	.400	.295
63	.033	.500	.187	.040	.400	.265
64	.033	.500	.199	.040	.400	.260
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 following adjustment factors 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 1990 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 July 1, 1990 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, 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, 1990
(Thousands)**

Current Employees	
Employee Contributions	\$ 330,308
Employer-Financed Vested	991,954
Employer-Financed Non-Vested	300,756
Nonactive Participants	
Retirees and Beneficiaries Currently Receiving Benefits and Terminated Employees Not Yet Receiving Benefits	<u>2,177,821</u>
Total Pension Benefit Obligation	\$3,800,839
Assets at Cost Value (Market Value = \$1,746,447)	<u>1,637,219</u>
Unfunded Pension Benefit Obligation	\$2,163,620
