

**TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS**

**ACTUARIAL VALUATION
JUNE 30, 2001**

November 27, 2001

Board of Trustees
Teachers' Retirement System
of The State of Illinois
2815 West Washington Street
Springfield, Illinois 62702

Ladies and Gentlemen:

We have completed the valuation of the System as of June 30, 2001 and the principal results are set forth on Pages 1 and 2 of this report.

The recommended contributions to the System, which are summarized in the principal results, were determined by the current valuation for fiscal year 2003 and are based on the provisions of Public Act 90-0582. The actuarial assumptions used to determine the contribution are unchanged from last year.

Member contribution rates are 9.0% of covered payroll. An additional .5% member contribution has been required since July 1, 1995 to finance retiree health insurance through a state agency other than TRS. School districts are required to contribute 0.58% of TRS payroll toward the cost of the 2.2% formula. In total, employer contributions to the System must be sufficient to "meet the cost of maintaining and administering the system on a 90% funded basis in accordance with actuarial recommendations." The Act specifies that this objective is to be met by June 30, 2045 through annual appropriations that are a level percentage of payroll for fiscal years 2011 through 2045. Appropriations, as a percentage of payroll, for fiscal years 1996 through 2010 are to increase in level annual increments over the prior year's appropriation until the required level percentage of payroll is achieved in fiscal year 2010. In fiscal years 1999 through 2010, the Act specifies minimum state contributions as a percentage of applicable employee payroll.

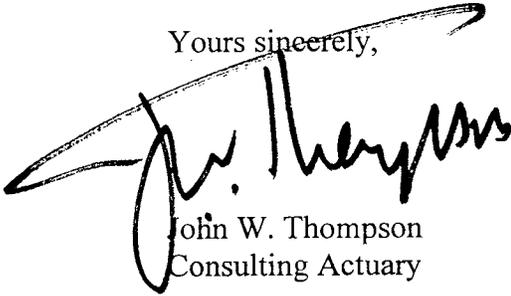
Under this financing objective, we recommend that the employer's contribution rate to the Employer's Contribution Reserve of the System for fiscal year 2003 be 13.95% of membership payroll. Under the projections, the rate is scheduled to increase to an employer contribution rate of 19.97% in fiscal 2010 and thereafter.

The total TRS Board-certified employer contribution to the Employer's Contribution Reserve is \$992,321,000. Subtracting estimated Federal and Trust Funds and School District contributions and adding a contribution to the Guaranteed Minimum Annuity Reserve results in a total recommended State Contribution for fiscal year 2003 of \$930,050,000. This figure represents an increase of \$114,631,000 or 14.1% over the actual State Contribution in fiscal year 2002 of \$815,419,000.

The unfunded pension benefit obligation of the System as of June 30, 2001 is \$15,851.1 million, which may be compared with the unfunded obligation of \$11,405.0 million as of June 30, 2000.

The funded status of the System as of June 30, 2001 is 59.5% based on the market value of assets, which may be compared with the System's funded status of 68.2% based on the market value of assets, as of June 30, 2000.

Yours sincerely,

A handwritten signature in black ink, appearing to read "John W. Thompson". The signature is written in a cursive style with a large, sweeping initial "J".

John W. Thompson
Consulting Actuary

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**TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS**

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
I Principal Results -----	1
II Financing Objective and Employer's Contribution Rate-----	5
III Current Financial Position -----	7
IV Gains and Losses During Year -----	9
V Membership Data -----	11
VI Assets -----	12
VII Actuarial Assumptions and Methods-----	13
VIII Financial Results and Membership Data - Detailed Summaries -----	14
Schedule I – Employer's Contribution Rates and Amounts -----	15
Schedule II – GASB 25 Required Supplemental Information -----	16
Schedule III – Reconciliation of Unfunded Pension Benefit Obligation -----	17
Schedule IV – Employer Cost in Excess of Contributions -----	18
Schedule V – 10-Year History of Unfunded Pension Benefit Obligation-----	19
Schedule VI – 10-Year History of Funded Status-----	20
Schedule VII – 10-Year History of System Revenue and Expenses -----	21
Schedule VIII – Membership Data-----	22
Schedule IX – History of Active Membership Data for Last 10 Years-----	23
Schedule X – History of Annuitant and Survivor Annuitant Membership for Last 10 Years-----	24
Schedule XI – Benefit Streams for Guaranteed Minimum and Supplemental Annuity Reserves-----	25
Schedule XII – Itemization of Employer Contribution to Employer's Contribution Reserve -----	26
Schedule XIII – 50-Year Projection for Employer's Contribution Reserve Under Public Act 90-0582-----	28
Schedule XIV – 50-Year Projection of Funded Status Under Public Act 90-0582 -----	30
IX Statement of Actuarial Assumptions and Methods-----	32
X Summary of Benefit and Contribution Provisions-----	37
XI Detailed Tabulations of Data -----	44

**TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS**

**ACTUARIAL VALUATION
JUNE 30, 2001**

SECTION I — PRINCIPAL RESULTS

1. We have summarized below the principal results of this year's valuation along with a comparison with last year's valuation results. The schedule also includes the significant membership data and asset data used in the valuations.

SUMMARY OF PRINCIPAL RESULTS

Item	Year Ended June 30	
	2001	2000
Employer's Contribution Reserve		
• Active members reported to the actuary:		
– Number	146,833	142,897
– Annual salaries (adjusted to valuation date)	\$ 6,258,177,000	\$ 5,928,134,000
– Average age	42.7 years	42.7 years
– Average service	11.6 years	11.8 years
• Number of inactives	64,909	60,104
• Retirees and beneficiaries in receipt of benefits:		
– Number	64,874	62,107
– Annual annuities (at June 30)	\$ 1,639,629,000	\$ 1,452,721,000
• Assets		
– Market value	\$ 23,315,646,000	\$ 24,481,413,000
• Pension benefit obligation	\$ 39,166,697,000	\$ 35,886,404,000
• Unfunded pension benefit obligation	\$ 15,851,051,000	\$ 11,404,991,000
• Funded ratio:		
– Market value	59.5%	68.2%

SUMMARY OF PRINCIPAL RESULTS
(Continued)

Item	Year Ended June 30	
	2001	2000
Employer's Contribution Reserve (continued)	Fiscal Year <u>2003</u>	Fiscal Year <u>2002</u>
• Employer cost:		
– Percentage Rate (includes Federal and School Districts)	13.95%	13.09%
– Employer Contribution	\$ 992,321,000	\$ 872,283,000
– Less School Districts	41,271,000	38,664,000
– Less Federal and Trust Funds Contribution	<u>25,000,000</u>	<u>23,000,000</u>
– State Contribution	\$ 926,050,000	\$ 810,619,000
Guaranteed Minimum Annuity Reserve		
• Retirees in receipt of benefits:		
– Number	3,376	3,696
– Annual annuities	\$ 4,397,000	\$ 4,947,000
– Pension benefit obligation	\$ 22,141,000	\$ 25,101,000
• State Contribution	\$ 4,000,000	\$ 4,800,000
Supplemental Annuity Reserve		
• Retirees and beneficiaries in receipt of benefits:		
– Number	49	61
– Annual annuities	\$ 17,000	\$ 22,000
– Pension benefit obligation	\$ 46,000	\$ 59,000
• State Contribution	\$ 0	\$ 0
Total State Contribution:		
• Employer's Contribution Reserve	\$ 926,050,000	\$ 810,619,000
• Guaranteed Minimum Annuity Reserve	<u>4,000,000</u>	<u>4,800,000</u>
• Total State Contribution	\$ 930,050,000	\$ 815,419,000

Notes: As the benefits from the Guaranteed Minimum Annuity Reserve are paid to members who are much older, on average, than the general pensioner population, and as separate mortality studies have not been performed for this special group, the fiscal 2002 and 2003 State Contributions were adjusted to ensure payment of all required benefits as required by Statute.

Employer's contribution to System in fiscal year 2002:

	<u>Certified Contribution</u>
Common School Fund	\$ 477,019,000
State Pensions Fund	58,600,000
Educational Assistance Fund	275,000,000
School Districts for 2.2%*	38,664,000
Federal and Trust Funds*	<u>23,000,000</u>
Total	\$ 872,283,000

* Future Federal and Trust Funds and School Districts contributions are estimated.

2. The June 30, 2001 actuarial valuation was based on the latest membership data available, which were submitted by the System for (i) active and inactive members as of June 30, 2000, and (ii) retirees and beneficiaries in receipt of benefits as of June 30, 2001. Membership data for active and inactive members as of June 30, 1999, and for retirees and beneficiaries as of June 30, 2000 were used as the basis for the June 30, 2000 actuarial valuation. As part of the valuation procedure, actual salaries reported for active members were increased by 4% to adjust for the one year lag in the census information for active members.
3. The State contribution amount of \$930,050,000 shown as of June 30, 2001 is the recommended State contribution for fiscal year 2003 under the pension funding provisions of Public Act 90-0582. This amount represents an Employer's Contribution Reserve Contribution of \$926,050,000 and a Guaranteed Minimum Annuity Reserve Contribution of \$4,000,000 for a total contribution of \$930,050,000. The recommended contribution for the Supplemental Annuity Reserve is zero because reserves are sufficient to cover all future expected benefit payments.
4. As stated above, at June 30, 2001 and June 30, 2000, we adjusted for the one year lag in reporting of the active membership by assuming that the population was stationary with regard to age and service and we increased reported payroll and member account balances by a 4% inflation assumption. No further adjustments were made to the active membership data at June 30, 2001 or June 30, 2000.
5. The statistics for full-time, substitute, part-time, and hourly paid teachers for purposes of the June 30, 2001 valuation, based on the census information for active members as of June 30, 2000, (after salaries were increased to adjust for the one year lag in the census information) are as follows:

Active Member Statistics

Item	Full-time and Regular Part-Time	Substitutes, Part-Time, Hourly Paid on a Flexible or Limited Work Schedule	Total
Number	122,598	24,235	146,833
Annual salaries	\$ 6,153,820,000	\$ 104,357,000	\$ 6,258,177,000
Average age	43.1 years	40.6 years	42.7 years
Average service	13.6 years	1.5 years	11.6 years

SECTION II — FINANCING OBJECTIVE
AND EMPLOYER'S CONTRIBUTION RATE

The financing objective of the System under Public Act 90-0582 is to:

- (a) meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations; and
- (b) meet this objective by June 30, 2045 based on a contribution rate payable by the employer which increases in equal annual increments for fiscal years 1996 through 2010, and remains level for fiscal years 2011 through 2045. In fiscal years 1999 through 2010, the Act specifies minimum state contributions as a percentage of applicable employee payroll.

On the basis of the current valuation, the contribution rate payable by the employer for fiscal year 2003, using the funding policy established under Public Act 90-0582, is equal to 13.95% of membership payroll. This is the total employer contribution rate, including state contributions, federal and trust funds, and school district contributions for the 2.2 formula change.

A projection of the contribution rates which are payable by the employer during the phase-in period on the basis of the funding policy described above indicates that the total contribution rate payable by the employer is scheduled to increase to an ultimate level rate of 19.97% in fiscal year 2010. The chart below presents the total contribution rates to the Employer's Contribution Reserve as well as the State contribution rates.

Fiscal Year	Total Employer Rate	State Rate	Fiscal Year	Total Employer Rate	State Rate
2003	13.95%	13.01%	2007	17.39%	16.46%
2004	14.81	13.87	2008	18.25	17.32
2005	15.67	14.73	2009	19.11	18.18
2006	16.53	15.60	2010	19.97	19.04

The State contribution equals the total contribution rate, offset by contributions from federal and trust funds and school districts. In addition to the contributions by the State to the Employer's Contribution Reserve, the State must make contributions to the Guaranteed Minimum Annuity Reserve in an amount sufficient to ensure that TRS can make the required benefit payments.

Schedule I of the report at Page 15 shows the required contribution for fiscal year 2003 under the financing objectives described above. As indicated in Schedule I, there is a total State contribution amount of \$930,050,000 payable to two reserves for fiscal year 2003. Commencing in fiscal year 2001, the recommended contribution for the Supplemental Annuity Reserve is zero because reserves are sufficient to cover all future expected benefit payments.

SECTION III — CURRENT FINANCIAL POSITION

The current financial position of the System may be measured by comparing the assets of the System to the pension benefit obligation of the System where the latter represents the value of pensions currently in payment and pensions earned through the valuation date by the active membership. In the ideal, fully-funded state, the assets would be equal to the pension benefit obligation. A comparison of the current financial position, or funded status, as of the current valuation date, with that as of the previous valuation date is summarized in the table below.

COMPARISON OF FUNDED STATUS

Valuation Date	Assets at Market Value	Pension Benefit Obligation	Funded Status
June 30, 2001	\$ 23,316 M	\$ 39,167 M	59.5%
June 30, 2000	24,481 M	35,886 M	68.2%

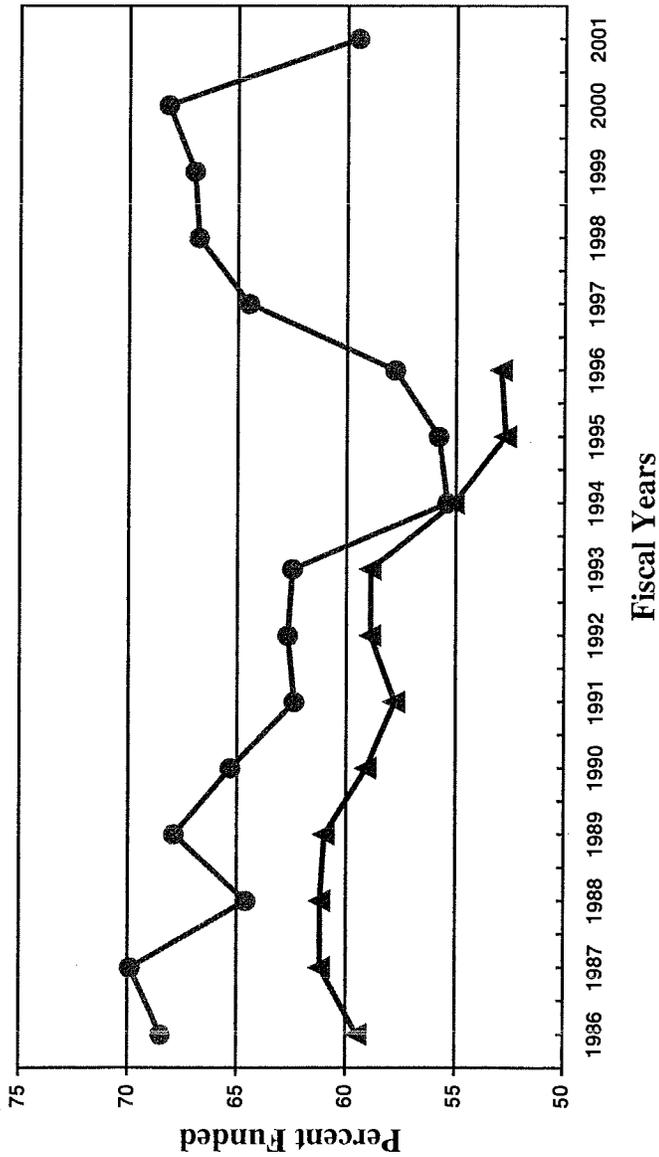
As can be seen from the table, the current funded status of the System is 59.5% as measured by the market value of assets. The funded status on a market value basis has decreased by 8.7 percentage points from the previous valuation.

In assessing the financial position of the System, it is important to review annually the trend line of the funded status. As can be seen from the chart on Page 8, the funded status based on either book value or market value of assets declined significantly from 1989 to 1996. The major portion of the decline was due to the failure of the State to adhere to the prior funding provisions of Senate Bill 95 (Public Act 86-0273). In fact, the decline in the funded ratio of the System would have been greater had it not been for the average investment return of the System, which was greater than the 8% return which was expected during this period of underfunding by the State. The decline in the funded ratio that occurred during fiscal year 2001 is due to a broad decline in the market value of investments.

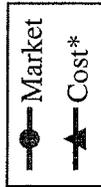
The funding provisions of PA 90-0582 are designed to attain a 90% funded ratio in fiscal year 2045. Because of the 15-year phase-in period before the full contribution rate is attained, the contribution rates of the System will increase to the ultimate rate in fiscal year 2010 and thereafter. A projection of the future funded status of the System is shown in Schedule XIV at Page 30.

**TEACHERS' RETIREMENT SYSTEM
OF THE STATE OF ILLINOIS**

FUNDED RATIO FISCAL YEARS 1986 - 2001



Funded Ratio At:



* Cost value of assets not applicable after 1996.

SECTION IV — GAINS AND LOSSES DURING YEAR

The gain and loss analysis provides a measure of the impact of the demographic and economic factors on the results of the actuarial valuation, when compared to the actuarial assumptions used to anticipate these factors. The analysis is significant in providing a test of the adequacy of these assumptions over a period of time. A detailed reconciliation of the changes in the unfunded pension benefit obligation, including actuarial gains and losses, can be found in Schedule III on Page 17.

The demographic factors affecting the gain and loss analysis include the following:

- (a) withdrawal from active membership;
- (b) mortality during active membership;
- (c) disability retirement;
- (d) service retirement; and
- (e) mortality after retirement.

The economic factors affecting the gain and loss analysis include the following:

- (a) investment rate of return; and
- (b) active members' salary increases.

During the fiscal year ended June 30, 2001, there was a net actuarial loss of \$3.712 billion incurred by the System due to demographic and economic experience when compared to the actuarial assumptions used to anticipate these factors.

The significant factors contributing to this net loss included the following:

(1) Gains due to salary increases less than expected	\$.010 billion
(2) Losses due to investment income below that expected	(3.090)
(3) Losses due to new entrants, for which no allowance is made in the assumptions	(.023)
(4) Losses due to lower than expected mortality	(.001)
(5) Fewer terminations than expected	(.100)
(6) Repayments of refunded member contributions	(.024)
(7) ERO costs waived for those with 34 years of service	(.135)
(8) Losses due to delayed reporting of retirements (effect on assets)	(.069)
(9) Losses due to all other causes	<u>(.280)</u>
Total net loss	\$ (3.712) billion

The loss from item 2 is comprised of the actuarial assumed earnings of \$2.075 billion combined with the actual asset loss of \$1.015 billion. The actuarial loss is equal to the expected earnings minus the actual investment return.

The loss from item 8 is due to 1,876 retirements that occurred prior to July 1, 2000 and were not reported to the actuary until June 30, 2001 due to TRS processing constraints. The actuarial loss is equal to the value of benefits paid prior to July 1, 2001 to these late reported retirees.

The "other cause" category (item 9) is the balancing item needed to complete the reconciliation of the June 30, 2000 and June 30, 2001 unfunded PBOs. Item 9 includes such factors as:

- (a) Retroactive benefit payments to individuals who delayed applying for retirement.
- (b) Differences between actual cost of benefits earned during the year and projected cost.
- (c) Retirements with reciprocal service credits.
- (d) Disablements different from those expected.
- (e) Delayed reporting of retirements (effect on PBO).

SECTION V — MEMBERSHIP DATA

The June 30, 2001 actuarial valuation was based on the latest membership data available, which were submitted by the System for (i) active and inactive members as of June 30, 2000, and (ii) annuitants and survivor annuitants in receipt of benefits as of June 30, 2001. As part of the valuation procedure, annualized salaries reported for active members were increased by 4% to adjust for the one year lag in the census information reported for active members.

While the actuary did not verify the data at their source, he did perform tests for internal consistency and reasonableness in relation to the data submitted for the previous valuation.

A comparison of the data for the current and previous valuations is as follows:

Comparison of Membership Data

Data Item	Valuation June 30, 2001	Valuation June 30, 2000	Percentage Change
Active membership:			
• Full-time and regular part time:			
> Number	122,598	119,324	2.7
> Annual Compensation	\$ 6,153,819,768	\$ 5,832,155,208	5.5
> Average Compensation	\$ 50,195	\$ 48,877	2.7
• Substitutes, part-time, and hourly paid on a limited schedule			
> Number	24,235	23,573	2.8
> Annual Compensation	\$ 104,357,189	\$ 95,979,062	8.7
> Average Compensation	\$ 4,306	\$ 4,072	5.7
• Total Number	146,833	142,897	2.8
Inactive Membership:			
• Eligible for deferred annuities	12,065	11,381	6.0
• Eligible for refunds or single sum benefits only	52,844	48,723	8.5
Annuitants (retirees, disabilitants and survivors):			
• Number	64,874	62,107	4.5
• Annual annuities	\$ 1,639,629,137	\$ 1,452,720,613	12.9
• Average annual annuities	\$ 25,274	\$ 23,391	8.1

Notes:

1. Rates of pay for individual teachers who were on full-time or regular part-time status at both June 30, 2000 and June 30, 2001 increased on average 6.55%, compared to the expected average increase of 6.75%.
2. The 8.5% increase in the number of inactive members eligible for refunds or single sum benefits only is due primarily to experience among substitutes and other members on a limited or flexible schedule.

SECTION VI — ASSETS

For valuation purposes, the actuarial value of assets is set equal to the market value of assets reported by the System. The actuarial value of assets as of June 30, 2001 amounted to \$23,315,646,000. This amount includes \$160,441,000 receivable from members for future payroll deduction contributions.

Assets are expected to earn 8.5% of market value. The investment income for fiscal year ended June 30, 2001 is the expected earnings minus the actual investment return. In fiscal year 2001, actuarial assumed earnings of \$2.075 billion combined with the actual asset loss of \$1.015 billion equals the reported actuarial loss of \$3.090 billion.

During the fiscal year ended June 30, 2001, the actuarial investment rate of return was equal to (4.16)%, based on market value. This may be compared to the actuarial investment rate of return of 10.53% during the fiscal year ended June 30, 2000, based on market value.

SECTION VII — ACTUARIAL ASSUMPTIONS AND METHODS

Effective with the June 30, 1997 actuarial valuation, new assumptions regarding rates of separation, salary increase and mortality were adopted. The new member profiles, necessary for the 50-year projection required by Public Act 90-0582 were also updated, and the interest rate was changed to 8.5% per annum, compounded annually. Assumptions for severance pay at retirement, unused and uncompensated sick leave, and optional service purchases were adopted effective for valuation purposes on and after June 30, 1994.

The actuarial cost method utilized is the projected unit credit cost method which became effective with the June 30, 1989 valuation. Administrative expenses have been a component of the normal cost rate since the June 30, 1994 valuation. The financing objectives of the System specified by Public Act 90-0582, adopted in May of 1998, were first effective for the 1999 fiscal year and have been reflected in this current June 30, 2001 valuation. The objective of the Act is to meet the cost of maintaining and administering the System on a 90% funded basis by June 30, 2045.

The rate of contribution determined under the cost method, according to the financing objective first established under Public Act 88-0593 and amended by Public Act 90-0582, is based on a projection of the liabilities, assets, expenses and payroll of the System for current and future members of the System for the period July 1, 2001 through June 30, 2045. See Section II for a more detailed description of the results of the application of this financing objective to the determination of the fiscal year 2003 contribution requirement.

SECTION VIII — FINANCIAL RESULTS AND MEMBERSHIP DATA -
DETAILED SUMMARIES

Detailed summaries of the financial results of the valuation and membership data used in preparing the valuation are shown in the schedules which follow.

SCHEDULE I
EMPLOYER'S CONTRIBUTION RATES AND AMOUNTS
FISCAL YEAR 2003
(Based on June 30, 2001 Actuarial Valuation)

Reserve Fund	Year Ended June 30, 2003
• Employer's Contribution Reserve:	
> Employer's Cost	\$ 992,321,000
> Less School Districts	(41,271,000)
> Less Federal and Trust Funds	(25,000,000)
> State Contribution	<u>\$ 926,050,000</u>
• Guaranteed Minimum Annuity Reserve	
> State Contribution	\$ 4,000,000
Total State Contribution	<u>\$ 930,050,000</u>

Notes:**(1) Employer's Contribution Reserve**

- (a) Employer's cost of \$992,321,000 is equivalent to a contribution rate of 13.95% of payroll based on an estimated membership payroll for fiscal year 2003 of \$7.116 billion.
- (b) Employer's cost is based on projection required by Public Act 90-0582 summarized as follows:
- (i) Meet the cost of maintaining and administering the System on a 90% funded basis by June 30, 2045, with level percentage of payroll contributions after a 15 year phase-in beginning in fiscal year 1996.
 - (ii) Phase-in period requires employer's contribution rate to increase in equal annual increments to attain level percentage schedule in fiscal year 2010, except in the following State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll: 10.02% in FY1999; 10.77% in FY2000; 11.47% in FY2001; 12.16% in FY2002; 12.86% in FY2003; 13.56% in FY2004; 14.25% in FY2005; 14.95% in FY2006; 15.65% in FY2007; 16.34% in FY2008; 17.04% in FY2009; and 17.74% in FY2010.
- (c) For FY2003, the recommended state contribution rate is 13.01%. Projection indicates that employer contribution rate will rise from 13.95% in fiscal year 2003 to 19.97% in fiscal year 2010.

(2) Guaranteed Minimum Annuity Reserve

Above State contribution for fiscal year 2003 of \$4,000,000 for the Guaranteed Minimum Annuity Reserve is based on projection of benefit outgo from reserve funds in fiscal year 2003. As separate mortality studies have not been performed for the pensioners covered by this special reserve, the contribution has been adjusted to ensure payment of all benefits as required by Statute.

(3) Base Data

Base data used for 50-year projection under Public Act 90-0582 is as follows:

- (a) June 30, 2001 valuation data. New entrant profile per actuarial assumptions.
- (b) Employer's total contribution to Employer's Contribution Reserve of the System in fiscal year 2002:

	<u>Certified Contribution</u>
Common School Fund	\$ 477,019,000
State Pensions Fund	58,600,000
Educational Assistance Fund	275,000,000
School Districts for 2.2%	38,664,000
Federal and Trust Funds	<u>23,000,000</u>
Total	<u>\$ 872,283,000</u>

- (4) Federal and Trust Funds and School Districts contributions are estimated.**

SCHEDULE II**GASB 25 — REQUIRED SUPPLEMENTARY INFORMATION**
(\$ Thousands)

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) – Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a)/(b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
6/30/96	\$ 15,103,927	\$ 26,141,794	\$ 11,037,867	57.8%	\$ 4,734,250	233.1%
6/30/97	17,393,108	26,951,585	9,558,477	64.5	5,013,583	190.7
6/30/98	19,965,887	29,908,241	9,942,354	66.8	5,323,403	186.8
6/30/99	22,237,709	33,205,513	10,967,804	67.0	5,698,117	192.5
6/30/00	24,481,413	35,886,404	11,404,991	68.2	6,062,884	188.1
6/30/01	23,315,646	39,166,697	15,851,051	59.5	6,430,612	246.5

Schedule of Employer Contributions		
Total Employer Contributions (State, Federal and Trust Funds, and School Districts)		
Year Ended June 30	Annual Required Contribution	Percentage Contributed
1996	\$1,350,997	25.3%
1997	927,842	42.6
1998	983,312	48.6
1999	932,909	64.7
2000	1,003,612	68.6
2001	1,102,441	70.6

The Government Accounting Standards Board (GASB) requires disclosure of the Annual Required Contribution (ARC) under a standard funding methodology. Amounts shown as the ARCs for each year are different from the contributions required by state statute. The information here was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date:	6/30/2001
Actuarial Cost Method:	Projected Unit Credit
Amortization Method (for GASB disclosure):	Level Percent Open
Remaining Amortization Period (for GASB disclosure):	40 years
Asset Valuation Method:	Market

Actuarial assumptions:

Investment Rate of Return:	8.5%
Projected Salary Increases:	6.0 - 9.3%, composite approximates 7%
Includes Inflation at:	4%
Cost-of-Living Adjustments:	3%

SCHEDULE III**RECONCILIATION OF UNFUNDED PENSION BENEFIT OBLIGATION**

(\$ Thousands)

Item	Year Ended June 30 Actuarial gains are shown in parentheses	
	2001	2000
• Unfunded pension benefit obligation at beginning of year	\$ 11,404,991	\$ 10,967,804
• Additions (deductions)		
— Employer cost in excess of contributions	\$ 733,877	\$ 723,606
• Actuarial losses (gains) compared to assumptions:		
— Salary increases for continuing active members	\$ (10,310)	\$ (33,403)
— Investment income ¹	3,089,764	(450,361)
— New entrant loss	22,775	19,342
— Mortality loss	1,569	11,458
— Fewer terminations than expected	99,652	87,956
— Repayments of refunded member contributions ²	24,445	25,872
— ERO costs waived for those with 34 years of service	134,951	77,928
— Delayed reporting of retirements (effect on assets) ³	69,559	46,858
— Other ⁴	279,778	(72,069)
Net Actuarial Losses (Gains)	\$ 3,712,183	\$ (286,419)
• Net Additions	\$ 4,446,060	\$ 437,187
• Unfunded pension benefit obligation at end of year	\$ 15,851,051	\$ 11,404,991

¹ Assets are expected to earn 8.5% of market value. This item is the expected earnings minus the actual investment return. For example, in fiscal year 2001, actuarial assumed earnings of \$2.075 billion plus the actual asset loss of \$1.015 billion equal the reported actuarial loss of \$3.090 billion.

² This includes the employer paid portion of the benefit that was restored when members repaid previously refunded contributions.

³ 1,393 retirements that occurred prior to 7/1/1999 were not reported to the actuary until 6/30/2000. 1,876 retirements that occurred prior to 7/1/2000 were not reported to the actuary until 6/30/2001.

⁴ Other includes items such as:

- (a) Retroactive benefit payments to individuals who delayed applying for retirement.
- (b) Differences between actual cost of benefits earned during the year and projected cost.
- (c) Retirements with reciprocal service credits.
- (d) Disablements different from those expected.
- (e) Delayed reporting of retirements (effect on PBO).

SCHEDULE IV
EMPLOYER COST IN EXCESS OF CONTRIBUTIONS
(\$ Thousands)

Item	Year Ended June 30	
	2001	2000
• Employer Normal Cost	\$ 542,795	\$ 479,929
• Interest on unfunded pension benefit obligation at beginning of year	<u>969,424</u>	<u>932,263</u>
Total employer cost	\$ 1,512,219	\$ 1,412,192
• Employer contributions		
— State (excluding Minimum and Supplemental)	\$ 719,357	\$ 634,039
— School Districts for 2.2%	35,809	33,122
— Federal and Trust Funds	<u>23,176</u>	<u>21,425</u>
Total employer credits	\$ 778,342	\$ 688,586
• Employer cost in excess of contributions	\$ 733,877	\$ 723,606

SCHEDULE V**10 YEAR HISTORY OF UNFUNDED
PENSION BENEFIT OBLIGATION**

Year Ended June 30	Pension Benefit Obligation	Net Assets* (Actuarial)	Unfunded Pension Benefit Obligation	Percentage Change in Unfunded
1992	\$ 16,659,353,000	\$ 9,811,962,000	\$ 6,847,391,000	7.09%
1993	18,485,890,000	10,879,590,000	7,606,300,000	11.08
1994	21,746,875,000	11,992,224,000	9,754,651,000	28.24
1995	23,980,566,000	12,641,865,000	11,338,701,000	16.24
1996	26,141,794,000	13,829,711,000	12,312,083,000	8.58
1997	26,951,585,000	17,393,108,000	9,558,477,000	(22.37)
1998	29,908,241,000	19,965,887,000	9,942,354,000	4.02
1999	33,205,513,000	22,237,709,000	10,967,804,000	10.31
2000	35,886,404,000	24,481,413,000	11,404,991,000	3.99
2001	39,166,697,000	23,315,646,000	15,851,051,000	38.98
Average Annual Change				10.62%

*Net assets pre-1997 are on cost value basis. Post 1996 assets are at fair market value.

SCHEDULE VI**10 YEAR HISTORY OF FUNDED STATUS**

Year Ended June 30	Pension Benefit Obligation	Net Assets*		Funded Ratio	
		Cost	Market	Cost	Market
1992	\$ 16,659,353,000	\$ 9,811,962,000	\$10,439,836,000	58.9%	62.7%
1993	18,485,890,000	10,879,590,000	11,544,604,000	58.9	62.5
1994	21,746,875,000	11,992,224,000	12,038,688,000	55.1	55.4
1995	23,980,566,000	12,641,865,000	13,374,278,000	52.7	55.8
1996	26,141,794,000	13,829,711,000	15,103,927,000	52.9	57.8
1997	26,951,585,000	N/A	17,393,108,000	N/A	64.5
1998	29,908,241,000	N/A	19,965,887,000	N/A	66.8
1999	33,205,513,000	N/A	22,237,709,000	N/A	67.0
2000	35,886,404,000	N/A	24,481,413,000	N/A	68.2
2001	39,166,697,000	N/A	23,315,646,000	N/A	59.5

* Cost value of assets are not applicable after 1996.

SCHEDULE VII**10-YEAR HISTORY OF SYSTEM REVENUE AND EXPENSES**

Year Ended June 30	Beginning of Year Market Value of Assets	Contributions		Market Value Income	Benefits and Expenses	End of Year Market Value of Assets
		Member	Employer			
1992	\$ 9,453,140,000	\$ 350,909,000	\$ 272,376,000	\$ 1,035,945,000	\$ 672,534,000	\$ 10,439,836,000
1993	10,439,836,000	363,334,000	305,974,000	1,179,776,000	744,316,000	11,544,604,000
1994	11,544,604,000	413,395,000	483,465,000	503,837,000	906,613,000	12,038,688,000
1995	12,038,688,000	430,761,000	598,169,000	1,457,436,000	1,150,776,000	13,374,278,000
1996	13,374,278,000	399,084,000	389,367,000	2,095,915,000	1,154,717,000	15,103,927,000
1997	15,103,927,000	416,739,000	421,180,000	2,643,774,000	1,192,512,000	17,393,108,000
1998	17,393,108,000	441,016,000	502,934,000	2,873,101,000	1,244,272,000	19,965,887,000
1999	19,965,887,000	866,376,000	636,596,000	2,089,661,000	1,320,811,000	22,237,709,000
2000	22,237,709,000	619,623,000	730,597,000	2,336,218,000	1,442,734,000	24,481,413,000
2001	24,481,413,000	643,563,000	821,625,000	(1,015,254,000)	1,615,701,000	23,315,646,000

Notes: Market Value Income represents the net appreciation/(depreciation) in the market value of assets after adjusting for contributions received and benefits and expenses paid.

When calculating the actuarial gain or loss due to investment experience, for fiscal years 1995-2001, a portion of the employer contribution is treated as interest on the discounted employer ERI receivable reported by the System.

SCHEDULE VIII**MEMBERSHIP DATA****ACTIVE AND INACTIVE MEMBERSHIP OF SYSTEM
AS OF JUNE 30, 2000
USED IN JUNE 30, 2001 VALUATION**

Group	Number	Annual Salaries (Adjusted to Valuation Date)
Active members:		
Reported full-time and regular part-time	122,598	\$ 6,153,819,768
Reported substitutes and hourly paid	<u>24,235</u>	<u>104,357,189</u>
Total	146,833	\$ 6,258,176,957
Inactives:	64,909	N/A

**ANNUITANTS, DISABILITY BENEFIT RECIPIENTS,
AND SURVIVOR ANNUITANTS OF THE SYSTEM
AS OF JUNE 30, 2001
(Excluding Minimum and Supplemental Annuities)**

Class	Number	Annual Annuities at June 30
Retired on account of service:		
Regular	34,666	\$ 774,575,255
ERI	11,496	426,340,913
ERO	<u>10,399</u>	<u>349,217,833</u>
Total	56,561	\$ 1,550,134,001
Disability benefit recipients:		
Retirement allowance	645	\$ 9,743,401
Occupational	7	197,851
Temporary	<u>374</u>	<u>7,663,254</u>
Total	1,026	\$ 17,604,506
Survivor benefit recipients:		
Children	129	\$ 703,703
Survivor annuitants	6,958	68,564,490
Reversionary annuitants	167	2,072,146
QILDROs	<u>33</u>	<u>550,291</u>
Total	7,287	\$ 71,890,630
Grand Total	64,874	\$ 1,639,629,137

SCHEDULE IX**HISTORY OF ACTIVE MEMBERSHIP DATA
FOR LAST 10 YEARS****Full-Time and Regular Part-Time**

Census Date June 30	Number of Active Members	Percentage Change in Membership	Average Annual Salary	Percentage Change in Salary
1991	104,264	2.14	36,597	5.17
1992	104,407	0.14	38,561	5.37
1993	104,271 ⁽¹⁾	(0.13)	41,039	6.43
1994	100,576 ⁽²⁾	(3.54)	41,716	1.65
1995	108,179	7.56	42,766	2.52
1996	110,939	2.55	44,265	3.51
1997	113,431	2.25	45,891	3.67
1998	116,358	2.58	47,375	3.23
1999	119,324	2.55	48,877	3.17
2000	122,598	2.74	50,195	2.70

(1) Includes 2,242 assumed new members to replace ERI program retirees.

(2) Includes 961 assumed new members to replace ERI program retirees.

Substitutes, Part-Time and Hourly-Paid

Census Date June 30	Number of Active Members	Percentage Change in Membership	Average Annual Salary	Percentage Change in Salary
1991 ⁽³⁾	19,149	N/A	3,029	N/A
1992	21,363	11.56	3,200	5.65
1993	21,499	0.64	2,967	(7.28)
1994	21,398	(0.47)	3,132	5.56
1995	20,700	(3.26)	3,361	7.31
1996	21,668	4.68	3,440	2.35
1997	22,983	6.09	3,569	3.75
1998	22,949	(0.15)	3,874	8.55
1999	23,573	2.72	4,072	5.11
2000	24,235	2.81	4,306	5.75

(3) This is the first year substitutes, part-time and hourly-paid teachers on a flexible or limited work schedule are included in the valuation.

SCHEDULE X**HISTORY OF ANNUITANT AND SURVIVOR
ANNUITANT MEMBERSHIP FOR LAST 10 YEARS**

Year Ended June 30	Number on Roll	Percentage Change in Membership
1992	48,005	2.64
1993	49,555	3.23
1994	54,616	10.21
1995	59,611	9.15
1996	59,634	0.04
1997	59,342	(0.49)
1998	59,127	(0.36)
1999	60,308	2.00
2000	62,107	2.98
2001	64,874	4.46

SCHEDULE XI**BENEFIT STREAMS FOR GUARANTEED MINIMUM AND SUPPLEMENTAL ANNUITY RESERVES**

Benefit Payment Stream			Benefit Payment Stream		
Fiscal Year	Guaranteed Minimum	Supplemental	Fiscal Year	Guaranteed Minimum	Supplemental
2002	\$ 4,188,860	\$ 14,690	2026	\$ 112,530	\$ -
2003	3,784,810	11,220	2027	91,110	-
2004	3,405,240	8,520	2028	73,340	-
2005	3,050,610	6,400	2029	58,700	-
2006	2,721,190	4,750	2030	46,700	-
2007	2,417,010	3,480	2031	36,930	-
2008	2,137,830	2,500	2032	29,000	-
2009	1,883,090	1,770	2033	22,620	-
2010	1,651,920	1,240	2034	17,500	-
2011	1,443,290	860	2035	13,420	-
2012	1,255,940	600	2036	10,190	-
2013	1,088,550	420	2037	7,660	-
2014	939,660	300	2038	5,680	-
2015	807,860	220	2039	4,160	-
2016	691,670	160	2040	3,000	-
2017	589,680	120	2041	2,120	-
2018	500,510	90	2042	1,470	-
2019	422,890	70	2043	990	-
2020	355,590	50	2044	650	-
2021	297,510	40	2045	410	-
2022	247,630	30	2046	250	-
2023	205,010	-	2047	150	-
2024	168,800	-	2048	80	-
2025	138,210	-	2049	50	-

Notes:

- (1) Above benefit payment amounts were projected based on the mortality assumptions for the general pensioner population.
- (2) As separate studies have not been performed for these special groups, the fiscal 2003 State Contribution shown on the Summary of Principal Results has been adjusted to ensure payment of all required benefit amounts, as required by Statute. Commencing in fiscal year 2001, no contribution is recommended for the Supplemental Annuity Reserve because reserves are sufficient to cover all future expected benefit payments.

**SCHEDULE XII
ITEMIZATION OF EMPLOYER CONTRIBUTION TO EMPLOYER'S CONTRIBUTION RESERVE**

Year Ended June 30	Assumed Payroll	Total Employer Contribution	School District Contribution	Federal & Trust Funds Contribution	State Contribution	State Contribution Rate
1995	\$ 4,633,650,000	\$ 279,364,800		\$ 16,500,000	\$ 262,864,800	5.67%
1996	4,863,544,432	341,276,242		17,000,000	324,276,242	6.67%
1997	4,903,151,093	395,268,984		17,300,000	377,968,984	7.71%
1998	5,264,732,966	478,439,267		18,000,000	460,439,267	8.75%
1999	5,558,349,721	602,242,600	\$16,675,000	18,500,000	567,067,600	10.20%
2000	5,887,080,405	686,383,626	34,145,066	18,200,000	634,038,560	10.77%
2001	6,271,637,672	775,732,339	36,375,498	20,000,000	719,356,841	11.47%
2002	6,666,272,399	872,283,104	38,664,380	23,000,000	810,618,724	12.16%
2003	7,115,762,553	992,321,341	41,271,423	25,000,000	926,049,918	13.01%
2004	7,442,693,407	1,101,948,458	43,167,622	26,148,615	1,032,632,222	13.87%
2005	7,771,401,783	1,217,479,729	45,074,130	27,303,475	1,145,102,123	14.73%
2006	8,101,583,445	1,338,910,752	46,989,184	28,463,511	1,263,458,057	15.60%
2007	8,430,697,262	1,465,837,733	48,898,044	29,619,795	1,387,319,893	16.46%
2008	8,759,488,430	1,598,369,085	50,805,033	30,774,946	1,516,789,106	17.32%
2009	9,094,401,724	1,737,727,929	52,747,530	31,951,606	1,653,028,792	18.18%
2010	9,440,875,517	1,885,158,220	54,757,078	33,168,882	1,797,232,260	19.04%
2011	9,801,485,697	1,957,165,020	56,848,617	34,435,823	1,865,880,580	19.04%
2012	10,179,286,376	2,032,604,428	59,039,861	35,763,161	1,937,801,406	19.04%
2013	10,578,991,184	2,112,417,662	61,358,149	37,167,454	2,013,892,059	19.04%
2014	11,006,367,010	2,197,756,257	63,836,929	38,668,965	2,095,250,363	19.04%
2015	11,466,885,015	2,289,712,697	66,507,933	40,286,916	2,182,917,848	19.04%
2016	11,964,473,015	2,389,071,290	69,393,943	42,035,105	2,277,642,241	19.04%
2017	12,500,877,100	2,496,180,696	72,505,087	43,919,668	2,379,755,941	19.04%
2018	13,078,173,197	2,611,455,437	75,853,405	45,947,898	2,489,654,135	19.04%
2019	13,698,920,393	2,735,406,513	79,453,738	48,128,786	2,607,823,989	19.04%
2020	14,365,905,291	2,868,590,354	83,322,251	50,472,122	2,734,795,982	19.04%

Notes:

- (1) Federal and Trust Funds contributions for 2002 and 2003 were estimated at \$23,000,000 and \$25,000,000, respectively.
- (2) School District and Federal and Trust Fund contributions for years subsequent to 2003 are projected to increase from the fiscal 2003 amounts at the same rate as the increase in Assumed Payroll.

SCHEDULE XII
ITEMIZATION OF EMPLOYER CONTRIBUTION TO EMPLOYER'S CONTRIBUTION RESERVE
(Continued)

Year Ended June 30	Assumed Payroll	Total Employer Contribution	School District Contribution	Federal & Trust Funds Contribution	State Contribution	State Contribution Rate
2021	\$ 15,078,641,294	\$ 3,010,909,796	\$ 87,456,120	\$ 52,976,196	\$ 2,870,477,480	19.04%
2022	15,836,126,150	3,162,164,708	91,849,532	55,637,488	3,014,677,689	19.04%
2023	16,638,417,567	3,322,366,615	96,502,822	58,456,200	3,167,407,593	19.04%
2024	17,486,232,130	3,491,658,604	101,420,146	61,434,850	3,328,803,608	19.04%
2025	18,379,056,200	3,669,938,111	106,598,526	64,571,633	3,498,767,953	19.04%
2026	19,315,888,657	3,857,005,233	112,032,154	67,863,031	3,677,110,047	19.04%
2027	20,296,081,899	4,052,730,655	117,717,275	71,306,771	3,863,706,609	19.04%
2028	21,322,025,514	4,257,591,532	123,667,748	74,911,246	4,059,012,538	19.04%
2029	22,395,886,363	4,472,020,544	129,896,141	78,684,070	4,263,440,333	19.04%
2030	23,521,140,669	4,696,711,823	136,422,616	82,637,456	4,477,651,751	19.04%
2031	24,700,882,466	4,932,283,190	143,265,118	86,782,275	4,702,235,797	19.04%
2032	25,940,261,761	5,179,762,998	150,453,518	91,136,619	4,938,172,861	19.04%
2033	27,244,257,453	5,440,145,438	158,016,693	95,717,983	5,186,410,762	19.04%
2034	28,618,199,873	5,714,494,871	165,985,559	100,545,091	5,447,964,220	19.04%
2035	30,066,407,902	6,003,673,694	174,385,166	105,633,120	5,723,655,408	19.04%
2036	31,591,488,104	6,308,202,387	183,230,631	110,991,225	6,013,980,531	19.04%
2037	33,195,971,339	6,628,586,312	192,536,634	116,628,299	6,319,421,379	19.04%
2038	34,882,144,940	6,965,282,206	202,316,441	122,552,378	6,640,413,387	19.04%
2039	36,653,184,333	7,318,924,139	212,588,469	128,774,619	6,977,561,052	19.04%
2040	38,510,296,697	7,689,753,162	223,359,721	135,299,261	7,331,094,179	19.04%
2041	40,456,056,211	8,078,283,286	234,645,126	142,135,351	7,701,502,810	19.04%
2042	42,493,541,774	8,485,129,309	246,462,542	149,293,703	8,089,373,063	19.04%
2043	44,627,673,294	8,911,273,640	258,840,505	156,791,605	8,495,641,529	19.04%
2044	46,862,720,582	9,357,568,876	271,803,779	164,644,057	8,921,121,039	19.04%
2045	49,202,567,120	9,824,790,472	285,374,889	172,864,703	9,366,550,880	19.04%
2046	51,651,568,529	5,106,699,785	299,579,097	181,468,845	4,625,651,842	8.96%

Notes:

- (1) Federal and Trust Funds contributions for 2002 and 2003 were estimated at \$23,000,000 and \$25,000,000, respectively.
- (2) School District and Federal and Trust Fund contributions for years subsequent to 2003 are projected to increase from the fiscal 2003 amounts at the same rate as the increase in Assumed Payroll.

SCHEDULE XIII

**FISCAL YEAR 2003 EMPLOYER CONTRIBUTION BASED ON
50-YEAR PROJECTION FOR EMPLOYER'S CONTRIBUTION RESERVE UNDER PUBLIC ACT 90-0582
(50 YEAR AMORTIZATION WITH 15 YEAR PHASE-IN BEGINNING FISCAL YEAR 1996)**

Year Ended June 30	Amort. Year	End of Year		Employer Rate (see note 2)			Amount of Employer Contribution (see note 2)			Assumed Payroll
		Funded Ratio	Unfunded Pension Benefit Obligation	Total	Normal Cost	Amortization	Total	Normal Cost	Amortization	
1995	0	52.7%	\$11,338,701,000	6.03%	8.12%	-2.09%	\$279,364,800	\$376,122,700	(\$96,757,900)	\$4,633,650,000
1996	1	52.9%	12,312,083,000	7.02%	8.23%	-1.21%	341,276,242	400,134,055	(58,857,812)	4,863,544,432
1997	2	64.5%	9,558,477,000	8.06%	8.21%	-0.15%	395,268,984	402,771,457	(7,502,473)	4,903,151,093
1998	3	66.8%	9,942,354,000	9.09%	8.38%	0.70%	478,439,267	441,403,004	37,036,263	5,264,732,966
1999	4	67.0%	10,967,804,000	10.83%	7.84%	2.99%	602,242,600	435,910,961	166,331,639	5,558,349,721
2000	5	68.2%	11,404,991,000	11.66%	8.15%	3.51%	686,383,626	479,928,856	206,454,770	5,887,080,405
2001	6	59.5%	15,851,051,000	12.37%	8.65%	3.71%	775,732,339	542,794,806	232,937,533	6,271,637,672
2002	7	59.7%	16,889,655,431	13.09%	8.84%	4.25%	872,283,104	588,971,933	283,311,171	6,666,272,399
2003	8	60.0%	17,946,346,021	13.95%	8.83%	5.11%	992,321,341	628,536,783	363,784,558	7,115,762,553
2004	9	60.4%	19,005,415,442	14.81%	8.90%	5.91%	1,101,948,458	662,314,867	439,633,591	7,442,693,407
2005	10	60.9%	20,066,592,958	15.67%	8.93%	6.74%	1,217,479,729	693,755,368	523,724,360	7,771,401,783
2006	11	61.4%	21,117,036,446	16.53%	8.92%	7.61%	1,338,910,752	722,451,138	616,459,614	8,101,583,445
2007	12	62.0%	22,149,873,427	17.39%	8.87%	8.52%	1,465,837,733	747,769,007	718,068,726	8,430,697,262
2008	13	62.7%	23,155,352,830	18.25%	8.79%	9.46%	1,598,369,085	769,790,117	828,578,968	8,759,488,430
2009	14	63.4%	24,121,368,868	19.11%	8.68%	10.42%	1,737,727,929	789,725,714	948,002,215	9,094,401,724
2010	15	64.1%	25,035,719,236	19.97%	8.57%	11.40%	1,885,158,220	808,820,996	1,076,337,224	9,440,875,517
2011	16	64.7%	25,973,698,877	19.97%	8.44%	11.53%	1,957,165,020	827,275,668	1,129,889,353	9,801,485,697
2012	17	65.3%	26,932,851,718	19.97%	8.31%	11.66%	2,032,604,428	846,031,823	1,186,572,605	10,179,286,376
2013	18	65.8%	27,912,057,239	19.97%	8.19%	11.78%	2,112,417,662	866,110,430	1,246,307,231	10,578,991,184
2014	19	66.2%	28,911,586,526	19.97%	8.08%	11.89%	2,197,756,257	888,811,622	1,308,944,634	11,006,367,010
2015	20	66.6%	29,929,051,312	19.97%	7.98%	11.99%	2,289,712,697	915,332,469	1,374,380,227	11,466,885,015
2016	21	67.0%	30,962,452,422	19.97%	7.91%	12.06%	2,389,071,290	945,884,758	1,443,186,532	11,964,473,015
2017	22	67.4%	32,010,751,936	19.97%	7.85%	12.12%	2,496,180,696	981,005,490	1,515,175,205	12,500,877,100
2018	23	67.7%	33,070,327,062	19.97%	7.81%	12.16%	2,611,455,437	1,020,935,353	1,590,520,083	13,078,173,197
2019	24	68.0%	34,138,988,110	19.97%	7.79%	12.18%	2,735,406,513	1,066,641,605	1,668,764,908	13,698,920,393
2020	25	68.4%	35,215,172,258	19.97%	7.79%	12.18%	2,868,590,354	1,118,550,894	1,750,039,460	14,365,905,291

Notes:
 (1) Above represents contributions to the Employer's Contribution Reserve. It does not include contributions to Guaranteed Minimum and Supplemental Annuity Reserves.
 (2) Above contributions represent the sum of State contributions and Federal and Trust Funds Contributions. School District contributions under P.A. 90-0582 are included beginning in fiscal 1999.
 (3) Amortization rate in fiscal years 1995-1997 is negative on account of the fact that contributions do not cover normal cost.
 (4) Employer Rates, Contribution Amounts and Assumed Payroll shown for fiscal years 1995 - 2002 are based on the June 30, 1993 - June 30, 2000 actuarial valuations and are certified amounts, with fiscal 1999 including additional funding due to P.A. 90-0582 and \$9,695,600 in additional State Pensions Fund appropriations.
 (5) For calculation purposes, Employer Rates include 15 decimal places. For ease of presentation, only 2 decimal places are shown.
 (6) Assumptions and methodology:
 • Prior to 1997: Return on Investment = 8.00%. Payroll Growth based on valuation assumptions. Valuation Interest Rate = 8.00%. Assets at cost value.
 • For 1997 and after: Return on Investment = 8.50%. Payroll Growth based on valuation assumptions. Valuation Interest Rate = 8.50%. Assets at market value.

SCHEDULE XIII

**FISCAL YEAR 2003 EMPLOYER CONTRIBUTION BASED ON
50 YEAR PROJECTION FOR EMPLOYER'S CONTRIBUTION RESERVE UNDER PUBLIC ACT 90-0582
(50 YEAR AMORTIZATION WITH 15 YEAR PHASE-IN BEGINNING FISCAL YEAR 1996)
(Continued)**

Year Ended June 30	Amort. Year	End of Year		Employer Rate (see note 2)		Amount of Employer Contribution (see note 2)			Assumed Payroll	
		Funded Ratio	Unfunded Pension Benefit Obligation	Total	Normal Cost	Amortization	Total	Normal Cost		Amortization
2021	26	68.8%	36,294,200,432	19.97%	7.79%	12.17%	3,010,909,796	1,175,273,801	1,835,635,995	15,078,641,294
2022	27	69.2%	37,372,012,889	19.97%	7.81%	12.16%	3,162,164,708	1,236,800,458	1,925,364,251	15,836,126,150
2023	28	69.6%	38,444,265,700	19.97%	7.83%	12.14%	3,322,366,615	1,302,760,430	2,019,606,185	16,638,417,567
2024	29	70.1%	39,505,321,901	19.97%	7.85%	12.11%	3,491,658,604	1,373,499,960	2,118,158,644	17,486,232,130
2025	30	70.6%	40,548,711,698	19.97%	7.88%	12.09%	3,669,938,111	1,448,059,616	2,221,878,495	18,379,056,200
2026	31	71.1%	41,566,453,847	19.97%	7.90%	12.07%	3,857,005,233	1,525,239,061	2,331,766,171	19,315,888,657
2027	32	71.7%	42,549,851,108	19.97%	7.91%	12.06%	4,052,730,655	1,604,933,646	2,447,797,009	20,296,081,899
2028	33	72.3%	43,489,560,485	19.97%	7.91%	12.05%	4,257,591,532	1,687,601,329	2,569,990,203	21,322,025,514
2029	34	73.0%	44,375,339,007	19.97%	7.92%	12.05%	4,472,020,544	1,773,557,840	2,698,462,704	22,395,886,363
2030	35	73.7%	45,195,424,834	19.97%	7.92%	12.05%	4,696,711,823	1,862,899,616	2,833,812,207	23,521,140,669
2031	36	74.5%	45,935,662,600	19.97%	7.91%	12.05%	4,932,283,190	1,954,869,499	2,977,413,690	24,700,882,466
2032	37	75.3%	46,582,032,999	19.97%	7.91%	12.06%	5,179,762,998	2,051,828,418	3,127,934,581	25,940,261,761
2033	38	76.1%	47,119,559,803	19.97%	7.91%	12.06%	5,440,145,438	2,154,972,150	3,285,173,288	27,244,257,453
2034	39	77.0%	47,530,205,826	19.97%	7.91%	12.06%	5,714,494,871	2,263,648,544	3,450,846,327	28,618,199,873
2035	40	78.0%	47,793,858,257	19.97%	7.91%	12.06%	6,003,673,694	2,378,199,215	3,625,474,479	30,066,407,902
2036	41	79.0%	47,888,367,306	19.97%	7.91%	12.06%	6,308,202,387	2,498,830,338	3,809,372,049	31,591,488,104
2037	42	80.0%	47,789,382,568	19.97%	7.91%	12.06%	6,628,586,312	2,625,742,098	4,002,844,213	33,195,971,339
2038	43	81.1%	47,470,196,560	19.97%	7.91%	12.06%	6,965,282,206	2,759,115,422	4,206,166,785	34,882,144,940
2039	44	82.2%	46,901,432,821	19.97%	7.91%	12.06%	7,318,924,139	2,899,201,477	4,419,722,662	36,653,184,333
2040	45	83.4%	46,051,066,267	19.97%	7.91%	12.06%	7,689,753,162	3,046,095,752	4,643,657,410	38,510,296,697
2041	46	84.7%	44,884,026,356	19.97%	7.91%	12.06%	8,078,283,286	3,200,001,857	4,878,281,429	40,456,056,211
2042	47	85.9%	43,361,874,836	19.97%	7.91%	12.06%	8,485,129,309	3,361,163,329	5,123,965,980	42,493,541,774
2043	48	87.3%	41,442,288,248	19.97%	7.91%	12.06%	8,911,273,640	3,529,969,325	5,381,304,315	44,627,673,294
2044	49	88.6%	39,078,809,344	19.97%	7.91%	12.06%	9,357,568,876	3,706,757,577	5,650,811,299	46,862,720,582
2045	50	90.0%	36,220,544,230	19.97%	7.91%	12.06%	9,824,790,472	3,891,835,263	5,932,955,209	49,202,567,120
2046	51	90.0%	38,235,623,611	9.89%	7.91%	1.98%	5,106,699,785	4,085,546,904	1,021,152,881	51,651,568,529

- Notes:
 (1) Above represents contributions to the Employer's Contribution Reserve. It does not include contributions to Guaranteed Minimum and Supplemental Annuity Reserves.
 (2) Above contributions represent the sum of State contributions and Federal and Trust Funds Contributions. School District contributions under P.A. 90-0582 are included beginning in fiscal 1999.
 (3) Amortization rate in fiscal years 1995-1997 is negative on account of the fact that contributions do not cover normal cost.
 (4) Employer Rates, Contribution Amounts and Assumed Payroll shown for fiscal years 1995 - 2002 are based on the June 30, 1993 - June 30, 2000 actuarial valuations and are certified amounts, with fiscal 1999 including additional funding due to P.A. 90-0582 and \$9,695,600 in additional State Pensions Fund appropriations.
 (5) For calculation purposes, Employer Rates include 15 decimal places. For ease of presentation, only 2 decimal places are shown.
 (6) Assumptions and methodology:
 • Prior to 1997: Return on Investment = 8.00%. Payroll Growth based on valuation assumptions. Valuation Interest Rate = 8.00%. Assets at cost value.
 • For 1997 and after: Return on Investment = 8.50%. Payroll Growth based on valuation assumptions. Valuation Interest Rate = 8.50%. Assets at market value.

SCHEDULE XIV
50-YEAR PROJECTION OF FUNDED STATUS
UNDER PUBLIC ACT 90-0582

Year Ended June 30	End of Year			
	Pension Benefit Obligation	Value of Assets	Unfunded Pension Benefit Obligation	Funded Ratio
1995	\$ 23,980,566,000	\$ 12,641,865,000	\$ 11,338,701,000	52.7%
1996	26,141,794,000	13,829,711,000	12,312,083,000	52.9%
1997	26,951,585,000	17,393,108,000	9,558,477,000	64.5%
1998	29,908,241,000	19,965,887,000	9,942,354,000	66.8%
1999	33,205,513,000	22,237,709,000	10,967,804,000	67.0%
2000	35,886,404,000	24,481,413,000	11,404,991,000	68.2%
2001	39,166,697,000	23,315,646,000	15,851,051,000	59.5%
2002	41,898,987,100	25,009,331,669	16,889,655,431	59.7%
2003	44,863,206,441	26,916,860,420	17,946,346,021	60.0%
2004	48,004,014,345	28,998,598,902	19,005,415,442	60.4%
2005	51,309,866,582	31,243,273,624	20,066,592,958	60.9%
2006	54,769,469,594	33,652,433,148	21,117,036,446	61.4%
2007	58,356,360,999	36,206,487,573	22,149,873,427	62.0%
2008	62,049,659,148	38,894,306,318	23,155,352,830	62.7%
2009	65,828,172,205	41,706,803,337	24,121,368,868	63.4%
2010	69,678,457,292	44,642,738,056	25,035,719,236	64.1%
2011	73,586,547,165	47,612,848,288	25,973,698,877	64.7%
2012	77,542,924,122	50,610,072,404	26,932,851,718	65.3%
2013	81,540,293,990	53,628,236,750	27,912,057,239	65.8%
2014	85,578,260,162	56,666,673,637	28,911,586,526	66.2%
2015	89,665,709,037	59,736,657,725	29,929,051,312	66.6%
2016	93,816,204,905	62,853,752,483	30,962,452,422	67.0%
2017	98,046,116,820	66,035,364,883	32,010,751,936	67.4%
2018	102,375,995,107	69,305,668,045	33,070,327,062	67.7%
2019	106,830,179,504	72,691,191,393	34,138,988,110	68.0%
2020	111,439,943,310	76,224,771,052	35,215,172,258	68.4%

Notes: The projection of assets is based upon the assumption that the Employer maintains the funding policy under Public Act 90-0582 that began with Fiscal Year 1999.

Projected amounts may not add to the dollar due to rounding.

SCHEDULE XIV
50-YEAR PROJECTION OF FUNDED STATUS
UNDER PUBLIC ACT 90-0582
(Continued)

Year Ended June 30	End of Year			
	Pension Benefit Obligation	Value of Assets	Unfunded Pension Benefit Obligation	Funded Ratio
2021	\$ 116,233,362,361	\$ 79,939,161,929	\$ 36,294,200,432	68.8%
2022	121,239,102,569	83,867,089,680	37,372,012,889	69.2%
2023	126,483,245,236	88,038,979,536	38,444,265,700	69.6%
2024	131,993,588,954	92,488,267,053	39,505,321,901	70.1%
2025	137,796,881,383	97,248,169,685	40,548,711,698	70.6%
2026	143,914,050,389	102,347,596,542	41,566,453,847	71.1%
2027	150,363,612,494	107,813,761,386	42,549,851,108	71.7%
2028	157,162,844,000	113,673,283,515	43,489,560,485	72.3%
2029	164,331,229,235	119,955,890,228	44,375,339,007	73.0%
2030	171,889,044,952	126,693,620,118	45,195,424,834	73.7%
2031	179,849,379,665	133,913,717,065	45,935,662,600	74.5%
2032	188,288,520,069	141,706,487,070	46,582,032,999	75.3%
2033	197,253,339,573	150,133,779,770	47,119,559,803	76.1%
2034	206,756,417,346	159,226,211,520	47,530,205,826	77.0%
2035	216,852,828,736	169,058,970,478	47,793,858,257	78.0%
2036	227,579,217,824	179,690,850,518	47,888,367,306	79.0%
2037	239,002,249,064	191,212,866,496	47,789,382,568	80.0%
2038	251,140,217,768	203,670,021,208	47,470,196,560	81.1%
2039	264,104,630,900	217,203,198,078	46,901,432,821	82.2%
2040	277,971,519,930	231,920,453,663	46,051,066,267	83.4%
2041	292,765,777,329	247,881,750,973	44,884,026,356	84.7%
2042	308,547,797,469	265,185,922,633	43,361,874,836	85.9%
2043	325,349,503,974	283,907,215,726	41,442,288,248	87.3%
2044	343,219,048,193	304,140,238,849	39,078,809,344	88.6%
2045	362,205,442,297	325,984,898,067	36,220,544,230	90.0%
2046	382,356,236,107	344,120,612,496	38,235,623,611	90.0%

Notes: The projection of assets is based upon the assumption that the Employer maintains the funding policy under Public Act 90-0582 that began with Fiscal Year 1999.

Projected amounts may not add to the dollar due to rounding.

SECTION IX

STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS

INTEREST RATE: 8.5% per annum, compounded annually. The interest rate assumption includes the following components: inflation 4%, and real rate of return 4.5%.

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

Age	Annual Rates of					
	Termination		Death	Disability	Retirement	Salary Increase
	Nonvested	Vested				
<u>Males</u>						
25	.1350	.0611	.0007	.0004	—	.0880
30	.0910	.0412	.0006	.0004	—	.0820
40	.0350	.0158	.0010	.0006	—	.0710
50	.0230	.0104	.0022	.0012	—	.0650
55	.0270	.0122	.0035	.0020	.0970	.0640
60	.0410	.0186	.0064	.0040	.2700	.0630
65	.0600	.0272	.0124	.0060	.3650	.0610
70	—	—	.0223	—	1.0000	—
<u>Females</u>						
25	.1700	.0880	.0002	.0008	—	.0880
30	.1350	.0699	.0002	.0008	—	.0820
40	.0550	.0285	.0006	.0012	—	.0710
50	.0365	.0189	.0014	.0024	—	.0650
55	.0380	.0197	.0021	.0040	.0970	.0640
60	.0440	.0228	.0032	.0080	.1800	.0630
65	.0600	.0311	.0066	.0120	.3300	.0610
70	—	—	.0139	—	1.0000	—

The basic salary increase assumption averages 6.75% per annum plus an additional 0.25% per annum to cover employment type and status changes, for a total recommended average increase of 7.0% per annum.

The salary increase assumption includes the following components:

- Inflation: 4%
- Real wage growth (productivity): 1%
- Merit or seniority (includes employment type and status changes): ranges from 4.3% at age 20 to 1% at age 69

DEATH AFTER RETIREMENT: According to the 1995 George B. Buck Mortality Tables for annuitants; and for beneficiaries the 1995 George B. Buck Mortality Tables rated forward one year. For the period after disability retirement, the Pension Benefit Guaranty Corporation rates for male disabled lives not necessarily receiving Social Security benefits, set back two years for females and set forward five years for males, but not less than the rate at age 65 (after the setback).

MARITAL DATA: It is assumed that 85% of members are married and that the female spouse is three years younger than the male spouse.

VALUATION METHOD: Projected unit credit cost method. Gains and losses are reflected in the unfunded pension benefit obligation.

ASSET VALUATION METHOD: Market value.

GROWTH IN ACTIVE MEMBERSHIP: For purposes of the projection required by Public Act 90-0582, it is assumed that the active membership of the System will remain constant in number, with no change in the size of either the full-time/part-time group or the hourly/substitute group.

SEVERANCE PAY: The percent of retirees assumed to receive severance payments, and the amount of such severance payments, are assumed to be as follows:

Years of Service at Retirement	Percent of Retirees Who Receive Severance Pay	Severance Pay as a Percent of Other Pensionable Earnings in the Last Year of Employment
Less than 20	0%	0.00%
20-24	54%	13.21%
25-29	60%	13.21%
30-34	66%	13.91%
35 or more	72%	14.60%

OPTIONAL SERVICE PURCHASES: The pension benefit obligation for retirement benefits for active members who have not previously purchased optional service is increased by 1.95% to cover the employer cost of out-of-system service purchased in the last two years prior to retirement. This adjustment is based on the following assumptions and data:

- (a) The overall assumption regarding optional service purchases used in the previous valuation -- an average of 0.813 years per full-time/part-time service retiree -- will be maintained;
- (b) Actual optional service credit for the current active membership was provided by TRS;
- (c) No additional optional service purchases will be assumed for members who currently have optional service credit; and

When optional service is purchased within the last two years prior to retirement, 25% of the cost is covered by member payments and the remaining 75% is the responsibility of the employer.

UNUSED AND UNCOMPENSATED SICK LEAVE SERVICE AT RETIREMENT: Such sick leave credit equals 2.90% of regular service credit at retirement.

ADMINISTRATIVE EXPENSES: Expected administrative expenses for the fiscal year following the valuation are estimated by the administrative staff of the System. Total payroll for the same year is projected based on valuation assumptions and the expected administrative expenses are then expressed as a percent of total payroll. Administrative expenses in future years are then assumed to remain constant as a percent of total payroll.

2.2 UPGRADE ASSUMPTION: For those active members who have already made a payment to upgrade past service prior to June 30, 1998 or have enrolled in the Payroll Deduction Program (PDP), their benefits are based on their upgrading at the valuation date. For all other active members, they are assumed to upgrade at retirement.

NEW MEMBER PROFILE

Distribution of New Entrants is as follows:

Age Group	Full Time/Part Time			Hourly/Substitute		
	Males	Females	Total	Males	Females	Total
20 - 24	8.7%	33.8%	42.5%	5.2%	16.8%	22.0%
25 - 29	7.7%	19.6%	27.3%	7.1%	15.0%	22.1%
30 - 34	3.3%	6.6%	9.9%	2.8%	6.6%	9.4%
35 - 39	1.9%	4.5%	6.4%	2.7%	10.9%	13.6%
40 - 44	1.7%	5.0%	6.7%	2.7%	11.1%	13.8%
45 - 49	1.2%	3.1%	4.3%	2.5%	8.0%	10.5%
50 - 54	0.6%	1.2%	1.8%	1.4%	3.2%	4.6%
55 - 59	0.3%	0.4%	0.7%	0.9%	1.4%	2.3%
60 - 64	0.1%	0.3%	0.4%	0.4%	0.6%	1.0%
65 - 69	0.0%	0.0%	0.0%	0.2%	0.3%	0.5%
70	0.0%	0.0%	0.0%	0.1%	0.1%	0.2%
Total	25.5%	74.5%	100.0%	26.0%	74.0%	100.0%

Service Credit Earned in Each Future Year:

Age Group	Full Time/Part Time			Hourly/Substitute		
	Males	Females	Total	Males	Females	Total
20 - 24	0.994	0.988	0.989	0.232	0.229	0.229
25 - 29	0.993	0.990	0.991	0.221	0.223	0.222
30 - 34	0.991	0.976	0.981	0.199	0.212	0.208
35 - 39	0.993	0.962	0.971	0.159	0.177	0.173
40 - 44	0.991	0.959	0.967	0.188	0.211	0.206
45 - 49	0.984	0.973	0.976	0.184	0.199	0.196
50 - 54	0.988	0.957	0.967	0.170	0.170	0.170
55 - 59	0.974	0.948	0.959	0.171	0.148	0.157
60 - 64	0.984	1.000	0.996	0.152	0.131	0.139
65 - 69	-	-	-	0.147	0.118	0.130
70	-	-	-	0.166	0.055	0.111
Average	0.992	0.982	0.985	0.201	0.207	0.205

NEW MEMBER PROFILE (continued)

Projected Annual Rate of Pay at 6/30/2001*
(for one year of service credit)

Age Group	Full Time/Part Time			Hourly/Substitute		
	Males	Females	Total	Males	Females	Total
20 - 24	\$ 30,890	\$ 29,079	\$ 29,446	\$ 12,898	\$ 12,547	\$ 12,630
25 - 29	33,385	31,938	32,346	12,943	12,482	12,631
30 - 34	36,782	32,474	33,904	13,295	12,230	12,548
35 - 39	43,572	31,876	34,853	12,598	11,812	11,971
40 - 44	44,783	34,584	36,895	12,541	11,882	12,006
45 - 49	49,280	37,190	40,251	12,432	12,006	12,108
50 - 54	53,576	37,178	42,879	12,734	11,947	12,186
55 - 59	53,480	40,574	46,044	12,906	11,719	12,185
60 - 64	56,603	40,848	48,525	12,101	11,065	11,499
65 - 69	-	-	-	11,718	11,893	11,810
70	-	-	-	11,715	12,190	11,941
Average	\$ 37,514	\$ 31,823	\$ 33,271	\$ 12,785	\$ 12,167	\$ 12,329

* The rate of pay profile will increase 5% per annum. 4% of the increase is attributable to inflation and 1% to real wage growth.

PENSION BENEFIT OBLIGATION: The actuarial accrued liability (AAL) of the System was determined using the projected unit-credit actuarial cost method, and the AAL is equivalent to the Government Accounting Standards Board (GASB) Statement No. 5 pension benefit obligation (PBO). PBO is a measure of the actuarial present value (APV) as of the valuation date of credited projected benefits prorated on service and includes an adjustment for the effects of projected salary increases, estimated to be payable in the future as a result of employee service to June 30, 2001. Significant actuarial assumptions used to determine the pension benefit obligation as of June 30, 2001 include the following:

- (1) An assumed rate of return on the investment of present and future assets of 8.5% per annum, compounded annually.
- (2) Assumed projected annual salary increases ranging from 9.3% at age 20 to 6.0% at age 69, which reflect an allowance for inflation and merit or seniority increases.
- (3) Automatic annual post-retirement benefit increases equal to 3% of the member's current benefit.

SECTION X — SUMMARY OF
BENEFIT AND CONTRIBUTION PROVISIONS

MEMBERSHIP

Employers of the System include:

- (a) the Illinois public common school districts outside of Chicago,
- (b) certain state agencies employing certificated teachers, and
- (c) the State Board of Education, Illinois School Board Association, statewide and national teacher organizations, educational cooperatives and the retirement system.

Employees covered under the System include:

- Any educational, administrative, professional or other staff employed in the public common schools outside the City of Chicago in a position requiring certification under the teacher certification law, including substitute teachers, part-time teachers, and hourly paid teachers who are on a flexible work schedule;
- Any position requiring teacher certification in certain state agencies;
- Any regional superintendent of schools, assistant regional superintendent of schools, State Superintendent of Education; any person employed by the State Board of Education as an executive; any executive of the boards engaged in the service of public common school education in school districts covered under this system of which the State Superintendent of Education is an ex-officio member;
- Any employee of a school board association who is certificated under the teacher certification law;
- Any person employed by the retirement system who was an employee of and a participant in the system on August 17, 2001 or becomes an employee of the system on or after August 17, 2001;
- Any educational, administrative, professional or other staff employed by and under the supervision and control of a regional superintendent of schools, provided such employment position requires the person to be certificated under the teacher certification law;

2.30% of final average salary for each year in excess of 30. For all other service, 2.2% of final average salary.*

- * Service earned before July 1, 1998 can be upgraded to 2.2% through additional member contributions or 1% of the member's highest salary within the last four years for each year of prior service. Maximum payment is 20% of salary, but all years are upgraded. The number of years to be upgraded is reduced by one for each three full years worked under the 2.2% formula. The 2.2% formula upgrade cost is reduced on a sliding scale for members who have 34 or more years of service credit.

(ii) 1½% of final average salary for each year of creditable service, plus \$7.50 per year for each of the first 20 years of creditable service.

(iii) An actuarially equivalent life annuity, resulting from the member's contributions and State-matching contributions (1.4 times member contributions) plus compound interest on both.

Maximum amount under (i) and (ii) above - 75% of final average salary.

Automatic Postretirement Cost-of-Living Adjustment

Eligibility

Member contributed for at least an equivalent period of one full year of creditable service after July 1, 1969.

Amount

Initial increase of 1½% of base annuity for periods prior to January 1, 1972, 2% for periods from and after January 1, 1972 and prior to January 1, 1978, and 3% for periods thereafter (such periods to exclude any period of retirement that precedes attainment of age 55). Initial increase payable effective with the later of: January 1 following first anniversary of retirement; or January 1 following attainment of age 61.

Following the initial increase, automatic annual increases payable on each January 1 thereafter. Prior to January 1, 1990, annual increases were determined as a percentage of the original retirement annuity. Effective on and after January 1, 1990, automatic annual increases granted to eligible annuitants equal 3% of the total annuity being received, including previous increases granted.

Early Retirement

Eligibility

Age 55 with 20 years of service.

Amount

Equal to the amount computed under normal retirement, reduced by 6% for each year the member is under age 60.

There is no reduction for a member who retires prior to age 60 with 35 years of credited service.

Early Retirement Option

A member retiring after June 1, 1980 and before June 30, 2005 and within six months of the last day of teaching for which retirement contributions were required, may elect to make a one time employee contribution to avoid the early retirement reduction described in the foregoing paragraph. Such employee and employer contribution will be a percentage of the member's last full time annual salary rate as a teacher, the full time equivalent if less than full time, or the highest year's salary used for determining final average salary.

The employee contribution shall be at the rate of 7% for the lesser of the following two periods: (a) for each year that the member is less than age 60; or (b) for each year that the member's creditable service is less than 35 years. However, both the member and employer contributions are waived if the member has 34 years of service. The employer contribution shall be at the rate of 20% for each year the member is under age 60. The provisions of this paragraph will not be applicable until the member contributions have been received; however, the date such contributions are received will not be considered in determining the effective date of retirement. The number of employees of a single employer who may retire under this paragraph in any year may be limited at the option of the employer to a specified percentage of those eligible, not lower than 30%, with the right to participate to be allocated among those applying on the basis of seniority in the service of the employer.

Rule of 85 for State Employees

An employee of a state agency retiring on or after January 1, 2001 is entitled to a nondiscounted annuity if his or her attained age at retirement and total creditable service equal at least 85, provided he or she has (i) earned during the period immediately preceding the last day of service at least one year of contributing creditable service as a state employee and (ii) has earned at least 5 years of contributing creditable service as a state employee.

Single Sum Benefit Eligibility

Age 65 with fewer than 5 years of creditable service after July 1, 1947.

Amount	Lump sum payment actuarially equivalent to a life annuity consisting of 1.67% of final average salary for each year of service.
Temporary Disability Benefit	
Eligibility	3 years of credited service.
Amount	Equal to 40% of the member's most recent annual contract salary at time of disablement. The benefit is payable beginning with the 31st day after disablement and ending at the earlier of (1) cessation of disability, (2) when the member requests termination of the benefit, (3) when the period for which payments have been made equals one-fourth the period of creditable service, or (4) the member is gainfully employed or able to be gainfully employed.
Disability Retirement Annuity	
Eligibility	Termination of temporary disability benefit, provided member remains disabled.
Amount	The larger of 35% of the member's most recent annual contract salary or (a) if disability commences prior to age 55, the benefit payable as for normal retirement, but reduced by ½% for each month by which the member is less than age 55, or (b) if disability commences after age 55 and the member has 20 years of service, the benefit payable as for normal retirement with no discount. Other formulas may be applicable if disability retirement occurred prior to July 1, 1971.
Occupational Disability	
Eligibility	Totally and immediately incapacitated for the performance of duty.
Amount	Equal to 60% of salary, if disability is duty-connected or occupational adjudicated by the Illinois Industrial Commission as compensable under either the Workers' Compensation or Occupational Diseases Act. Any amounts payable under these Acts shall be applied as an offset to any occupational disability benefits payable by the Teachers' Retirement System. In general, benefits are payable throughout the period of disability.
Deferred Vested Benefits	
Eligibility	5 years of service.

Amount	Equal to the amount computed under normal retirement deferred to age 62 if member has less than 10 years of service. With 10 or more years of service the annuity is payable at age 60.
Reversionary Retirement Annuity	Any member entitled to a retirement annuity for age may elect to receive a reduced annuity with the remainder determined on an actuarial basis to become, upon the member's death, an annuity for life to any designated person dependent upon the member at the time of the member's retirement, provided such payment shall not be less than \$10 nor more than the amount of reduced age retirement monthly annuity to which the member is entitled.
Refund of Contributions	A member who ceases to be a member for any reason other than death or retirement, shall be entitled to a refund of all retirement contributions and payments made into the fund by him which have not previously been refunded, without interest thereon.
Death Benefit	Refunds of the deceased member's accumulated contributions are paid to survivors or to the member's estate. Additional lump sum death benefits are also payable.
Survivor Benefit	In addition to a refund of accumulated contributions, dependent beneficiaries receive survivor benefits of \$1,000 plus monthly benefits equal to a percentage of average salary for each dependent beneficiary. The widow's or widower's maximum benefit is \$400 per month; and the maximum family benefit is \$600 per month, or 80% of average salary, whichever is less. Minimum Benefit - 50% of earned retirement allowance.
Member Contributions	Beginning July 1, 1998, contributions for creditable service are made at the rate of 8% (exclusive of amounts paid toward Survivor Benefits) of salary which is comprised of a rate of 7½% of salary towards the cost of the retirement annuity plus ½% of salary toward the cost of the automatic annual increase in retirement annuity. Beginning July 24, 1959, each member contributes an additional 1% of salary toward Survivor's Benefits. These contributions are subject to refund if there is no dependent beneficiary at retirement, provided the member elects such refund.

Beginning July 1, 1995, each member not employed by a State agency contributes ½% of salary to the Teachers' Health Insurance Security Fund, administered by the Department of Central Management Services. These contributions are not refundable and do not become part of the System's assets.

Additional contributions as are necessary to receive credit for service during which contributions were not made, such as military service or service outside the System.

SECTION XI — DETAILED TABULATIONS OF DATA

	<u>Description</u>	<u>Page No.</u>
<u>EXHIBIT</u>	The number and annual salaries of full-time and regular part-time members in active service distributed by five year age and service categories as of June 30, 2000 ----- (Salaries projected to June 30, 2001)	45
<u>TABLE</u>		
1	The number and annual salaries of full-time and regular part-time members in active service distributed by age as of June 30, 2000----- (Salaries projected to June 30, 2001)	46
2	The number and annual salaries of full-time and regular part-time members in active service distributed by years of credited service as of June 30, 2000----- (Salaries projected to June 30, 2001)	48
3	The number and annual benefits of service retirement annuitants as of June 30, 2001 from the Employer's Contribution Reserve -----	50
4	The number and annual benefits of survivor annuitants as of June 30, 2001 from the Employer's Contribution Reserve -----	52
5	The number and annual benefits of disability benefit recipients as of June 30, 2001 from the Employer's Contribution Reserve -----	55
6	The number and annual benefits of service retirement annuitants as of June 30, 2001 from the Guaranteed Minimum Annuity Reserve -----	57
7	The number and annual benefits of disability benefit recipients of June 30, 2001 from the Guaranteed Minimum Annuity Reserve -----	59
8	The number and annual benefits of service retirement annuitants as of June 30, 2001 from the Supplemental Annuity Reserve -----	60
9	The number and annual benefits of disability benefit recipients as of June 30, 2001 from the Supplemental Annuity Reserve -----	61

EXHIBIT

ACTIVE MEMBERSHIP

**NUMBER AS OF JUNE 30, 2000 AND
AVERAGE ANNUAL SALARY PROJECTED TO JUNE 30, 2001**

Age	Full - Time and Regular Part - Time Members										Substitutes	Grand Total	
	0-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+	Total			
Under 25	4,423 \$ 30,408										4,423 \$ 30,408	3,105 \$ 19,513	7,528 \$ 49,921
25-29	11,955 \$ 33,682	4,187 \$ 38,768									16,142 \$ 35,001	3,322 \$ 4,258	19,464 \$ 29,754
30-34	4,338 \$ 35,571	7,694 \$ 41,455	2,010 \$ 46,705								14,042 \$ 40,389	2,177 \$ 3,816	16,219 \$ 35,480
35-39	2,491 \$ 34,905	3,077 \$ 43,653	4,234 \$ 48,872	1,514 \$ 53,963							11,316 \$ 45,059	2,775 \$ 3,671	14,091 \$ 36,909
40-44	2,583 \$ 34,500	2,876 \$ 42,491	2,543 \$ 49,711	3,533 \$ 55,107	2,362 \$ 58,832	1 \$ 64,239					13,898 \$ 48,313	3,602 \$ 4,236	17,500 \$ 39,240
45-49	2,690 \$ 35,894	3,866 \$ 44,112	3,421 \$ 50,365	2,738 \$ 57,090	5,986 \$ 61,234	4,368 \$ 64,787					23,069 \$ 53,979	3,660 \$ 4,756	26,729 \$ 47,239
50-54	1,541 \$ 38,561	2,822 \$ 46,397	3,212 \$ 53,167	2,656 \$ 57,571	3,150 \$ 62,541	7,673 \$ 67,010	5,290 \$ 71,929	1 \$ 79,942			26,345 \$ 60,952	2,857 \$ 4,999	29,202 \$ 55,478
55-59	494 \$ 40,866	817 \$ 48,143	1,165 \$ 54,424	1,183 \$ 58,536	1,410 \$ 63,313	1,715 \$ 67,241	3,180 \$ 74,264	636 \$ 74,803	1 \$ 123,757		10,601 \$ 64,203	1,435 \$ 4,849	12,036 \$ 57,127
60-64	98 \$ 39,612	182 \$ 49,946	221 \$ 55,421	236 \$ 58,430	404 \$ 62,349	420 \$ 66,023	420 \$ 68,698	272 \$ 73,674	64 \$ 80,210		2,317 \$ 62,993	739 \$ 4,147	3,056 \$ 48,763
Over 64	30 \$ 41,050	35 \$ 45,800	33 \$ 55,802	35 \$ 60,614	54 \$ 65,931	74 \$ 66,211	84 \$ 69,659	41 \$ 73,547	59 \$ 69,754		445 \$ 63,460	563 \$ 4,173	1,008 \$ 30,346
Total	30,643 \$ 34,227	25,556 \$ 42,624	16,839 \$ 50,346	11,895 \$ 56,391	13,366 \$ 61,390	14,251 \$ 66,323	8,974 \$ 72,584	950 \$ 74,431	124 \$ 75,586		122,598 \$ 50,195	24,235 \$ 4,306	146,833 \$ 42,621

TABLE 1

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JUNE 30, 2000
WITH SALARIES PROJECTED TO JUNE 30, 2001
(FULL TIME AND REGULAR PART TIME)**

Age	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
19	1	\$ 24,913			1	\$ 24,913
20	1	24,913	1	\$ 34,141	2	59,054
21	3	74,740	11	294,529	14	369,270
22	49	1,470,883	400	11,700,025	449	13,170,908
23	272	8,540,128	1,362	40,201,310	1,634	48,741,437
24	508	16,388,622	1,815	55,740,631	2,323	72,129,254
25	611	20,430,914	2,391	76,785,368	3,002	97,216,282
26	709	24,676,497	2,392	79,303,275	3,101	103,979,772
27	715	26,574,075	2,430	83,223,438	3,145	109,797,513
28	785	30,505,181	2,520	89,041,451	3,305	119,546,632
29	875	35,013,054	2,714	99,440,673	3,589	134,453,727
30	806	33,722,873	2,525	94,140,507	3,331	127,863,380
31	837	37,102,570	2,269	86,401,118	3,106	123,503,688
32	735	32,749,240	1,961	76,283,575	2,696	109,032,815
33	686	32,065,887	1,835	73,168,652	2,521	105,234,539
34	685	32,383,747	1,703	69,125,509	2,388	101,509,256
35	607	30,165,937	1,558	65,287,566	2,165	95,453,503
36	590	29,616,138	1,666	69,990,286	2,256	99,606,423
37	638	33,080,965	1,607	68,755,265	2,245	101,836,230
38	614	32,968,587	1,704	72,710,387	2,318	105,678,974
39	580	31,654,007	1,752	75,663,429	2,332	107,317,437
40	541	29,785,677	1,809	78,295,830	2,350	108,081,507
41	592	34,214,706	1,862	81,890,548	2,454	116,105,254
42	634	36,562,360	2,172	97,389,597	2,806	133,951,957
43	639	38,374,983	2,378	109,494,168	3,017	147,869,152
44	754	46,309,432	2,517	119,130,645	3,271	165,440,077
45	822	50,761,361	2,783	134,159,537	3,605	184,920,899
46	880	54,882,254	3,084	152,434,081	3,964	207,316,335
47	1,026	65,799,370	3,579	181,342,597	4,605	247,141,967
48	1,162	76,640,170	4,110	212,740,125	5,272	289,380,295
49	1,310	89,436,758	4,313	227,046,521	5,623	316,483,279
50	1,444	100,335,765	4,026	214,004,972	5,470	314,340,737
51	1,519	105,556,516	3,930	213,362,353	5,449	318,918,869
52	1,635	117,305,201	3,810	215,951,162	5,445	333,256,363
53	2,041	151,288,916	3,933	228,804,581	5,974	380,093,497
54	1,424	107,405,707	2,583	151,774,537	4,007	259,180,244
55	1,049	80,136,244	2,011	119,326,706	3,060	199,462,951
56	792	60,216,107	1,673	96,363,031	2,465	156,579,138
57	664	50,798,892	1,609	94,342,337	2,273	145,141,229
58	468	35,939,861	1,196	71,133,347	1,664	107,073,208

Amounts may not add to the dollar due to rounding.

TABLE 1
(Continued)
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
AGE AS OF JUNE 30, 2000
WITH SALARIES PROJECTED TO JUNE 30, 2001
(FULL TIME AND REGULAR PART TIME)

Age	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
59	297	22,454,805	842	49,908,877	1,139	72,363,683
60	203	15,161,947	566	33,525,632	769	48,687,579
61	114	8,755,525	444	26,446,471	558	35,201,996
62	109	8,342,470	330	19,480,781	439	27,823,251
63	78	5,606,198	244	14,405,285	322	20,011,482
64	48	3,111,152	181	11,119,022	229	14,230,174
65	31	2,510,737	105	6,486,867	136	8,997,603
66	15	1,092,797	60	3,616,903	75	4,709,700
67	12	828,406	54	3,260,941	66	4,089,347
68	11	767,816	31	1,972,365	42	2,740,181
69	7	418,492	33	1,904,984	40	2,323,476
70	3	229,385	24	1,431,466	27	1,660,852
71	6	355,927	18	1,039,080	24	1,395,007
72	4	265,091	11	702,106	15	967,196
73	1	68,592	3	208,564	4	277,156
74	3	255,959	2	182,746	5	438,705
75	1	101,334	2	136,352	3	237,686
76	1	47,551			1	47,551
77			1	59,080	1	59,080
78			2	124,262	2	124,262
79			2	124,048	2	124,048
80			1	34,585	1	34,585
81	1	13,206			1	13,206
Total	31,648	\$ 1,891,371,543	90,950	\$ 4,262,448,225	122,598	\$ 6,153,819,768

Amounts may not add to the dollar due to rounding.

In addition, there are the following active members:

**SUBSTITUTES, PART-TIME, AND HOURLY-PAID
TEACHERS WHO ARE ON A FLEXIBLE OR
LIMITED WORK SCHEDULE**

Number	24,235
Annual Salaries	\$ 104,357,189
Average Age	40.57 years
Average Service	1.46 years

TABLE 2

**THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JUNE 30, 2000
WITH SALARIES PROJECTED TO JUNE 30, 2001
(FULL TIME AND REGULAR PART TIME)**

Service	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
0	309	\$ 9,687,576	1,152	\$ 32,281,685	1,461	\$ 41,969,261
1	2,036	70,716,919	7,233	227,548,470	9,269	298,265,389
2	1,688	63,816,679	6,239	207,407,483	7,927	271,224,162
3	1,451	56,651,607	5,068	176,483,327	6,519	233,134,934
4	1,254	52,046,856	4,213	152,173,147	5,467	204,220,002
5	1,172	52,744,139	4,242	161,628,218	5,414	214,372,357
6	1,645	78,228,603	5,236	209,486,706	6,881	287,715,309
7	1,127	55,980,109	3,812	155,927,301	4,939	211,907,411
8	786	40,934,064	3,260	137,789,679	4,046	178,723,743
9	846	44,638,017	3,430	151,945,855	4,276	196,583,872
10	763	41,940,018	3,379	154,992,455	4,142	196,932,473
11	605	34,441,096	2,671	126,182,484	3,276	160,623,580
12	575	33,360,155	2,542	124,033,745	3,117	157,393,900
13	599	37,064,124	2,471	122,632,964	3,070	159,697,088
14	646	40,348,130	2,588	132,782,735	3,234	173,130,865
15	596	37,693,181	2,476	130,679,846	3,072	168,373,026
16	541	34,256,726	1,989	107,120,340	2,530	141,377,066
17	414	26,412,626	1,598	86,846,571	2,012	113,259,197
18	389	25,885,164	1,559	86,492,926	1,948	112,378,090
19	504	33,356,515	1,829	102,028,356	2,333	135,384,871
20	599	41,076,386	2,031	115,014,057	2,630	156,090,443
21	651	44,117,566	2,176	125,483,098	2,827	169,600,664
22	734	50,541,078	2,059	121,727,778	2,793	172,268,856
23	754	52,028,915	1,903	114,656,612	2,657	166,685,527
24	696	49,269,346	1,763	106,619,993	2,459	155,889,339
25	848	61,330,443	1,853	112,830,194	2,701	174,160,638
26	1,073	77,470,769	1,963	121,134,582	3,036	198,605,351
27	1,218	89,052,046	1,783	111,496,605	3,001	200,548,650
28	1,200	89,006,620	1,680	104,433,657	2,880	193,440,277
29	997	75,504,957	1,636	102,908,134	2,633	178,413,091
30	1,200	90,415,629	1,504	97,252,396	2,704	187,668,024
31	1,286	99,756,107	1,267	84,216,794	2,553	183,972,901
32	1,105	89,013,638	958	65,126,385	2,063	154,140,023
33	495	41,515,402	535	36,505,045	1,030	78,020,447
34	341	29,166,338	283	18,400,377	624	47,566,715
35	196	15,964,855	199	13,225,828	395	29,190,683
36	114	9,695,078	157	10,543,913	271	20,238,991
37	75	6,020,754	79	5,564,148	154	11,584,901
38	34	2,948,229	42	2,800,807	76	5,749,036
39	33	2,619,073	21	1,326,895	54	3,945,967

Amounts may not add due to rounding.

TABLE 2
(Continued)
THE NUMBER AND ANNUAL SALARIES
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY
YEARS OF CREDITED SERVICE AS OF JUNE 30, 2000
WITH SALARIES PROJECTED TO JUNE 30, 2001
(FULL TIME AND REGULAR PART TIME)

Service	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
40	20	1,925,780	19	1,370,656	39	3,296,436
41	15	1,231,294	14	918,407	29	2,149,701
42	10	741,917	9	587,439	19	1,329,355
43			8	580,698	8	580,698
44	2	182,814	3	140,786	5	323,600
45	2	181,978	8	546,849	10	728,827
46	2	168,216	2	114,086	4	282,301
47			1	55,410	1	55,410
48			2	101,017	2	101,017
49	2	224,012	1	62,558	3	286,571
50			2	133,498	2	133,498
51						
52			1	40,231	1	40,231
53						
54						
55						
56						
57						
58			1	65,002	1	65,002
59						
Total	31,648	\$ 1,891,371,543	90,950	\$ 4,262,448,225	122,598	\$ 6,153,819,768

Amounts may not add to the dollar due to rounding.

In addition, there are the following active members:

**SUBSTITUTES, PART-TIME, AND HOURLY-PAID
TEACHERS WHO ARE ON A FLEXIBLE OR
LIMITED WORK SCHEDULE**

Number	24,235
Annual Salaries	\$ 104,357,189
Average Age	40.57 years
Average Service	1.46 years

TABLE 3
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF RETIRED ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
51	1	\$ 31,587			1	\$ 31,587
52						
53	1	63,682			1	63,682
54	74	3,679,287	76	3,699,165	150	7,378,452
55	340	15,797,523	340	12,288,844	680	28,086,366
56	559	25,664,852	664	25,915,891	1,223	51,580,744
57	776	34,224,947	854	28,661,922	1,630	62,886,869
58	993	42,847,341	1,111	36,888,017	2,104	79,735,358
59	859	36,447,687	1,014	33,772,808	1,873	70,220,494
60	921	39,561,376	1,198	36,402,753	2,119	75,964,129
61	892	37,986,063	1,184	36,237,190	2,076	74,223,254
62	888	38,175,232	1,311	38,495,175	2,199	76,670,407
63	967	40,039,134	1,297	36,945,896	2,264	76,985,030
64	859	34,787,846	1,281	35,835,835	2,140	70,623,681
65	955	35,825,756	1,275	35,018,677	2,230	70,844,433
66	934	36,335,662	1,246	33,343,643	2,180	69,679,305
67	824	31,668,699	1,087	28,129,112	1,911	59,797,811
68	868	31,909,079	1,223	31,116,453	2,091	63,025,532
69	799	28,827,467	1,108	27,144,255	1,907	55,971,722
70	851	28,583,861	1,105	26,380,475	1,956	54,964,336
71	763	26,106,966	1,185	27,356,548	1,948	53,463,514
72	700	22,789,354	1,132	24,520,567	1,832	47,309,921
73	688	21,599,935	1,139	23,835,922	1,827	45,435,857
74	633	19,238,866	1,048	21,097,459	1,681	40,336,325
75	615	18,895,669	911	17,229,088	1,526	36,124,757
76	568	16,424,437	914	17,076,837	1,482	33,501,274
77	491	13,375,964	826	15,260,389	1,317	28,636,353
78	428	11,430,942	927	14,864,456	1,355	26,295,399
79	385	9,577,233	930	14,938,960	1,315	24,516,192
80	292	6,947,765	911	13,955,202	1,203	20,902,967
81	250	5,610,660	862	13,052,366	1,112	18,663,026
82	230	4,876,998	821	11,744,827	1,051	16,621,825
83	190	3,775,962	821	11,512,238	1,011	15,288,201
84	176	3,825,646	706	9,589,237	882	13,414,882
85	142	2,851,376	669	8,884,056	811	11,735,433
86	150	3,170,980	620	7,872,103	770	11,043,083
87	116	2,353,887	631	8,107,650	747	10,461,538
88	103	1,738,100	574	7,388,677	677	9,126,777

Amounts may not add to the dollar due to rounding.

TABLE 3
(Continued)
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF RETIRED ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
89	89	1,444,971	458	5,586,748	547	7,031,719
90	64	1,159,485	479	5,827,347	543	6,986,832
91	63	1,118,265	416	4,800,732	479	5,918,997
92	58	1,072,731	381	4,030,962	439	5,103,693
93	36	627,134	288	3,290,056	324	3,917,190
94	32	380,406	259	2,713,396	291	3,093,801
95	14	197,457	188	1,926,589	202	2,124,045
96	18	211,592	133	1,300,899	151	1,512,490
97	12	167,946	102	956,100	114	1,124,047
98	3	29,747	62	573,724	65	603,471
99	5	61,970	48	426,862	53	488,832
100	2	25,504	28	259,878	30	285,382
101			23	178,273	23	178,273
102	1	8,507	13	118,667	14	127,174
103			3	19,046	3	19,046
104			1	8,492	1	8,492
Total	20,678	\$ 743,553,535	35,883	\$ 806,580,466	56,561	\$ 1,550,134,001

Amounts may not add to the dollar due to rounding.

TABLE 4
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF SURVIVOR ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
8	1	\$ 4,299			1	\$ 4,299
9	1	12,130	1	5,565	2	17,694
10	1	3,040	1	3,819	2	6,860
11	4	12,913	3	14,237	7	27,149
12	1	3,322	4	20,640	5	23,962
13	4	17,855	7	43,907	11	61,762
14	3	11,060	4	38,297	7	49,356
15	3	9,920	5	19,587	8	29,507
16	8	30,443	8	37,600	16	68,043
17	6	34,655	7	36,450	13	71,104
18	6	63,227	5	31,317	11	94,544
19	10	50,924	9	50,463	19	101,386
20	2	13,728	9	52,805	11	66,533
21	6	27,387	10	54,117	16	81,503
22						
23						
24						
25			1	6,416	1	6,416
26						
27						
28						
29	1	7,416			1	7,416
30	1	11,202			1	11,202
31						
32						
33						
34			1	9,394	1	9,394
35			3	23,923	3	23,923
36			1	7,416	1	7,416
37	1	8,597			1	8,597
38	2	15,284			2	15,284
39	2	15,284	1	8,855	3	24,139
40	1	7,868			1	7,868
41			2	15,191	2	15,191
42	3	25,973	2	29,217	5	55,190
43	1	22,168	3	27,837	4	50,005
44	3	23,151	2	19,497	5	42,648
45	4	44,962	4	39,801	8	84,763

Amounts may not add to the dollar due to rounding.

TABLE 4
(Continued)
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF SURVIVOR ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
46	3	27,335	3	48,938	6	76,273
47	2	17,561	5	57,832	7	75,394
48	5	40,749	11	172,083	16	212,832
49	5	45,187	9	141,298	14	186,486
50	7	43,388	18	231,271	25	274,659
51	11	85,634	21	250,811	32	336,445
52	10	79,058	25	330,147	35	409,205
53	12	112,802	36	577,788	48	690,590
54	14	152,000	36	513,309	50	665,308
55	18	176,648	40	564,027	58	740,675
56	13	113,831	36	489,928	49	603,760
57	16	171,941	52	984,229	68	1,156,169
58	31	316,296	59	832,371	90	1,148,668
59	23	239,640	73	1,043,377	96	1,283,017
60	27	293,656	60	888,616	87	1,182,272
61	29	280,396	66	1,034,189	95	1,314,585
62	28	281,647	78	1,238,466	106	1,520,113
63	30	331,546	107	1,738,430	137	2,069,976
64	31	355,047	100	1,455,069	131	1,810,117
65	34	366,275	95	1,511,891	129	1,878,167
66	34	384,792	109	1,474,842	143	1,859,634
67	39	513,792	88	1,238,202	127	1,751,994
68	42	412,746	125	1,856,519	167	2,269,266
69	45	399,110	123	1,645,485	168	2,044,595
70	60	652,626	170	2,200,741	230	2,853,366
71	58	601,960	154	2,054,389	212	2,656,349
72	47	476,628	155	2,011,731	202	2,488,359
73	76	680,282	174	2,201,473	250	2,881,755
74	50	422,346	168	2,049,174	218	2,471,520
75	55	491,976	159	1,806,174	214	2,298,150
76	72	589,993	137	1,435,271	209	2,025,264
77	88	755,906	139	1,507,819	227	2,263,725
78	87	655,246	155	1,495,232	242	2,150,478
79	76	508,873	152	1,543,363	228	2,052,235
80	84	573,436	168	1,505,765	252	2,079,201
81	77	561,052	150	1,244,008	227	1,805,060
82	80	518,459	187	1,557,141	267	2,075,600
83	79	499,286	175	1,346,620	254	1,845,905

Amounts may not add to the dollar due to rounding.

TABLE 4
(Continued)
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF SURVIVOR ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
84	71	413,640	169	1,378,984	240	1,792,624
85	87	602,822	173	1,274,064	260	1,876,886
86	72	419,959	153	1,292,547	225	1,712,506
87	91	533,470	125	992,781	216	1,526,250
88	61	381,164	127	1,003,658	188	1,384,822
89	60	329,045	104	697,012	164	1,026,057
90	44	207,719	109	685,411	153	893,130
91	50	287,776	90	615,996	140	903,772
92	44	199,789	84	463,340	128	663,129
93	25	108,962	60	319,850	85	428,812
94	17	78,174	48	296,834	65	375,008
95	14	58,705	34	228,573	48	287,277
96	12	53,395	25	126,325	37	179,720
97	7	46,489	21	98,696	28	145,184
98	2	11,149	6	31,503	8	42,652
99	2	7,341	5	20,136	7	27,477
100	3	12,361	2	6,844	5	19,205
101			3	9,327	3	9,327
102			1	4,958	1	4,958
103			1	7,866	1	7,866
104			1	3,644	1	3,644
Total	2,235	\$ 17,457,913	5,052	\$ 54,432,717	7,287	\$ 71,890,630

Amounts may not add to the dollar due to rounding.

TABLE 5

**THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF DISABILITY BENEFIT RECIPIENTS
AS OF JUNE 30, 2001**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
27			1	\$ 12,551	1	\$ 12,551
28			1	16,399	1	16,399
29			2	29,852	2	29,852
30			1	13,361	1	13,361
31			6	78,866	6	78,866
32			4	56,045	4	56,045
33	2	33,287	4	50,118	6	83,404
34			5	71,813	5	71,813
35			1	11,150	1	11,150
36			1	14,550	1	14,550
37	1	13,125	3	39,668	4	52,793
38	1	25,664	6	94,775	7	120,440
39	1	8,947	3	44,211	4	53,158
40	1	12,775	6	88,775	7	101,550
41			4	50,465	4	50,465
42	1	23,609	12	177,470	13	201,079
43	4	67,460	5	80,188	9	147,648
44	3	51,699	12	183,555	15	235,254
45	4	48,272	11	170,428	15	218,700
46	2	31,761	16	233,531	18	265,292
47	4	56,260	15	274,331	19	330,591
48	5	96,793	27	491,025	32	587,819
49	4	79,959	27	435,786	31	515,746
50	8	143,307	34	526,667	42	669,973
51	5	97,165	44	800,175	49	897,340
52	11	245,654	37	702,897	48	948,551
53	14	333,634	53	987,568	67	1,321,202
54	20	450,877	38	741,508	58	1,192,385
55	11	238,387	43	997,574	54	1,235,962
56	15	410,495	39	748,928	54	1,159,423
57	12	274,789	24	417,039	36	691,829
58	12	240,331	28	537,723	40	778,055
59	7	161,779	24	392,670	31	554,450
60	6	193,107	19	388,200	25	581,308
61	6	101,516	20	323,077	26	424,592
62	5	123,438	11	198,448	16	321,886
63	1	26,354	25	350,196	26	376,551
64	4	93,279	11	142,572	15	235,851

Amounts may not add to the dollar due to rounding.

TABLE 5
(Continued)
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE EMPLOYER CONTRIBUTION RESERVE
OF DISABILITY BENEFIT RECIPIENTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
65	6	73,116	15	229,948	21	303,064
66	6	233,798	17	278,102	23	511,900
67	4	97,381	9	124,689	13	222,071
68	3	75,204	11	174,708	14	249,912
69	6	75,110	9	110,133	15	185,243
70	4	42,997	7	61,946	11	104,943
71	1	24,781	8	118,908	9	143,690
72	5	46,549	11	105,883	16	152,432
73	4	36,642	5	64,427	9	101,069
74	4	53,009	10	84,367	14	137,376
75	2	18,590	6	54,731	8	73,321
76	2	43,395	10	118,977	12	162,372
77			7	89,079	7	89,079
78			9	97,292	9	97,292
79	1	11,296	13	117,654	14	128,950
80	4	39,443	5	41,952	9	81,395
81			6	47,622	6	47,622
82			2	12,929	2	12,929
83	1	14,805	5	41,686	6	56,492
84			3	20,715	3	20,715
85			6	37,346	6	37,346
86						
87			1	6,898	1	6,898
88						
89			1	5,824	1	5,824
90						
91						
92						
93						
94						
95	1	2,266	2	8,234	3	10,500
96						
97						
98						
99						
100						
101			1	4,191	1	4,191
Total	224	\$ 4,572,107	802	\$ 13,032,399	1,026	\$ 17,604,506

Amounts may not add to the dollar due to rounding.

TABLE 6
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE GUARANTEED MINIMUM ANNUITY RESERVE
OF RETIRED ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
57			1	\$ 321	1	\$ 321
58			2	2,520	2	2,520
59						
60			1	1,251	1	1,251
61			2	3,144	2	3,144
62	1	838	8	6,708	9	7,547
63			17	11,904	17	11,904
64	2	1,077	22	14,050	24	15,127
65	1	2,567	23	12,536	24	15,103
66	1	202	25	12,711	26	12,913
67	2	968	22	14,864	24	15,832
68	4	1,161	16	8,061	20	9,222
69	4	2,590	28	19,929	32	22,519
70	4	1,836	46	30,298	50	32,134
71	11	6,183	54	36,499	65	42,682
72	7	4,535	70	44,739	77	49,274
73	14	8,837	65	50,906	79	59,743
74	19	17,613	78	68,522	97	86,135
75	12	7,217	71	59,584	83	66,801
76	16	18,548	75	74,678	91	93,226
77	19	16,645	66	67,630	85	84,275
78	15	13,746	128	139,116	143	152,862
79	22	18,509	108	121,648	130	140,157
80	14	15,211	125	144,310	139	159,521
81	17	25,652	137	175,426	154	201,078
82	21	23,328	113	133,709	134	157,036
83	21	39,081	140	171,399	161	210,481
84	8	9,563	127	167,554	135	177,117
85	11	16,588	102	133,441	113	150,029
86	13	19,408	114	177,868	127	197,277
87	14	24,448	118	170,031	132	194,480
88	10	15,978	106	154,479	116	170,457
89	13	30,648	98	141,348	111	171,996
90	9	16,448	118	188,479	127	204,927
91	13	22,164	129	219,242	142	241,406
92	11	15,049	130	224,786	141	239,835
93	7	13,614	83	136,685	90	150,300
94	11	25,487	109	189,256	120	214,744

Amounts may not add to the dollar due to rounding.

TABLE 6
(Continued)
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE GUARANTEED MINIMUM ANNUITY RESERVE
OF RETIRED ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
95	3	9,090	88	146,529	91	155,619
96	6	9,625	64	113,811	70	123,435
97	3	6,307	56	99,723	59	106,030
98			37	59,714	37	59,714
99	1	2,886	29	61,328	30	64,214
100			18	40,152	18	40,152
101			20	40,311	20	40,311
102	1	2,240	8	17,815	9	20,055
103			2	3,997	2	3,997
104			1	463	1	463
Total	361	\$ 465,889	3,000	\$ 3,913,476	3,361	\$ 4,379,365

Amounts may not add to the dollar due to rounding.

TABLE 7

**THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE GUARANTEED MINIMUM ANNUITY RESERVE
OF DISABILITY BENEFIT RECIPIENTS
AS OF JUNE 30, 2001**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
73	1	\$ 8			1	\$ 8
74			1	936	1	936
75						
76			1	696	1	696
77						
78			1	157	1	157
79						
80			1	610	1	610
81			1	127	1	127
82			1	686	1	686
83			1	634	1	634
84			1	740	1	740
85			2	2,675	2	2,675
86						
87						
88						
89						
90						
91						
92						
93						
94						
95	1	2,665	2	5,129	3	7,794
96						
97						
98						
99						
100						
101			1	2,511	1	2,511
Total	2	\$ 2,673	13	\$ 14,900	15	\$ 17,573

Amounts may not add to the dollar due to rounding.

TABLE 8
THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE SUPPLEMENTAL ANNUITY RESERVE
OF RETIRED ANNUITANTS
AS OF JUNE 30, 2001

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
81			1	\$ 424	1	\$ 424
82						
83						
84						
85						
86						
87						
88						
89						
90			1	160	1	160
91			1	404	1	404
92						
93						
94	1	561			1	561
95	2	586	5	569	7	1,155
96			6	1,519	6	1,519
97	1	155	6	1,262	7	1,417
98			2	645	2	645
99	1	170	5	2,217	6	2,387
100			3	1,526	3	1,526
101			6	2,895	6	2,895
102			3	740	3	740
103			1	235	1	235
Total	5	\$ 1,471	40	\$ 12,597	45	\$ 14,068

Amounts may not add to the dollar due to rounding.

TABLE 9

**THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM
THE SUPPLEMENTAL ANNUITY RESERVE
OF DISABILITY BENEFIT RECIPIENTS
AS OF JUNE 30, 2001**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
95	1	\$ 800	2	\$ 1,145	3	\$ 1,945
96						
97						
98						
99						
100						
101			1	622	1	622
Total	1	\$ 800	3	\$ 1,767	4	\$ 2,567

