

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

**ACTUARIAL VALUATION  
JUNE 30, 2003**





November 25, 2003

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, 2003 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 2005 and are based on the provisions of Public Act 93-0002. The actuarial assumptions used to determine the contribution are unchanged from last year.

Member contribution rates are 9.0% of covered payroll. An additional member contribution has been required since July 1, 1995 to finance retiree health insurance through a state agency other than TRS. The member health insurance rate increased from .65% to .75% effective July 1, 2003. School Districts are required to contribute 0.58% of 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 – before reduction for the maximum State contribution limitations of the Act – for fiscal years 2011 through 2045. Gross appropriations, as a percentage of payroll, for fiscal years 1996 through 2010 are to increase in level annual increments over the prior year's gross appropriation until the required level percentage of payroll is achieved in fiscal year 2010. In fiscal years 1999 through 2004, minimum state contributions were specified.



Under Section 7.2(d) of the General Obligation Bond Act (GOBA), TRS received \$4,330,374,000 on July 2, 2003. Commencing with fiscal year 2005, the maximum State contribution under Public Act 93-0002 equals the State contribution that would have been required if this \$4.33 billion contribution had not been made, reduced – but not below zero – by the State's debt service on the TRS portion of the full \$10 billion of Pension Obligation Bonds issued under Section 7.2 of the GOBA.

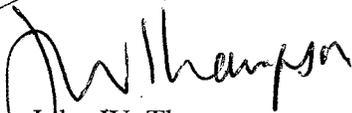
Under this financing objective, we recommend that the employer's required contribution rate to the Employer's Contribution Reserve of the System for fiscal year 2005 be 12.84% of membership payroll. The gross rate – before reduction for the State maximum – is 16.22%. Under the projections, the gross rate is scheduled to increase to an employer contribution rate of 22.48% in fiscal year 2010 and thereafter. The required rate is not expected to level off at 22.48% until fiscal year 2034 – after the State's debt service payments have ended.

The total recommended employer contribution to the Employer's Contribution Reserve under PA 93-0002 is \$984,585,000. Subtracting estimated Federal and Trust Funds and School District contributions and adding a contribution for the State ERI under PA 92-0566 and a contribution to the Guaranteed Minimum Annuity Reserve results in a total recommended State Contribution for fiscal year 2005 of \$907,028,000. This figure represents a decrease of \$124,631,000 or 12.1% from the required State Contribution in fiscal year 2004 of \$1,031,659,000.

The unfunded pension benefit obligation of the System as of June 30, 2003 is \$23,808.6 million, which may be compared with the unfunded obligation of \$20,681.4 million as of June 30, 2002.

The funded status of the System as of June 30, 2003 is 49.3% based on the market value of assets, which may be compared with the System's funded status of 52.0% based on the market value of assets, as of June 30, 2002.

Yours sincerely,



John W. Thompson  
Consulting Actuary

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

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

**ACTUARIAL VALUATION  
JUNE 30, 2003**

**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	
	2003	2002
<b>Employer's Contribution Reserve</b>		
• Active members reported to the actuary:		
– Number	154,690	149,822
– Annual salaries (adjusted to valuation date)	\$ 6,883,046,000	\$ 6,579,584,000
– Average age	42.5 years	42.6 years
– Average service	10.9 years	11.4 years
• Number of inactives	75,983	70,505
• Retirees and beneficiaries in receipt of benefits:		
– Number	73,336	69,472
– Annual annuities (at June 30)	\$ 2,176,418,000	\$ 1,925,414,000
• Assets		
– Market value	\$ 23,124,823,000	\$ 22,366,285,000
• Pension benefit obligation	\$ 46,933,432,000	\$ 43,047,674,000
• Unfunded pension benefit obligation	\$ 23,808,609,000	\$ 20,681,389,000
• Funded ratio:		
– Market value	49.3%	52.0%

**SUMMARY OF PRINCIPAL RESULTS**  
**(Continued)**

Item	Year Ended June 30	
	2003	2002
<b>Employer's Contribution Reserve (continued)</b>	Fiscal Year <u>2005</u>	Fiscal Year <u>2004</u>
	<b><u>PA 93-0002</u></b>	<b><u>PA 90-0582</u></b>
• Employer cost under:		
– Percentage Rate (includes Federal and School Districts)	12.84%	14.96%
– Employer Contribution	\$ 984,585,000	\$ 1,099,264,000
– Less School Districts	(44,481,000)	(42,605,000)
– Less Federal and Trust Funds Contribution	(37,860,000)	(29,400,000)
– State Contribution	\$ 902,244,000	\$ 1,027,259,000
– State ERI Contribution under PA 92-0566	\$ 1,684,000	\$ 1,000,000
<b>Guaranteed Minimum Annuity Reserve</b>		
• Retirees in receipt of benefits:		
– Number	2,787	3,079
– Annual annuities	\$ 3,424,000	\$ 3,893,000
– Pension benefit obligation	\$ 17,320,000	\$ 19,473,000
• State Contribution	\$ 3,100,000	\$ 3,400,000
<b>Total State Contribution:</b>		
• Employer's Contribution Reserve	\$ 903,928,000	\$ 1,028,259,000
• Guaranteed Minimum Annuity Reserve	3,100,000	3,400,000
• Total State Contribution	\$ 907,028,000	\$ 1,031,659,000

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 2004 and 2005 State Contributions were adjusted to ensure payment of all required benefits as required by Statute.

Employer's contribution to System in fiscal year 2004:

	<u>Certified Contribution</u>
Common School Fund	\$ 575,000,000
State Pensions Fund	47,360,000
Educational Assistance Fund	345,000,000
General Revenue Fund	60,899,000
School Districts for 2.2%*	42,605,000
Federal and Trust Funds*	29,400,000
<b>Total</b>	<b>\$ 1,100,264,000</b>

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

2. The June 30, 2003 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, 2002, and (ii) retirees and beneficiaries in receipt of benefits as of June 30, 2003. Membership data for active and inactive members as of June 30, 2001, and for retirees and beneficiaries as of June 30, 2002 were used as the basis for the June 30, 2002 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 \$907,028,000 shown as of June 30, 2003 is the recommended State contribution for fiscal year 2005 under the pension funding provisions of Public Acts 93-0002 and 92-0566. This amount represents an Employer's Contribution Reserve Contribution of \$903,928,000 and a Guaranteed Minimum Annuity Reserve Contribution of \$3,100,000 for a total contribution of \$907,028,000.
  
4. As stated above, at June 30, 2003 and June 30, 2002, 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 by 4% reported payroll and member account balances. No further adjustments were made to the active membership data at June 30, 2003 or June 30, 2002.

5. The statistics for full-time, substitute, part-time, and hourly paid teachers for purposes of the June 30, 2003 valuation, based on the census information for active members as of June 30, 2002, (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	126,738	27,952	154,690
Annual salaries	\$ 6,757,604,000	\$ 125,442,000	\$ 6,883,046,000
Average age	42.8 years	40.9 years	42.5 years
Average service	13.0 years	1.4 years	10.9 years

**SECTION II — FINANCING OBJECTIVE**  
**AND EMPLOYER'S CONTRIBUTION RATE**

The financing objective of the System under State funding law 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 through annual appropriations that are a level percentage of payroll – before reduction for the maximum state contribution limitations as required by Public Act 93-0002 – for fiscal years 2011 through 2045. Gross appropriations, as a percentage of payroll, for fiscal years 1996 through 2010 are to increase in level annual increments over the prior year's gross appropriation until the required level percentage of payroll is achieved in fiscal year 2010. In fiscal years 1999 through 2004, 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 2005, using the funding policy established under Public Act 93-0002, is equal to 12.84% of membership payroll. This is the required employer contribution rate, including state contributions, federal and trust funds contributions, and school district contributions for the 2.2% formula change. The gross rate – before reduction for the state maximum – is 16.22%.

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 gross rate is scheduled to increase to an employer contribution rate of 22.48% in fiscal year 2010 and thereafter. As shown on the following page, the required rate – after reduction for the state maximum – is not expected to level off at 22.48% until fiscal year 2034, after the State's debt service payments have ended. The State contribution under Public Act 93-0002 equals the required contribution, offset by contributions from federal and trust funds and school districts.

Under Public Act 92-0566, the State Early Retirement Incentive (ERI), the State must make contributions in fiscal years 2004 through 2013 that fully fund the increase in pension benefit obligation resulting from fiscal year 2003 ERI retirements of state employees who are covered by

TRS. The State contribution for fiscal year 2004 is \$1,000,000. For fiscal years 2005 through 2013 the Act specifies that the State contribution shall be a level dollar amount. On the basis of the June 30, 2003 valuation the State ERI contribution for fiscal years 2005 through 2013 is \$1,684,000 per annum.

In addition to the contributions to the Employer's Contribution Reserve required by Public Acts 93-0002 and 92-0566, 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.

Schedules IA and IB of the report on Pages 15 and 16 show the required contribution for fiscal year 2005 under the financing objectives described above. As indicated in Schedule IA, there is a total state contribution of \$907,028,000 payable to two reserves for fiscal year 2005. Schedule IB shows the derivation of the State's contribution to the Employer's Contribution Reserve under the provisions outlined in Public Act 93-0002.

The chart below summarizes projected contribution rates to the Employer's Contribution Reserve under Public Act 93-0002.

Fiscal Year	Gross Employer Rate (Before State Maximum)	Required Employer Rate (After State Maximum)	State Rate
2005	16.22%	12.84%	11.76%
2006	17.47	14.68	13.61
2007	18.72	16.52	15.44
2008	19.97	18.00	16.92
2009	21.23	19.83	18.76
2010	22.48	21.67	20.60
2011	22.48	21.80	20.73
2012	22.48	21.63	20.55
2013	22.48	21.77	20.70
2014	22.48	21.92	20.85
2015	22.48	22.06	20.99
2016	22.48	22.20	21.13
2017	22.48	22.22	21.15
2018	22.48	22.25	21.17
2019	22.48	22.28	21.21
2020	22.48	22.23	21.15
2021	22.48	22.19	21.12
2022	22.48	22.18	21.10
2023	22.48	22.18	21.11
2024	22.48	22.11	21.03
2025	22.48	22.06	20.99
2026	22.48	22.12	21.05
2027	22.48	22.19	21.12
2028	22.48	22.19	21.12
2029	22.48	22.21	21.14
2030	22.48	22.18	21.10
2031	22.48	22.16	21.09
2032	22.48	22.23	21.16
2033	22.48	22.37	21.30
2034 - 2045	22.48	22.48	21.41

### 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, 2003	\$ 23,125 M	\$ 46,933 M	49.3%
June 30, 2002	22,366 M	43,048 M	52.0%

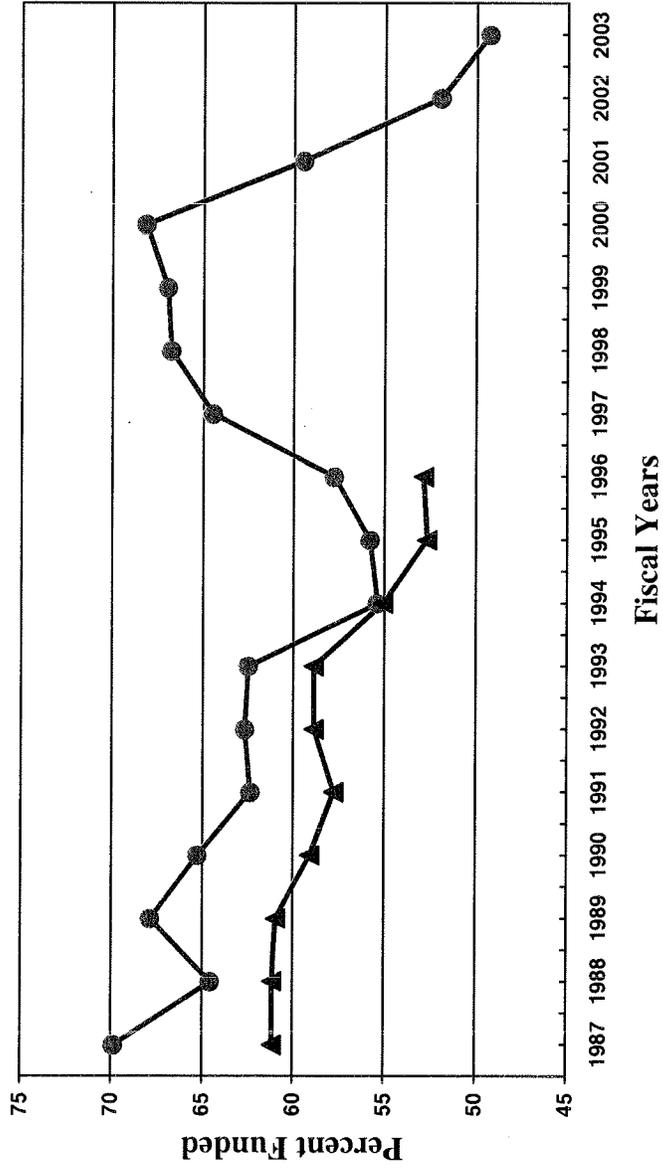
As can be seen from the table, the current funded status of the System is 49.3% as measured by the market value of assets. The funded status on a market value basis has decreased by 2.7 percentage points from the previous valuation.

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 expected during this period of underfunding by the State. The decline in the funded ratio that occurred during fiscal years 2001 through 2003 is due to the rate of return of the market value of investments being less than the 8.5% expected.

The funding provisions of PA 93-0002 are designed to attain a 90% funded ratio in fiscal year 2045. A projection of the future funded status of the System is shown in Schedule XV on Pages 33 and 34.

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

**FUNDED RATIO FISCAL YEARS 1987 - 2003**



**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 18.

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, 2003, there was a net actuarial loss of \$1.657 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) Losses due to salary increases greater than expected	\$	(.172) billion
(2) Losses due to investment income below that expected		(.827)
(3) Losses due to new entrants, for which no allowance is made in the assumptions		(.027)
(4) Gains due to lower than expected mortality		.032
(5) Fewer terminations than expected		(.017)
(6) Repayments of refunded member contributions		(.029)
(7) ERO costs waived for those with 34 years of service		(.335)
(8) Losses due to delayed reporting of retirements (effect on assets)		(.028)
(9) Losses due to all other causes		<u>(.254)</u>
Total net loss	\$	1.657 billion

The loss from item 2 is comprised of the actuarial expected earnings of \$1.888 billion combined with the actual asset gain of \$1.061 billion. The actuarial loss is equal to the expected earnings minus the actual investment return.

The loss from item 8 is due to 798 retirements that occurred prior to July 1, 2002 and were not reported to the actuary until June 30, 2003 due to TRS processing constraints. The actuarial loss is equal to the value of benefits paid prior to July 1, 2003 to these late reported retirees.

The "other cause" category (item 9) is the balancing item needed to complete the reconciliation of the June 30, 2002 and June 30, 2003 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, 2003 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, 2002, and (ii) annuitants and survivor annuitants in receipt of benefits as of June 30, 2003. 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, 2003	Valuation June 30, 2002	Percentage Change
<b>Active membership:</b>			
• Full-time and regular part time:			
> Number	126,738	125,044	1.4
> Annual Compensation	\$ 6,757,604,523	\$ 6,467,301,476	4.5
> Average Compensation	\$ 53,319	\$ 51,720	3.1
• Substitutes, part-time, and hourly paid on a limited schedule			
> Number	27,952	24,778	12.8
> Annual Compensation	\$ 125,441,751	\$ 112,282,536	11.7
> Average Compensation	\$ 4,488	\$ 4,532	(1.0)
• Total Number	154,690	149,822	3.2
<b>Inactive Membership:</b>			
• Eligible for deferred annuities	13,681	12,919	5.9
• Eligible for refunds or single sum benefits only	62,302	57,586	8.2
<b>Annuitants (retirees, disabilitants and survivors):</b>			
• Number	73,336	69,472	5.6
• Annual annuities	\$ 2,176,418,219	\$ 1,925,413,154	13.0
• Average annual annuities	\$ 29,677	\$ 27,715	7.1

Notes:

1. Rates of pay for individual teachers who were on full-time or regular part-time status at both June 30, 2002 and June 30, 2003 increased on average 7.33%, compared to the expected average increase of 6.49%.
2. The 8.2% 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, 2003 amounted to \$23,124,823,000. This amount includes \$69,189,000 receivable from members for future payroll deduction contributions.

Assets are expected to earn 8.5% of market value. The actuarial loss on account of investment income for fiscal year ended June 30, 2003 is the expected earnings minus the actual investment return. In fiscal year 2003, actuarial assumed earnings of \$1.888 billion combined with the actual asset gain of \$1.061 billion equals the reported actuarial loss of \$.827 billion.

During the fiscal year ended June 30, 2003, the actuarial investment rate of return was equal to 4.78%, based on market value. This may be compared to the actuarial investment rate of return of (3.12)% during the fiscal year ended June 30, 2002, based on market value.

**SECTION VII — ACTUARIAL ASSUMPTIONS AND METHODS**

Effective with the June 30, 2002 actuarial valuation, new assumptions regarding rates of separation, salary increase, mortality, optional service purchases, sick leave service credit and severance pay at retirement were adopted. The new member profiles, necessary for the 50-year projection required by State funding law were also updated.

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 93-0002, enacted in April of 2003, were first effective for the 2005 fiscal year and have been reflected in this current June 30, 2003 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, while placing upper limits on State contributions commencing with the contribution due for fiscal year 2005.

The rate of contribution determined under the funding method, according to the financing objective first established under Public Act 88-0593, as amended by Public Act 90-0582 and further amended by Public Act 93-0002, 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, 2003 through June 30, 2045, and on the State's debt service on the System's portion of the full \$10 billion of Pension Obligation Bonds that were issued under Public Act 93-0002. The Governor's Office of Management and Budget provided the debt service schedule. 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 2005 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 that follow.

**SCHEDULE IA**  
**EMPLOYER'S CONTRIBUTION RATES AND AMOUNTS**  
**FISCAL YEAR 2005**  
**(Based on June 30, 2003 Actuarial Valuation)**

Reserve Fund	Year Ended June 30, 2005
• Employer's Contribution Reserve:	
> Employer's Cost	\$ 984,585,000
> Less School Districts	(44,481,000)
> Less Federal and Trust Funds	<u>(37,860,000)</u>
> State Contribution	\$ 902,244,000
> State ERI Contribution under PA 92-0566	1,684,000
• Guaranteed Minimum Annuity Reserve	
> State Contribution	\$ 3,100,000
Total State Contribution	\$ 907,028,000

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

- (a) Employer's cost of \$984,585,000 is equivalent to a contribution rate of 12.84% of payroll based on an estimated membership payroll for fiscal year 2005 of \$7.669 billion.
- (b) Employer's cost is based on projection required by Public Act 93-0002 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.
- (iii) Commencing in FY2005, the provisions of PA 93-0002 place upper limits on the State contribution.
- (iv) State ERI contributions equal \$1,000,000 in 2004 and \$1,684,000 per annum for 2005-2013.
- (c) For FY2005, the recommended state contribution rate is 11.76%.

**(2) Guaranteed Minimum Annuity Reserve**

Above State contribution for fiscal year 2005 of \$3,100,000 for the Guaranteed Minimum Annuity Reserve is based on projection of benefit outgo from reserve funds in fiscal year 2005. 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 93-0002 is as follows:

- (a) June 30, 2003 valuation data. New entrant profile per actuarial assumptions.
- (b) Employer's total contribution to Employer's Contribution Reserve of the System in fiscal year 2004:

	<u>Certified Contribution</u>
Common School Fund	\$ 575,000,000
State Pensions Fund	47,360,000
Educational Assistance Fund	345,000,000
General Revenue Fund	60,899,000
School Districts for 2.2%	42,605,000
Federal and Trust Funds	<u>29,400,000</u>
Total	\$ 1,100,264,000

- (c) Funds provided July 2, 2003 under Section 7.2(d) of the General Obligation Bond Act: \$4,330,374,000, and debt service schedule provided by the Office of Management and Budget.

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

**SCHEDULE IB**

**DETERMINATION OF EMPLOYER CONTRIBUTION UNDER PUBLIC ACT 93-0002  
FISCAL YEAR 2005  
(Based on June 30, 2003 Actuarial Valuation)**

Employer's Contribution Reserve	Year Ended June 30, 2005
(1) Employer contribution that would have been required without funds provided by section 7.2(d) of the General Obligation Bond Act	
> Percentage Rate	16.67%
> Employer's Cost	\$ 1,278,236,000
> Less School Districts	(44,481,000)
> Less Federal and Trust Funds	<u>(37,860,000)</u>
> State Contribution	\$ 1,195,895,000
> Less State Debt Service for TRS portion of all funds provided under section 7.2 of the General Obligation Bond Act	<u>(293,651,000)</u>
> Maximum State Contribution under PA 93-0002	\$ 902,244,000
(2) Employer contribution recognizing all system assets, before limiting State Contribution	
> Percentage Rate	16.22%
> Employer's Cost	\$ 1,243,727,000
> Less School Districts	(44,481,000)
> Less Federal and Trust Funds	<u>(37,860,000)</u>
> State Contribution	\$ 1,161,386,000
(3) State contribution under PA 93-0002	
> Lesser of State amounts under (1) and (2)	\$ 902,244,000
(4) Employer contribution under PA 93-0002	
> State Contribution from (3)	\$ 902,244,000
> Plus School Districts	44,481,000
> Plus Federal and Trust Funds	<u>37,860,000</u>
> Employer's Cost	\$ 984,585,000
> Percentage Rate	12.84%

**Notes:****(1) Determination of Maximum State Contribution under Public Act 93-0002**

Under Section 7.2(d) of the General Obligation Bond Act (GOBA), TRS received \$4.33 billion on July 2, 2003. Commencing with fiscal year 2005, the maximum State contribution under Public Act 93-0002 equals the State contribution that would have been required if this \$4.33 billion contribution had not been made, reduced, but not below zero, by the State's debt service on the TRS portion of the full \$10 billion of Pension Obligation Bonds issued under Section 7.2 of the GOBA.

**(2) Employer Contribution Recognizing \$4.33 Billion Received July 2, 2003**

A gross employer contribution is determined that recognizes all system assets, and that meets 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 (as described in Schedule IA).

**(3) State Contribution under Public Act 93-0002**

The State contributes the lesser of the maximum State contribution determined under (1) or the State contribution determined under (2).

**(4) Employer Contribution under Public Act 93-0002**

The required employer contribution under PA 93-0002 equals the sum of the State contribution determined under (3), plus expected School District and Federal and Trust Fund contributions.

**SCHEDULE II****GASB 25 — REQUIRED SUPPLEMENTARY INFORMATION**

(\$ Thousands)

Schedule of Funding Progress						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued 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
6/30/02*	22,366,285	43,047,674	20,681,389	52.0	6,785,236	304.8
6/30/03	23,124,823	46,933,432	23,808,609	49.3	7,059,032	337.3

Schedule of Employer Contributions			
Total Employer Contributions (State, Federal and Trust Funds, and School Districts)			
Actuarial Valuation Date	Funding Year Ended June 30	Annual Required Contribution	Percentage Contributed
6/30/94	1996	\$1,350,997	25.3%
6/30/95	1997	927,842	42.6
6/30/96	1998	983,312	48.6
6/30/97*	1999	932,909	64.7
6/30/98	2000	1,003,612	68.6
6/30/99	2001	1,102,441	70.6
6/30/00	2002	1,163,262	74.1
6/30/01	2003	1,427,519	68.0

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: 6/30/2003  
 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: 5.9 – 10.2% composite approximates 6.5%  
 Includes Inflation at: 3.5%  
 Cost-of-Living Adjustments: 3%

\* Revised economic and noneconomic assumptions due to experience review.

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

(\$ Thousands)

Item	Year Ended June 30	
	Actuarial gains are shown in parenthesis	
	2003	2002
• Unfunded pension benefit obligation at beginning of year	\$ 20,681,389	\$ 15,851,051
• Additions (deductions)		
— Employer cost in excess of contributions	\$ 1,415,610	\$ 1,074,422
— Change in actuarial assumptions	--	(346,000)
— Change in data reporting methodology	--	1,040,736
Amendments:		
— Maximum sick leave credit increased to 2 years	37,000	--
— State ERI	10,850	--
— Extend 24 months benefit reductions for 2.2% upgrades	6,000	--
• Actuarial losses (gains) compared to assumptions:		
— Salary increases for continuing active members	\$ 171,802	\$ 4,934
— Investment income <sup>1</sup>	827,434	2,696,199
— New entrant loss	27,026	27,032
— Mortality other than expected	(31,913)	(8,832)
— Terminations other than expected	17,211	31,991
— Repayments of refunded member contributions <sup>2</sup>	28,742	25,698
— ERO costs waived for those with 34 years of service	334,583	273,219
— Delayed reporting of retirements (effect on assets) <sup>3</sup>	28,377	77,536
— Other <sup>4</sup>	254,498	(66,597)
Net Actuarial Losses (Gains)	\$ 1,657,760	\$ 3,061,180
• Net Additions	\$ 3,127,220	\$ 4,830,338
• Unfunded pension benefit obligation at end of year	\$ 23,808,609	\$ 20,681,389

<sup>1</sup> 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 2003, actuarial assumed earnings of \$1.888 billion minus the actual asset gain of \$1.061 billion equal the reported actuarial loss of \$827 million.

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

<sup>3</sup> 1,851 retirements that occurred prior to 7/1/2001 were not reported to the actuary until 6/30/2002.  
798 retirements that occurred prior to 7/1/2002 were not reported to the actuary until 6/30/2003.

<sup>4</sup> 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	
	2003	2002
• Employer Normal Cost	\$ 628,537	\$ 588,972
• Interest on unfunded pension benefit obligation at beginning of year	<u>1,757,918</u>	<u>1,347,339</u>
Total employer cost	\$ 2,386,455	\$ 1,936,311
• Employer contributions		
— State (excluding Minimum Benefit)	\$ 926,066	\$ 810,619
— School Districts for 2.2%	11,424	24,987
— Federal and Trust Funds	<u>33,355</u>	<u>26,283</u>
Total employer credits	\$ 970,845	\$ 861,889
• Employer cost in excess of contributions	\$ 1,415,610	\$ 1,074,422

**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
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
2002	43,047,674,000	22,366,285,000	20,681,389,000	30.47
2003	46,933,432,000	23,124,823,000	23,808,609,000	15.12
Average Annual Change				13.36%

\*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
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
2002	43,047,674,000	N/A	22,366,285,000	N/A	52.0
2003	46,933,432,000	N/A	23,124,823,000	N/A	49.3

\*Cost value of assets is 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			
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
2002	23,315,646,000	681,152,000	907,358,000	(723,987,000)	1,813,884,000	22,366,285,000
2003	22,366,285,000	732,020,000	1,021,263,000	1,060,852,000	2,055,597,000	23,124,823,000

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 was 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, 2002  
USED IN JUNE 30, 2003 VALUATION**

Group	Number	Annual Salaries (Adjusted to Valuation Date)
Active members:		
Reported full-time and regular part-time	126,738	\$ 6,757,604,523
Reported substitutes and hourly paid	<u>27,952</u>	<u>125,441,751</u>
Total	154,690	\$ 6,883,046,274
Inactives:	75,983	N/A

**ANNUITANTS, DISABILITY BENEFIT RECIPIENTS,  
AND SURVIVOR ANNUITANTS OF THE SYSTEM  
AS OF JUNE 30, 2003  
(Excluding Guaranteed Minimum Annuities)**

Class	Number	Annual Annuities at June 30
Retired on account of service:		
Regular	37,248	\$ 976,788,050
ERI	11,523	453,634,758
ERO	<u>15,815</u>	<u>639,569,995</u>
Total	64,586	\$ 2,069,992,803
Disability benefit recipients:		
Retirement allowance	679	\$ 12,030,640
Occupational	7	232,794
Temporary	<u>318</u>	<u>6,732,341</u>
Total	1,004	\$ 18,995,775
Survivor benefit recipients:		
Children	114	\$ 745,904
Survivor annuitants	7,455	83,740,540
Reversionary annuitants	<u>177</u>	<u>2,943,197</u>
Total	7,746	\$ 87,429,641
Grand Total	73,336	\$ 2,176,418,219

**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
1993	104,271 <sup>(1)</sup>	(0.13)%	\$ 41,039	6.43%
1994	100,576 <sup>(2)</sup>	(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
2001	125,044	2.00	51,720	3.04
2002	126,738	1.35	53,319	3.09

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

<sup>(2)</sup> 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
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
2001	24,778	2.24	4,532	5.25
2002	27,952	12.81	4,488	(.97)

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

Year Ended June 30	Number on Roll	Percentage Change in Membership
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
2002*	69,472	7.09
2003	73,336	5.56

\* Includes 1,519 additional annuitants on account of change in methodology of reporting recent retirements: In prior years only retirements processed on or before the valuation date were reported to the actuary. Commencing with the 2002 valuation, retirements effective on or before the valuation date that are processed after the valuation date are also reported to the actuary.

**SCHEDULE XI****BENEFIT STREAMS FOR GUARANTEED MINIMUM  
ANNUITY RESERVE**

Benefit Payment Stream	
Fiscal Year	Guaranteed Minimum
2004	\$ 3,263,060
2005	2,946,540
2006	2,650,220
2007	2,374,390
2008	2,119,110
2009	1,884,090
2010	1,668,860
2011	1,472,710
2012	1,294,840
2013	1,134,260
2014	989,990
2015	860,950
2016	746,020
2017	644,110
2018	554,100
2019	474,930
2020	405,590
2021	345,100
2022	292,560
2023	247,120
2024	207,990
2025	174,440
2026	145,800
2027	121,430

Benefit Payment Stream	
Fiscal Year	Guaranteed Minimum
2028	\$ 100,790
2029	83,360
2030	68,690
2031	56,360
2032	46,040
2033	37,410
2034	30,220
2035	24,240
2036	19,300
2037	15,230
2038	11,890
2039	9,180
2040	7,000
2041	5,250
2042	3,870
2043	2,790
2044	1,970
2045	1,350
2046	900
2047	580
2048	360
2049	210
2050	120
2051	60

## 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 this special group, the fiscal 2005 State Contribution shown on the Summary of Principal Results has been adjusted to ensure payment of all required benefit amounts, as required by Statute.

**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	Calculations Required by PA 93-0002			Required State Contribution Amount	Required State Contribution Rate
					State Formula Amount	State Formula Rate	State Maximum		
1995	\$4,633,650,000	\$279,364,800		\$16,500,000	\$262,864,800	5.67%	\$262,864,800	5.67%	
1996	4,863,544,432	341,276,242		17,000,000	324,276,242	6.67%	324,276,242	6.67%	
1997	4,903,151,093	395,268,984		17,300,000	377,968,984	7.71%	377,968,984	7.71%	
1998	5,264,732,966	478,439,267		18,000,000	460,439,267	8.75%	460,439,267	8.75%	
1999	5,558,349,721	602,242,600	16,675,000	18,500,000	525,355,776	9.45%	567,067,600	10.20%	
2000	5,887,080,405	686,383,626	34,145,066	18,200,000	599,159,480	10.18%	634,038,560	10.77%	
2001	6,271,637,672	775,732,339	36,375,498	20,000,000	711,839,141	11.35%	719,356,841	11.47%	
2002	6,666,272,399	872,283,104	38,664,380	23,000,000	798,265,118	11.97%	810,618,724	12.16%	
2003	7,115,762,553	963,858,291	12,808,373	25,000,000	926,049,918	13.01%	926,049,918	13.01%	
2004	7,345,674,585	1,099,263,906	42,604,912	29,400,000	1,027,258,994	13.98%	1,027,258,994	13.98%	
<b>2005</b>	<b>7,669,150,690</b>	<b>984,584,606</b>	<b>44,481,074</b>	<b>37,860,000</b>	<b>1,161,386,349</b>	<b>15.14%</b>	<b>902,243,532</b>	<b>11.76%</b>	
2006	7,964,145,506	1,169,338,647	46,192,044	39,316,290	1,305,810,052	16.40%	1,083,830,313	13.61%	
2007	8,258,878,927	1,364,084,570	47,901,498	40,771,289	1,457,577,236	17.65%	1,275,411,783	15.44%	
2008	8,553,873,479	1,539,332,802	49,612,466	42,227,577	1,616,776,844	18.90%	1,447,492,759	16.92%	
2009	8,854,227,710	1,756,213,420	51,354,521	43,710,324	1,784,446,227	20.15%	1,661,148,575	18.76%	
2010	9,165,661,290	1,986,199,371	53,160,855	45,247,766	1,962,011,135	21.41%	1,887,790,770	20.60%	
2011	9,490,420,019	2,068,948,627	55,044,436	46,850,990	2,031,529,330	21.41%	1,967,053,201	20.73%	
2012	9,830,792,444	2,126,113,317	57,018,596	48,531,293	2,104,389,812	21.41%	2,020,563,428	20.55%	
2013	10,190,463,442	2,218,896,105	59,104,688	50,306,867	2,181,381,365	21.41%	2,109,484,550	20.70%	
2014	10,573,724,255	2,317,677,883	61,327,601	52,198,896	2,263,422,579	21.41%	2,204,151,386	20.85%	
2015	10,984,591,027	2,423,469,897	63,710,628	54,227,206	2,351,373,154	21.41%	2,305,532,063	20.99%	
2016	11,425,409,574	2,536,862,813	66,267,376	56,403,378	2,445,735,237	21.41%	2,414,192,059	21.13%	
2017	11,897,543,869	2,643,523,434	69,005,754	58,734,145	2,546,800,804	21.41%	2,515,783,535	21.15%	
2018	12,402,082,909	2,758,987,006	71,932,081	61,224,884	2,654,802,963	21.41%	2,625,830,041	21.17%	
2019	12,940,535,660	2,883,633,480	75,055,107	63,883,043	2,770,064,727	21.41%	2,744,695,330	21.21%	
2020	13,515,320,501	3,003,898,184	78,388,859	66,720,561	2,893,103,777	21.41%	2,858,788,764	21.15%	

Notes:

- (1) Federal and Trust Funds contributions for 2004 and 2005 were estimated at \$29,400,000 and \$37,860,000, respectively.
- (2) School District and Federal and Trust Fund contributions for years subsequent to 2005 are projected to increase from the fiscal 2005 amounts at the same rate as the increase in Assumed Payroll.
- (3) Schedule excludes State ERI contributions made in fiscal years 2004-2013 under Public Act 92-0566. State ERI contributions equal \$1,000,000 for 2004, and \$1,684,000 per annum for 2005-2013.

**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	Calculations Required by PA 93-0002				Required State Contribution Amount	Required State Contribution Rate
					State Formula Amount	State Formula Rate	State Maximum	State Contribution Amount		
2021	14,125,993,903	3,134,664,170	81,930,765	69,735,249	3,023,825,170	21.41%	2,982,998,156	2,982,998,156	21.12%	
2022	14,772,594,495	3,275,941,167	85,681,048	72,927,297	3,162,237,176	21.41%	3,117,332,822	3,117,332,822	21.10%	
2023	15,455,807,305	3,427,901,660	89,643,682	76,300,087	3,308,486,432	21.41%	3,261,957,891	3,261,957,891	21.11%	
2024	16,175,725,948	3,575,774,221	93,819,210	79,854,082	3,462,592,977	21.41%	3,402,100,929	3,402,100,929	21.03%	
2025	16,931,384,381	3,735,242,424	98,202,029	83,584,511	3,624,350,020	21.41%	3,553,455,884	3,553,455,884	20.99%	
2026	17,722,114,738	3,920,600,214	102,788,265	87,488,079	3,793,614,595	21.41%	3,730,323,870	3,730,323,870	21.05%	
2027	18,548,385,430	4,116,415,991	107,580,635	91,567,098	3,970,486,971	21.41%	3,917,268,258	3,917,268,258	21.12%	
2028	19,412,369,183	4,308,441,836	112,591,741	95,832,293	4,155,432,246	21.41%	4,100,017,802	4,100,017,802	21.12%	
2029	20,316,066,498	4,512,731,013	117,833,186	100,293,541	4,348,878,646	21.41%	4,294,604,286	4,294,604,286	21.14%	
2030	21,261,329,496	4,714,954,876	123,315,711	104,959,984	4,551,222,642	21.41%	4,486,679,181	4,486,679,181	21.10%	
2031	22,249,211,448	4,930,928,180	129,045,426	109,836,823	4,762,689,696	21.41%	4,692,045,931	4,692,045,931	21.09%	
2032	23,282,199,974	5,176,072,297	135,036,760	114,936,337	4,983,812,311	21.41%	4,926,099,200	4,926,099,200	21.16%	
2033	24,362,348,391	5,450,149,697	141,301,621	120,268,664	5,215,030,021	21.41%	5,188,579,412	5,188,579,412	21.30%	
2034	25,493,059,044	5,730,781,480	147,859,742	125,850,600	5,457,071,138	21.41%	6,145,327,189	5,457,071,138	21.41%	
2035	26,679,086,781	5,997,397,808	154,738,703	131,705,617	5,710,953,488	21.41%	6,431,229,657	5,710,953,488	21.41%	
2036	27,925,666,796	6,277,626,150	161,968,867	137,859,561	5,977,797,722	21.41%	6,731,728,786	5,977,797,722	21.41%	
2037	29,235,890,446	6,572,161,435	169,568,165	144,327,691	6,258,265,579	21.41%	7,047,569,776	6,258,265,579	21.41%	
2038	30,610,404,092	6,881,148,965	177,540,344	151,113,200	6,552,495,421	21.41%	7,378,908,438	6,552,495,421	21.41%	
2039	32,051,337,358	7,205,067,474	185,897,757	158,226,599	6,860,943,118	21.41%	7,726,258,137	6,860,943,118	21.41%	
2040	33,560,213,205	7,544,259,321	194,649,237	165,675,408	7,183,934,676	21.41%	8,089,985,996	7,183,934,676	21.41%	
2041	35,139,742,996	7,899,334,012	203,810,509	173,473,012	7,522,050,491	21.41%	8,470,745,612	7,522,050,491	21.41%	
2042	36,791,373,218	8,270,616,716	213,389,965	181,626,551	7,875,600,200	21.41%	8,868,885,673	7,875,600,200	21.41%	
2043	38,518,146,359	8,658,791,376	223,405,249	190,151,045	8,245,235,082	21.41%	9,285,139,600	8,245,235,082	21.41%	
2044	40,323,822,646	9,064,703,283	233,878,171	199,065,058	8,631,760,054	21.41%	9,720,413,828	8,631,760,054	21.41%	
2045	42,213,143,496	9,489,418,298	244,836,232	208,391,995	9,036,190,071	21.41%	10,175,851,316	9,036,190,071	21.41%	
2046	44,190,195,944	4,174,856,026	256,303,136	218,152,034	3,700,400,856	8.37%	3,700,400,856	3,700,400,856	8.37%	

PROJECTED

Notes:

- (1) Federal and Trust Funds contributions for 2004 and 2005 were estimated at \$29,400,000 and \$37,860,000, respectively.
- (2) School District and Federal and Trust Fund contributions for years subsequent to 2005 are projected to increase from the fiscal 2005 amounts at the same rate as the increase in Assumed Payroll.
- (3) Schedule excludes State ERI contributions made in fiscal years 2004-2013 under Public Act 92-0566. State ERI contributions equal \$1,000,000 for 2004, and \$1,684,000 per annum for 2005-2013.

**SCHEDULE XIII**

**FISCAL YEAR 2005 EMPLOYER CONTRIBUTION BASED ON  
50 YEAR PROJECTION FOR EMPLOYER'S CONTRIBUTION RESERVE UNDER PUBLIC ACT 93-0002  
(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	52.0%	20,681,389,000	13.09%	8.84%	4.25%	872,283,104	588,971,933	283,311,171	6,666,272,399
2003	8	49.3%	23,808,609,000	13.55%	8.83%	4.71%	963,858,291	628,536,783	335,321,507	7,115,762,553
2004	9	58.7%	20,611,762,709	14.96%	8.15%	6.82%	1,099,263,906	598,462,925	500,800,982	7,345,674,585
<b>2005</b>	<b>10</b>	<b>58.5%</b>	<b>22,000,964,876</b>	<b>12.84%</b>	<b>8.32%</b>	<b>4.52%</b>	<b>984,584,606</b>	<b>637,971,250</b>	<b>346,613,356</b>	<b>7,669,150,690</b>
2006	11	58.5%	23,345,512,429	14.68%	8.37%	6.31%	1,169,338,647	666,492,964	502,845,683	7,964,145,506
2007	12	58.7%	24,627,184,840	16.52%	8.37%	8.15%	1,364,084,570	691,158,228	672,926,341	8,258,878,927
2008	13	59.1%	25,857,405,931	18.00%	8.33%	9.67%	1,539,332,802	712,423,796	826,909,005	8,553,873,479
2009	14	59.6%	26,985,886,721	19.83%	8.26%	11.58%	1,756,213,420	731,241,346	1,024,972,073	8,854,227,710
2010	15	60.3%	27,988,925,901	21.67%	8.17%	13.50%	1,986,199,371	748,712,519	1,237,486,852	9,165,661,290
2011	16	60.9%	29,008,776,423	21.80%	8.07%	13.73%	2,068,948,627	765,750,564	1,303,198,063	9,490,420,019
2012	17	61.5%	30,073,112,426	21.63%	7.96%	13.67%	2,126,113,317	782,400,216	1,343,713,101	9,830,792,444
2013	18	62.0%	31,149,411,925	21.77%	7.85%	13.93%	2,218,896,105	799,815,730	1,419,080,375	10,190,463,442
2014	19	62.5%	32,236,375,420	21.92%	7.75%	14.17%	2,317,677,883	819,322,878	1,498,355,005	10,573,724,255
2015	20	62.9%	33,328,398,774	22.06%	7.66%	14.40%	2,423,469,897	841,273,452	1,582,196,446	10,984,591,027
2016	21	63.4%	34,421,965,920	22.20%	7.59%	14.62%	2,536,862,813	867,036,498	1,669,826,316	11,425,409,574
2017	22	63.8%	35,528,508,953	22.22%	7.54%	14.68%	2,643,523,434	896,916,434	1,746,607,000	11,897,543,869
2018	23	64.3%	36,643,289,142	22.25%	7.50%	14.75%	2,758,987,006	929,991,128	1,828,995,878	12,402,082,909
2019	24	64.7%	37,762,351,675	22.28%	7.48%	14.81%	2,883,633,480	967,779,810	1,915,853,670	12,940,535,660
2020	25	65.2%	38,894,630,915	22.23%	7.47%	14.76%	3,003,898,184	1,009,414,533	1,994,483,651	13,515,320,501

**Notes:**

- (1) Above represents contributions to the Employer's Contribution Reserve, excluding both State ERI contributions under PA 92-0566 and contributions to Guaranteed Minimum Annuity Reserve.
- (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. PA 93-0002 requires calculations of State contribution amounts as shown in Schedule JB beginning in FY 2005.
- (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 - 2004 are based on the June 30, 1993 - June 30, 2002 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.

CERTIFIED

PROJECTED

**SCHEDULE XIII**

**FISCAL YEAR 2005 EMPLOYER CONTRIBUTION BASED ON  
50 YEAR PROJECTION FOR EMPLOYER'S CONTRIBUTION RESERVE UNDER PUBLIC ACT 93-0002  
(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	65.7%	40,034,451,716	22.19%	7.47%	14.72%	3,134,664,170	1,055,023,707	2,079,640,464	14,125,993,903
2022	27	66.2%	41,177,379,014	22.18%	7.49%	14.69%	3,275,941,167	1,106,270,683	2,169,670,484	14,772,594,495
2023	28	66.7%	42,314,071,600	22.18%	7.50%	14.68%	3,427,901,660	1,158,979,808	2,268,921,851	15,455,807,305
2024	29	67.3%	43,454,640,682	22.11%	7.53%	14.58%	3,575,774,221	1,217,816,841	2,357,957,380	16,175,725,948
2025	30	67.9%	44,588,837,583	22.06%	7.55%	14.51%	3,735,242,424	1,278,094,139	2,457,148,285	16,931,384,381
2026	31	68.6%	45,694,079,045	22.12%	7.58%	14.54%	3,920,600,214	1,343,100,390	2,577,499,824	17,722,114,738
2027	32	69.4%	46,758,389,327	22.19%	7.60%	14.59%	4,116,415,991	1,409,430,386	2,706,985,604	18,548,385,430
2028	33	70.1%	47,783,552,064	22.19%	7.61%	14.59%	4,308,441,836	1,477,022,888	2,831,418,948	19,412,369,183
2029	34	71.0%	48,756,797,424	22.21%	7.62%	14.59%	4,512,731,013	1,547,813,830	2,964,917,182	20,316,066,498
2030	35	71.9%	49,679,354,916	22.18%	7.63%	14.55%	4,714,954,876	1,621,956,421	3,092,998,455	21,261,329,496
2031	36	72.8%	50,536,182,178	22.16%	7.64%	14.52%	4,930,928,180	1,699,543,585	3,231,384,595	22,249,211,448
2032	37	73.8%	51,292,681,191	22.23%	7.64%	14.59%	5,176,072,297	1,778,450,158	3,397,622,139	23,282,199,974
2033	38	74.9%	51,913,938,547	22.37%	7.64%	14.73%	5,450,149,697	1,860,959,118	3,589,190,579	24,362,348,391
2034	39	76.0%	52,385,654,525	22.48%	7.64%	14.84%	5,730,781,480	1,947,330,361	3,783,451,119	25,493,059,044
2035	40	77.2%	52,714,118,482	22.48%	7.64%	14.84%	5,997,397,808	2,037,927,092	3,959,470,716	26,679,086,781
2036	41	78.4%	52,877,793,227	22.48%	7.64%	14.84%	6,277,626,150	2,133,149,212	4,144,476,938	27,925,666,796
2037	42	79.6%	52,852,833,016	22.48%	7.64%	14.84%	6,572,161,435	2,233,232,857	4,338,928,578	29,235,890,446
2038	43	80.9%	52,613,265,295	22.48%	7.64%	14.84%	6,881,148,965	2,338,227,403	4,542,921,562	30,610,404,092
2039	44	82.1%	52,130,580,625	22.48%	7.64%	14.84%	7,205,067,474	2,448,295,524	4,756,771,951	32,051,337,358
2040	45	83.4%	51,373,610,830	22.48%	7.64%	14.84%	7,544,259,321	2,563,553,553	4,980,705,767	33,560,213,205
2041	46	84.7%	50,308,119,290	22.48%	7.64%	14.84%	7,899,334,012	2,684,208,603	5,215,125,409	35,139,742,996
2042	47	86.0%	48,896,735,661	22.48%	7.64%	14.84%	8,270,616,716	2,810,371,167	5,460,245,549	36,791,373,218
2043	48	87.3%	47,098,442,780	22.48%	7.64%	14.84%	8,658,791,376	2,942,273,649	5,716,517,727	38,518,146,359
2044	49	88.7%	44,868,155,733	22.48%	7.64%	14.84%	9,064,703,283	3,080,203,281	5,984,500,003	40,323,822,646
2045	50	90.0%	42,156,224,414	22.48%	7.64%	14.84%	9,489,418,298	3,224,522,244	6,264,896,054	42,213,143,496
2046	51	90.0%	44,906,912,121	9.45%	7.64%	1.81%	4,174,856,026	3,375,542,734	799,313,292	44,190,195,944

Notes:

- (1) Above represents contributions to the Employer's Contribution Reserve, excluding both State ERI contributions under PA 92-0566 and contributions to Guaranteed Minimum Annuity Reserve.
- (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. PA 93-0002 requires calculations of State contribution amounts as shown in Schedule IB beginning in FY 2005.
- (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 - 2004 are based on the June 30, 1993 - June 30, 2002 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.

PROJECTED

**SCHEDULE XIV**

**PROJECTION OF ASSETS, EMPLOYER AND STATE CONTRIBUTIONS WITHOUT PENSION OBLIGATION BONDS  
STATE'S DEBT SERVICE ON PENSION OBLIGATION BONDS, AND STATE MAXIMUMS WITH PENSION OBLIGATION BONDS  
JUNE 30, 2003 VALUATION**

Year Ended June 30	End of Year Assets Without POB	Assumed Payroll	Without POB Required Employer		Without POB Required State		Debt Service	With POB State Maximum (Required Amount Minus Debt Service)
			Amount	Rate	Amount	Rate		
2003	23,124,823,000	7,115,762,553	963,858,291	13.55%	926,049,918	13.01%		
2004	24,565,237,816	7,345,674,585	1,099,263,906	14.96%	1,027,258,994	13.98%		
2005	26,199,713,083	7,669,150,690	1,278,235,766	16.67%	1,195,894,692	15.59%	293,651,160	902,243,532
2006	28,023,231,690	7,964,145,506	1,462,989,807	18.37%	1,377,481,473	17.30%	293,651,160	1,083,830,313
2007	30,036,937,124	8,258,878,927	1,657,735,730	20.07%	1,569,062,943	19.00%	293,651,160	1,275,411,783
2008	32,237,642,272	8,553,873,479	1,862,573,962	21.77%	1,770,733,919	20.70%	323,241,160	1,447,492,759
2009	34,620,901,280	8,854,227,710	2,078,714,830	23.48%	1,983,649,985	22.40%	322,501,410	1,661,148,575
2010	37,198,775,001	9,165,661,290	2,307,872,261	25.18%	2,209,463,660	24.11%	321,672,890	1,887,790,770
2011	39,818,911,114	9,490,420,019	2,389,645,047	25.18%	2,287,749,621	24.11%	320,696,420	1,967,053,201
2012	42,481,235,903	9,830,792,444	2,475,349,292	25.18%	2,369,799,403	24.11%	349,235,975	2,020,563,428
2013	45,187,078,438	10,190,463,442	2,565,912,830	25.18%	2,456,501,275	24.11%	347,016,725	2,109,484,550
2014	47,937,002,398	10,573,724,255	2,662,416,178	25.18%	2,548,889,681	24.11%	344,738,295	2,204,151,386
2015	50,743,764,597	10,984,591,027	2,765,870,582	25.18%	2,647,932,748	24.11%	342,400,685	2,305,532,063
2016	53,623,011,268	11,425,409,574	2,876,866,708	25.18%	2,754,195,954	24.11%	340,003,895	2,414,192,059
2017	56,595,893,004	11,897,543,869	2,995,747,999	25.18%	2,868,008,100	24.11%	352,224,565	2,515,783,535
2018	59,686,245,231	12,402,082,909	3,122,788,658	25.18%	2,989,631,693	24.11%	363,801,653	2,625,830,041
2019	62,923,772,724	12,940,535,660	3,258,368,638	25.18%	3,119,430,488	24.11%	374,735,158	2,744,695,330
2020	66,341,902,927	13,515,320,501	3,403,096,874	25.18%	3,257,987,454	24.11%	399,198,690	2,858,788,764

Note: This schedule shows how the maximum state contributions under PA 93-0002 are determined. It shows projections of the amounts shown in Schedule IB, item 1 on page 16: employer contributions that would have been required if there were no POB program, minus the debt service.

**SCHEDULE XIV**

**PROJECTION OF ASSETS, EMPLOYER AND STATE CONTRIBUTIONS WITHOUT PENSION OBLIGATION BONDS  
STATE'S DEBT SERVICE ON PENSION OBLIGATION BONDS, AND STATE MAXIMUMS WITH PENSION OBLIGATION BONDS  
JUNE 30, 2003 VALUATION**

(Continued)

Year Ended June 30	End of Year Assets Without POB	Assumed Payroll	Without POB Required Employer		Without POB Required State		Debt Service	With POB State Maximum (Required Amount Minus Debt Service)
			Amount	Rate	Amount	Rate		
2021	69,976,213,038	14,125,993,903	3,556,861,688	25.18%	3,405,195,674	24.11%	422,197,518	2,982,998,156
2022	73,866,337,299	14,772,594,495	3,719,672,807	25.18%	3,561,064,462	24.11%	443,731,640	3,117,332,822
2023	78,055,989,257	15,455,807,305	3,891,702,717	25.18%	3,725,758,948	24.11%	463,801,058	3,261,957,891
2024	82,594,614,376	16,175,725,948	4,072,974,991	25.18%	3,899,301,699	24.11%	497,200,770	3,402,100,929
2025	87,530,458,742	16,931,384,381	4,263,246,384	25.18%	4,081,459,844	24.11%	528,003,960	3,553,455,884
2026	92,912,396,535	17,722,114,738	4,462,348,729	25.18%	4,272,072,385	24.11%	541,748,515	3,730,323,870
2027	98,792,528,014	18,548,385,430	4,670,399,971	25.18%	4,471,252,238	24.11%	553,983,980	3,917,268,258
2028	105,233,018,004	19,412,369,183	4,887,947,191	25.18%	4,679,523,157	24.11%	579,505,355	4,100,017,802
2029	112,298,624,840	20,316,066,498	5,115,494,108	25.18%	4,897,367,381	24.11%	602,763,095	4,294,604,286
2030	120,060,135,865	21,261,329,496	5,353,507,076	25.18%	5,125,231,381	24.11%	638,552,200	4,486,679,181
2031	128,595,073,451	22,249,211,448	5,602,251,305	25.18%	5,363,369,056	24.11%	671,323,125	4,692,045,931
2032	137,990,207,976	23,282,199,974	5,862,353,167	25.18%	5,612,380,070	24.11%	686,280,870	4,926,099,200
2033	148,338,926,210	24,362,348,391	6,134,329,677	25.18%	5,872,759,392	24.11%	684,179,980	5,188,579,412
2034	159,712,728,826	25,493,059,044	6,419,037,531	25.18%	6,145,327,189	24.11%	6,431,229,657	6,145,327,189
2035	172,197,182,151	26,679,086,781	6,717,673,977	25.18%	6,431,229,657	24.11%	6,431,229,657	6,431,229,657
2036	185,846,188,901	27,925,666,796	7,031,557,214	25.18%	6,731,728,786	24.11%	6,731,728,786	6,731,728,786
2037	200,760,707,688	29,235,890,446	7,361,465,632	25.18%	7,047,569,776	24.11%	7,047,569,776	7,047,569,776
2038	217,050,912,259	30,610,404,092	7,707,561,982	25.18%	7,378,908,438	24.11%	7,378,908,438	7,378,908,438
2039	234,828,136,748	32,051,337,358	8,070,382,493	25.18%	7,726,258,137	24.11%	7,726,258,137	7,726,258,137
2040	254,194,170,270	33,560,213,205	8,450,310,641	25.18%	8,089,985,996	24.11%	8,089,985,996	8,089,985,996
2041	275,266,510,387	35,139,742,996	8,848,029,133	25.18%	8,470,745,612	24.11%	8,470,745,612	8,470,745,612
2042	298,169,096,673	36,791,373,218	9,263,902,189	25.18%	8,868,885,673	24.11%	8,868,885,673	8,868,885,673
2043	323,048,036,810	38,518,146,359	9,698,695,894	25.18%	9,285,139,600	24.11%	9,285,139,600	9,285,139,600
2044	350,054,770,884	40,323,822,646	10,153,357,057	25.18%	9,720,413,828	24.11%	9,720,413,828	9,720,413,828
2045	379,406,018,996	42,213,143,496	10,629,079,543	25.18%	10,175,851,316	24.11%	10,175,851,316	10,175,851,316
2046	404,162,208,293	44,190,195,944	4,174,856,026	9.45%	3,700,400,856	8.37%	3,700,400,856	3,700,400,856

Note: This schedule shows how the maximum state contributions under PA 93-0002 are determined. It shows projections of the amounts shown in Schedule IB, item I on page 16: employer contributions that would have been required if there were no POB program, minus the debt service.

**SCHEDULE XV**  
**50-YEAR PROJECTION OF FUNDED STATUS**  
**UNDER PUBLIC ACT 93-0002**

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	43,047,674,000	22,366,285,000	20,681,389,000	52.0%
2003	46,933,432,000	23,124,823,000	23,808,609,000	49.3%
2004	49,875,456,258	29,263,693,550	20,611,762,709	58.7%
2005	52,992,625,594	30,991,660,718	22,000,964,876	58.5%
2006	56,262,130,465	32,916,618,037	23,345,512,429	58.5%
2007	59,667,569,314	35,040,384,474	24,627,184,840	58.7%
2008	63,187,089,811	37,329,683,880	25,857,405,931	59.1%
2009	66,795,724,927	39,809,838,207	26,985,886,721	59.6%
2010	70,482,632,262	42,493,706,361	27,988,925,901	60.3%
2011	74,238,639,983	45,229,863,560	29,008,776,423	60.9%
2012	78,061,455,900	47,988,343,473	30,073,112,426	61.5%
2013	81,950,237,888	50,800,825,964	31,149,411,925	62.0%
2014	85,905,202,985	53,668,827,565	32,236,375,420	62.5%
2015	89,934,537,711	56,606,138,936	33,328,398,774	62.9%
2016	94,051,493,955	59,629,528,035	34,421,965,920	63.4%
2017	98,274,583,803	62,746,074,850	35,528,508,953	63.8%
2018	102,623,533,748	65,980,244,606	36,643,289,142	64.3%
2019	107,124,777,090	69,362,425,414	37,762,351,675	64.7%
2020	111,806,653,349	72,912,022,434	38,894,630,915	65.2%

Notes: The projection of assets is based upon the assumption that the Employer maintains the funding policy under Public Act 93-0002 that begins with fiscal year 2005.

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

**SCHEDULE XV**  
**50-YEAR PROJECTION OF FUNDED STATUS**  
**UNDER PUBLIC ACT 93-0002**  
**(Continued)**

Year Ended June 30	End of Year			
	Pension Benefit Obligation	Value of Assets	Unfunded Pension Benefit Obligation	Funded Ratio
2021	116,699,469,411	76,665,017,696	40,034,451,716	65.7%
2022	121,838,863,700	80,661,484,685	41,177,379,014	66.2%
2023	127,259,685,130	84,945,613,530	42,314,071,600	66.7%
2024	133,006,596,499	89,551,955,817	43,454,640,682	67.3%
2025	139,118,025,264	94,529,187,681	44,588,837,583	67.9%
2026	145,635,793,168	99,941,714,123	45,694,079,045	68.6%
2027	152,600,678,745	105,842,289,418	46,758,389,327	69.4%
2028	160,061,929,096	112,278,377,032	47,783,552,064	70.1%
2029	168,071,778,678	119,314,981,254	48,756,797,424	71.0%
2030	176,687,100,234	127,007,745,318	49,679,354,916	71.9%
2031	185,970,139,342	135,433,957,164	50,536,182,178	72.8%
2032	195,988,224,965	144,695,543,774	51,292,681,191	73.8%
2033	206,815,489,426	154,901,550,879	51,913,938,547	74.9%
2034	218,501,920,673	166,116,266,148	52,385,654,525	76.0%
2035	231,108,874,960	178,394,756,478	52,714,118,482	77.2%
2036	244,663,030,546	191,785,237,319	52,877,793,227	78.4%
2037	259,235,242,676	206,382,409,660	52,852,833,016	79.6%
2038	274,902,904,850	222,289,639,555	52,613,265,295	80.9%
2039	291,741,395,522	239,610,814,897	52,130,580,625	82.1%
2040	309,813,213,635	258,439,602,806	51,373,610,830	83.4%
2041	329,192,731,517	278,884,612,227	50,308,119,290	84.7%
2042	349,956,833,572	301,060,097,911	48,896,735,661	86.0%
2043	372,200,016,724	325,101,573,945	47,098,442,780	87.3%
2044	396,017,036,350	351,148,880,617	44,868,155,733	88.7%
2045	421,562,243,329	379,406,018,914	42,156,224,414	90.0%
2046	449,069,120,325	404,162,208,204	44,906,912,121	90.0%

Notes: The projection of assets is based upon the assumption that the Employer maintains the funding policy under Public Act 93-0002 that begins with fiscal year 2005.

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

**SECTION IX****STATEMENT OF ACTUARIAL ASSUMPTIONS AND METHODS**

(Adopted effective June 30, 2002 except as otherwise noted.)

INTEREST RATE: 8.5% per annum, compounded annually. (Adopted effective June 30, 1997.)  
The interest rate assumption includes the following components, which were revised effective June 30, 2002: inflation 3.5%, and real rate of return 5.0%.

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	.0880	.0611	.0005	.0003	—	.0920
30	.0880	.0412	.0005	.0004	—	.0770
40	.0880	.0158	.0007	.0005	—	.0650
50	.0880	.0104	.0016	.0011	—	.0590
55	.0880	.0122	.0026	.0018	.1600	.0590
60	.0880	.0186	.0048	.0037	.2600	.0590
65	.0880	.0272	.0093	.0055	.3500	.0590
70	—	—	.0167	—	1.0000	—
<u>Females</u>						
25	.1050	.0900	.0002	.0007	—	.0920
30	.1050	.0800	.0002	.0008	—	.0770
40	.0750	.0250	.0005	.0011	—	.0650
50	.0650	.0165	.0012	.0023	—	.0590
55	.0650	.0197	.0018	.0039	.1350	.0590
60	.0650	.0228	.0027	.0077	.1850	.0590
65	.0650	.0311	.0055	.0116	.3150	.0590
70	—	—	.0115	—	1.0000	—

Rates of termination for vested males were adopted effective June 30, 1997.

The basic salary increase assumption averages 6.25% per annum plus an additional 0.25% per annum to cover employment type and status changes, for a total recommended average increase of 6.5% per annum.

The salary increase assumption includes the following components:

- Inflation: 3.5%
- Real wage growth (productivity): 1.2%
- Merit or seniority (includes employment type and status changes): ranges from 5.4 % at age 20 to 1.2% at age 50 and above.

**DEATH AFTER RETIREMENT:** For annuitants, 95.6% of the 1995 George B. Buck Mortality Table rates for males and 100% of the George B. Buck Mortality Table rates for females. For beneficiaries, the 1995 George B. Buck Mortality Tables rated forward three years for males and rate forward one year for females. For the period after disability retirement, the Pension Benefit Guaranty Corporation rates for male disabled lives not necessarily receiving Social Security benefits, rated back two years for females and rated 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. (Adopted effective June 30, 1993.)

**VALUATION METHOD:** Projected unit credit cost method. Gains and losses are reflected in the unfunded pension benefit obligation. (Adopted effective June 30, 1989.)

**ASSET VALUATION METHOD:** Market value. (Adopted effective June 30, 1997.)

**GROWTH IN ACTIVE MEMBERSHIP:** For purposes of the projection required by State funding law, 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. (Adopted effective June 30, 1994.)

**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	51%	12.93%
25-29	65%	14.92%
30 or more	79%	16.90%

**OPTIONAL SERVICE PURCHASES:** The pension benefit obligation for retirement benefits for active members who have not previously purchased optional service is increased by 1.9% 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 – an average of 0.969 years per full-time/part-time service retiree – will be used;
- (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 2.83% of regular service credit at retirement.

Representative assumed amounts of unused and uncompensated sick leave service are as follows:

Regular Service at Retirement	Sick Leave Service Credit
20 years	.748 years
25 years	.812 years
30 years	.861 years
35 years	.890 years

ADMINISTRATIVE EXPENSES: The administrative staff of the System estimates the expected administrative expenses for the fiscal year following the valuation. 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. (Adopted effective June 30, 1994.)

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. (Adopted effective June 30, 1999.)

### 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	5.4%	24.2%	29.6%	6.3%	19.2%	25.5%
25 - 29	7.2%	24.4%	31.6%	6.7%	13.4%	20.1%
30 - 34	2.9%	8.8%	11.7%	2.8%	6.5%	9.3%
35 - 39	1.8%	5.4%	7.2%	2.0%	8.0%	10.0%
40 - 44	1.5%	5.5%	7.0%	2.1%	10.5%	12.7%
45 - 49	1.3%	5.2%	6.5%	2.3%	7.7%	9.9%
50 - 54	1.0%	3.2%	4.2%	2.1%	4.3%	6.4%
55 - 59	0.6%	1.2%	1.8%	1.5%	1.8%	3.3%
60 - 64	0.2%	0.2%	0.4%	0.8%	0.8%	1.6%
65 - 69	0.0%	0.0%	0.0%	0.5%	0.4%	0.9%
70	0.0%	0.0%	0.0%	0.2%	0.2%	0.4%
Total	21.9%	78.1%	100.0%	27.2%	72.8%	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	0.992	0.994	0.994	0.341	0.333	0.335
25 - 29	0.996	0.998	0.997	0.326	0.326	0.326
30 - 34	0.997	0.982	0.986	0.342	0.281	0.297
35 - 39	0.995	0.984	0.987	0.298	0.312	0.309
40 - 44	0.996	0.972	0.978	0.319	0.355	0.350
45 - 49	0.991	0.969	0.974	0.338	0.377	0.371
50 - 54	0.995	0.987	0.989	0.357	0.376	0.373
55 - 59	0.982	0.966	0.971	0.381	0.389	0.387
60 - 64	0.966	0.893	0.931	0.371	0.339	0.347
65 - 69	-	-	-	0.397	0.327	0.354
70	-	-	-	0.364	0.304	0.328
Average	0.994	0.989	0.990	0.344	0.352	0.350

**NEW MEMBER PROFILE (continued)**

Projected Annual Rate of Pay at 6/30/2003\*  
(for one year of service credit)

Age Group	Full Time/Part Time			Hourly/Substitute		
	Males	Females	Total	Males	Females	Total
20 - 24	\$ 33,423	\$ 31,464	\$ 31,794	\$ 15,071	\$ 13,893	\$ 14,197
25 - 29	36,072	34,422	34,779	15,287	14,537	14,793
30 - 34	39,121	36,259	37,032	15,453	14,212	14,539
35 - 39	43,264	36,960	38,566	14,609	14,377	14,424
40 - 44	42,992	36,723	38,296	14,507	14,411	14,423
45 - 49	43,715	37,811	39,138	15,236	14,637	14,729
50 - 54	48,438	41,709	43,295	14,860	14,584	14,632
55 - 59	56,957	41,523	46,684	15,043	14,718	14,800
60 - 64	44,943	50,745	47,578	14,578	14,332	14,395
65 - 69	-	-	-	15,885	14,230	14,866
70	-	-	-	14,164	13,712	13,890
Average	\$ 38,788	\$ 34,652	\$ 35,556	\$ 15,006	\$ 14,481	\$ 14,592

\* The rate of pay profile will increase 4.7% per annum. 3.5% of the increase is attributable to inflation and 1.2% 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, including an adjustment for the effects of projected salary increases estimated to be payable in the future. Significant actuarial assumptions used to determine the pension benefit obligation as of June 30, 2003 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 10.1% at age 20 to 5.9% 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;

- Any educational, administrative, professional or other staff in a certificated position employed by a program serving two or more school districts in accordance with a joint agreement authorized by the School Code or by federal legislation;
- Any officer or employee of a statewide teacher organization or officer of a national teacher organization who is certified under the teacher certification law, provided the member had previously established creditable service under TRS and elects TRS membership, and does not receive credit under any other article of the pension code; and
- Any educational, administrative, professional, or other staff employed in a charter school who is certificated under the teacher certification law.

Employment on a full-time basis covers only teachers whose normal employment schedule consists of working at least four clock hours daily, five days per week. Employment on a part-time basis covers teachers who are employed less than four clock hours daily or less than five days per week. A substitute teacher is employed on a temporary basis to replace another teacher.

Creditable service rendered as an employee for a regular school year in any district, in accordance with the provisions of the Pension Code, is equal to one year of service, and time less than a legal year is counted as such portion of a year as the number of days taught bears to 170 days. Additionally, members may purchase various types of optional service credit.

"Final average salary" means the average salary for the highest 4 consecutive years within the last 10 years of creditable service as determined under the rules of the Board.

## BENEFITS

### Normal Retirement

Eligibility	Age 60 with 10 years of service, or age 62 with 5 years of service.
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Amount	The greater of: <ul style="list-style-type: none"> <li>(i) For service earned before July 1, 1998, 1.67% of final average salary for each of the first 10 years of creditable service, plus 1.90% of final average salary for each year in excess of 10 but not exceeding 20, plus 2.10% of final average salary for each year in excess of 20 but not exceeding 30, and</li> </ul>
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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 more than 34 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 Incentive for State Employees

Some TRS-covered members employed by state agencies were eligible for an early retirement incentive (ERI) during FY2003. Public Act 92-566, enacted in June 2002, allowed certain state employees to purchase five years of service credit and an equal amount of age enhancement. Retirement must have occurred between August 1, 2002 and December 31, 2002, with deferrals until April 30, 2003, for key employees. Some employees who were not yet eligible to retire could also purchase the age and service enhancements if they terminated state employment.

#### Early Retirement Option

A member retiring after June 1, 1980 and on or 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  $\frac{1}{2}\%$  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 benefit of \$1,000 plus monthly benefits equal to a percentage of average salary for each dependent beneficiary. The widow 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**

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**EXHIBIT**

**ACTIVE MEMBERSHIP**

**NUMBER AS OF JUNE 30, 2002 AND  
AVERAGE ANNUAL SALARY PROJECTED TO JUNE 30, 2003**

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				
<b>Under 25</b>	5,170	1										5,171	3,685	8,856
	\$ 33,317	\$ 45,889										\$ 33,319	\$ 3,910	\$ 21,082
<b>25-29</b>	13,572	3,819										17,391	3,657	21,048
	\$ 36,987	\$ 42,344										\$ 38,163	\$ 4,514	\$ 32,317
<b>30-34</b>	5,388	8,626	2,200									16,214	2,568	18,782
	\$ 38,936	\$ 45,568	\$ 50,483									\$ 44,031	\$ 3,809	\$ 38,532
<b>35-39</b>	2,836	3,243	4,490	1,572								12,141	3,013	15,154
	\$ 38,960	\$ 47,236	\$ 53,274	\$ 59,348								\$ 49,104	\$ 4,075	\$ 40,151
<b>40-44</b>	2,871	2,802	2,505	3,609	1,609	1						13,397	3,932	17,329
	\$ 38,163	\$ 45,842	\$ 53,432	\$ 60,231	\$ 63,841	\$ 73,117						\$ 51,656	\$ 4,623	\$ 40,984
<b>45-49</b>	2,724	3,209	2,853	2,603	4,853	3,092						19,334	3,935	23,269
	\$ 39,510	\$ 47,314	\$ 54,170	\$ 60,619	\$ 66,003	\$ 69,320						\$ 57,228	\$ 4,793	\$ 48,361
<b>50-54</b>	1,985	2,982	3,611	3,257	3,145	7,389	5,010					27,379	3,398	30,777
	\$ 41,893	\$ 49,537	\$ 55,791	\$ 62,234	\$ 66,771	\$ 71,443	\$ 76,084					\$ 64,067	\$ 5,060	\$ 57,553
<b>55-59</b>	781	1,069	1,528	1,676	1,618	1,877	3,394	612	1			12,556	2,075	14,631
	\$ 44,568	\$ 51,445	\$ 58,649	\$ 63,947	\$ 68,097	\$ 72,825	\$ 78,991	\$ 77,630	\$ 102,569			\$ 67,631	\$ 5,180	\$ 58,774
<b>60-64</b>	176	219	313	350	398	402	397	322	60			2,637	990	3,627
	\$ 45,221	\$ 53,300	\$ 58,967	\$ 63,906	\$ 67,960	\$ 71,462	\$ 74,171	\$ 78,765	\$ 83,342			\$ 66,758	\$ 4,605	\$ 49,793
<b>Over 64</b>	50	41	46	38	76	76	83	49	59			518	699	1,217
	\$ 46,915	\$ 52,640	\$ 53,514	\$ 60,785	\$ 63,604	\$ 70,757	\$ 71,180	\$ 72,626	\$ 80,798			\$ 65,098	\$ 4,189	\$ 30,114
<b>Total</b>	35,553	26,011	17,546	13,105	11,699	12,837	8,884	983	120			126,738	27,952	154,690
	\$ 37,689	\$ 46,320	\$ 54,181	\$ 61,275	\$ 66,253	\$ 71,130	\$ 77,063	\$ 77,753	\$ 82,251			\$ 53,319	\$ 4,488	\$ 44,496

**TABLE 1**  
**THE NUMBER AND ANNUAL SALARIES**  
**OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY**  
**AGE AS OF JUNE 30, 2002**  
**WITH SALARIES PROJECTED TO JUNE 30, 2003**  
**(FULL TIME AND REGULAR PART TIME)**

Age	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
20	1	\$ 15,207			1	\$ 15,207
21			9	\$ 263,719	9	263,719
22	57	1,822,135	454	14,233,261	511	16,055,395
23	272	9,361,163	1,527	49,119,380	1,799	58,480,543
24	531	19,078,112	2,320	78,401,461	2,851	97,479,573
25	720	26,977,986	2,749	96,276,740	3,469	123,254,726
26	776	30,124,388	2,579	93,580,086	3,355	123,704,474
27	780	31,272,823	2,903	109,008,676	3,683	140,281,499
28	850	35,930,834	2,657	103,089,815	3,507	139,020,648
29	797	35,708,382	2,580	101,729,573	3,377	137,437,955
30	887	40,432,156	2,533	103,433,380	3,420	143,865,536
31	938	44,189,048	2,660	110,331,358	3,598	154,520,406
32	889	43,662,767	2,454	103,355,538	3,343	147,018,305
33	892	46,423,789	2,182	93,974,956	3,074	140,398,744
34	794	41,111,447	1,985	87,004,177	2,779	128,115,624
35	732	39,393,326	1,848	83,120,235	2,580	122,513,561
36	730	39,911,568	1,760	80,307,377	2,490	120,218,946
37	640	36,258,182	1,640	76,623,318	2,280	112,881,500
38	623	35,317,258	1,763	82,971,677	2,386	118,288,935
39	670	39,610,821	1,735	82,659,458	2,405	122,270,278
40	650	39,208,188	1,915	89,912,451	2,565	129,120,638
41	633	38,484,104	1,943	93,145,330	2,576	131,629,433
42	571	35,221,335	1,995	96,020,053	2,566	131,241,388
43	607	39,151,628	2,060	100,859,756	2,667	140,011,384
44	656	41,671,131	2,367	118,358,754	3,023	160,029,885
45	680	45,023,190	2,517	129,371,469	3,197	174,394,658
46	786	53,090,319	2,705	142,320,190	3,491	195,410,509
47	845	57,405,037	2,947	158,088,215	3,792	215,493,252
48	900	61,345,868	3,213	177,239,076	4,113	238,584,943
49	1,039	73,070,061	3,702	209,492,743	4,741	282,562,804
50	1,187	85,362,503	4,206	242,222,152	5,393	327,584,655
51	1,343	100,391,608	4,427	258,527,809	5,770	358,919,417
52	1,467	112,265,608	4,032	238,843,862	5,499	351,109,470
53	1,533	118,967,525	3,950	239,874,255	5,483	358,841,780
54	1,520	122,670,790	3,714	234,977,415	5,234	357,648,205
55	1,371	111,431,614	3,127	196,755,321	4,498	308,186,935
56	764	60,804,157	1,896	118,219,193	2,660	179,023,351
57	585	46,356,021	1,551	97,034,440	2,136	143,390,461
58	444	35,032,508	1,256	79,078,746	1,700	114,111,254

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, 2002**  
**WITH SALARIES PROJECTED TO JUNE 30, 2003**  
**(FULL TIME AND REGULAR PART TIME)**

Age	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
59	388	29,994,863	1,174	74,469,568	1,562	104,464,431
60	237	18,795,265	737	47,237,673	974	66,032,939
61	153	11,082,953	521	33,058,204	674	44,141,157
62	111	8,501,199	315	20,063,791	426	28,564,990
63	63	4,632,850	250	16,083,761	313	20,716,611
64	66	5,176,207	184	11,407,644	250	16,583,851
65	35	2,704,962	126	8,189,302	161	10,894,264
66	32	1,968,276	89	5,681,360	121	7,649,635
67	17	1,218,250	51	3,221,612	68	4,439,862
68	7	405,876	38	2,330,985	45	2,736,861
69	11	640,125	27	1,626,336	38	2,266,462
70	9	625,086	10	620,137	19	1,245,224
71	4	381,631	20	1,081,517	24	1,463,148
72	1	79,295	10	708,706	11	788,001
73	2	88,611	9	630,688	11	719,299
74	3	244,234	6	426,940	9	671,174
75	2	101,294			2	101,294
76	2	188,251	2	179,485	4	367,736
77			1	100,390	1	100,390
78	1	52,742			1	52,742
79			1	64,878	1	64,878
80			1	91,253	1	91,253
81			1	68,324	1	68,324
<b>Total</b>	31,304	\$ 1,960,436,555	95,434	\$ 4,797,167,968	126,738	\$ 6,757,604,523

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	27,952
Annual Salaries	\$ 125,441,751
Average Age	40.94 years
Average Service	1.42 years

TABLE 2

**THE NUMBER AND ANNUAL SALARIES  
OF MEMBERS IN ACTIVE SERVICE DISTRIBUTED BY  
YEARS OF CREDITED SERVICE AS OF JUNE 30, 2002  
WITH SALARIES PROJECTED TO JUNE 30, 2003  
(FULL TIME AND REGULAR PART TIME)**

Service	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
0	339	\$ 11,914,585	1,156	\$ 34,644,237	1,495	\$ 46,558,822
1	2,155	82,817,138	7,684	265,407,900	9,839	348,225,038
2	1,997	82,776,971	7,292	267,618,876	9,289	350,395,847
3	1,761	75,591,124	6,364	242,850,272	8,125	318,441,397
4	1,473	66,187,951	5,332	210,163,513	6,805	276,351,464
5	1,298	60,922,548	4,382	179,566,318	5,680	240,488,867
6	1,140	56,717,329	3,754	159,986,129	4,894	216,703,458
7	1,099	58,857,393	3,775	168,089,758	4,874	226,947,151
8	1,525	85,662,714	4,530	210,613,568	6,055	296,276,282
9	1,064	61,365,666	3,444	163,059,806	4,508	224,425,471
10	744	44,770,154	3,021	147,025,052	3,765	191,795,206
11	810	49,260,216	3,133	159,224,701	3,943	208,484,917
12	727	46,166,288	3,095	163,098,198	3,822	209,264,486
13	591	38,656,522	2,498	133,980,517	3,089	172,637,039
14	547	35,982,812	2,380	132,490,406	2,927	168,473,218
15	577	39,971,172	2,293	129,426,907	2,870	169,398,079
16	610	42,731,685	2,410	139,977,307	3,020	182,708,993
17	562	39,538,236	2,314	137,773,544	2,876	177,311,780
18	522	36,907,732	1,895	115,497,911	2,417	152,405,643
19	398	28,570,648	1,524	92,614,521	1,922	121,185,168
20	384	28,353,230	1,460	90,792,678	1,844	119,145,908
21	473	34,821,731	1,675	104,187,851	2,148	139,009,582
22	587	45,196,664	1,898	119,786,555	2,485	164,983,220
23	623	46,806,222	2,004	128,269,632	2,627	175,075,854
24	707	53,597,695	1,888	123,280,279	2,595	176,877,974
25	719	54,766,372	1,749	116,271,138	2,468	171,037,509
26	671	52,222,164	1,629	108,453,261	2,300	160,675,426
27	810	64,117,827	1,713	114,225,858	2,523	178,343,685
28	1,017	80,921,763	1,781	120,227,573	2,798	201,149,337
29	1,128	90,316,517	1,620	111,579,207	2,748	201,895,723
30	1,104	91,413,573	1,484	101,552,735	2,588	192,966,308
31	859	73,314,668	1,407	97,955,551	2,266	171,270,219
32	1,014	88,394,893	1,320	96,878,233	2,334	185,273,125
33	501	43,439,819	611	45,414,985	1,112	88,854,804
34	288	25,484,680	296	20,781,974	584	46,266,654
35	167	14,252,840	221	15,394,496	388	29,647,337
36	152	13,996,666	153	10,872,050	305	24,868,716
37	57	4,818,768	92	6,652,128	149	11,470,896
38	26	2,083,836	62	4,396,238	88	6,480,074

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, 2002**  
**WITH SALARIES PROJECTED TO JUNE 30, 2003**  
**(FULL TIME AND REGULAR PART TIME)**

Service	Males		Females		Totals	
	Number	Salaries	Number	Salaries	Number	Salaries
39	19	1,376,085	34	2,587,599	53	3,963,684
40	16	1,238,313	17	1,156,614	33	2,394,927
41	16	1,508,652	10	696,717	26	2,205,369
42	9	939,049	10	889,044	19	1,828,093
43	8	747,194	7	548,692	15	1,295,886
44	5	398,278	6	483,774	11	882,053
45			4	303,420	4	303,420
46	1	96,539	1	49,413	2	145,952
47			3	207,107	3	207,107
48	2	185,284	1	60,401	3	245,685
49			1	59,614	1	59,614
50						
51	2	258,349			2	258,349
52						
53						
54			1	43,706	1	43,706
<b>Total</b>	31,304	\$ 1,960,436,555	95,434	\$ 4,797,167,968	126,738	\$ 6,757,604,523

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	27,952
Annual Salaries	\$ 125,441,751
Average Age	40.94 years
Average Service	1.42 years

TABLE 3

**THE NUMBER AND ANNUAL BENEFITS PAYABLE FROM  
THE EMPLOYER CONTRIBUTION RESERVE  
OF RETIRED ANNUITANTS  
AS OF JUNE 30, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
48	1	\$ 51,871	1	\$ 44,508	2	\$ 96,379
49	1	48,271			1	48,271
50	2	97,962	8	364,088	10	462,050
51	3	111,177	2	100,091	5	211,268
52	7	245,253	12	512,298	19	757,551
53	12	535,993	6	265,862	18	801,855
54	95	5,571,648	132	6,676,972	227	12,248,621
55	580	30,152,055	845	37,701,073	1,425	67,853,128
56	1,037	55,218,222	1,349	58,747,140	2,386	113,965,362
57	956	50,194,532	1,073	44,315,711	2,029	94,510,242
58	1,047	51,510,110	1,224	49,556,487	2,271	101,066,597
59	1,124	53,157,082	1,365	49,922,807	2,489	103,079,888
60	1,345	60,566,474	1,905	64,677,911	3,250	125,244,385
61	1,140	52,366,310	1,667	57,065,762	2,807	109,432,072
62	1,078	49,268,845	1,591	52,021,834	2,669	101,290,679
63	984	44,869,589	1,502	48,926,191	2,486	93,795,780
64	954	43,215,048	1,552	48,772,212	2,506	91,987,260
65	1,013	44,311,137	1,476	45,018,954	2,489	89,330,091
66	895	38,398,409	1,440	42,381,381	2,335	80,779,789
67	961	38,022,375	1,352	40,098,002	2,313	78,120,377
68	932	38,524,688	1,283	36,725,819	2,215	75,250,507
69	814	33,060,902	1,102	30,208,028	1,916	63,268,930
70	846	32,977,941	1,223	33,127,197	2,069	66,105,139
71	782	29,946,043	1,113	29,212,822	1,895	59,158,865
72	820	29,156,477	1,101	27,996,443	1,921	57,152,919
73	743	27,192,716	1,169	28,755,689	1,912	55,948,406
74	664	22,946,091	1,115	25,840,935	1,779	48,787,026
75	662	22,051,700	1,102	24,511,281	1,764	46,562,980
76	600	19,469,056	1,021	21,784,412	1,621	41,253,468
77	568	18,881,290	871	17,504,385	1,439	36,385,675
78	524	16,254,385	871	17,261,408	1,395	33,515,794
79	454	13,279,347	772	15,116,792	1,226	28,396,139
80	388	10,913,418	876	15,003,162	1,264	25,916,580
81	339	8,877,252	881	15,162,637	1,220	24,039,889
82	258	6,586,710	843	13,711,064	1,101	20,297,774
83	214	5,101,991	787	12,618,483	1,001	17,720,475
84	195	4,471,424	737	11,346,941	932	15,818,365
85	163	3,462,332	714	10,650,673	877	14,113,005

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
86	140	3,186,744	624	9,039,652	764	12,226,397
87	120	2,575,778	564	8,002,944	684	10,578,722
88	112	2,569,820	513	6,836,137	625	9,405,957
89	88	2,045,849	508	6,967,613	596	9,013,462
90	73	1,249,570	451	6,162,276	524	7,411,847
91	61	1,051,020	344	4,553,493	405	5,604,512
92	39	729,832	353	4,559,448	392	5,289,280
93	40	843,207	297	3,638,733	337	4,481,941
94	31	568,197	240	2,706,204	271	3,274,400
95	20	366,988	177	2,144,539	197	2,511,527
96	13	154,517	156	1,715,379	169	1,869,896
97	9	114,040	102	1,105,723	111	1,219,763
98	8	108,262	77	841,396	85	949,658
99	6	100,987	54	524,070	60	625,058
100			31	323,200	31	323,200
101			22	198,834	22	198,834
102			13	103,085	13	103,085
103			9	71,226	9	71,226
104			7	60,458	7	60,458
<b>Total</b>	23,961	\$ 976,730,936	40,625	\$ 1,093,261,867	64,586	\$ 2,069,992,803

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
5	1	\$ 8,764			1	\$ 8,764
6						
7	1	4,009			1	4,009
8						
9	1	4,009			1	4,009
10	2	10,119			2	10,119
11			3	32,273	3	32,273
12	1	3,225	1	4,052	2	7,277
13	4	13,699	4	20,662	8	34,362
14	3	14,688	4	21,897	7	36,585
15	4	18,943	8	54,360	12	73,303
16	6	56,837	6	78,443	12	135,279
17	4	16,714	6	30,547	10	47,261
18	9	55,550	7	35,422	16	90,972
19	6	37,137	7	41,471	13	78,608
20	4	48,764	4	31,289	8	80,053
21	8	43,243	8	48,150	16	91,393
22			2	11,638	2	11,638
23	1	4,777			1	4,777
24						
25						
26						
27	1	7,200	1	6,807	2	14,007
28						
29						
30	1	7,200			1	7,200
31	1	7,868			1	7,868
32	1	11,885			1	11,885
33	1	7,200	1	7,200	2	14,400
34	2	28,688			2	28,688
35	1	23,653			1	23,653
36	1	7,200	1	9,967	2	17,167
37			3	25,380	3	25,380
38	1	7,200	1	7,868	2	15,068
39	1	9,121	2	17,540	3	26,661
40	2	16,215			2	16,215
41	2	16,215	1	9,394	3	25,609
42	1	8,347	3	68,411	4	76,758

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
43	2	15,591	5	54,368	7	69,959
44	3	27,555	4	46,956	7	74,511
45	5	79,111	4	34,377	9	113,488
46	6	49,626	2	20,684	8	70,310
47	5	54,565	5	52,240	10	106,805
48	7	106,282	7	110,976	14	217,257
49	5	60,065	6	83,780	11	143,845
50	12	148,113	20	328,249	32	476,362
51	11	96,052	16	272,455	27	368,506
52	15	161,825	24	348,625	39	510,450
53	18	207,509	22	309,066	40	516,575
54	17	150,617	33	495,791	50	646,408
55	22	234,774	49	890,754	71	1,125,527
56	22	251,112	46	799,417	68	1,050,529
57	30	392,201	47	737,478	77	1,129,678
58	22	269,662	45	729,048	67	998,711
59	32	459,215	61	1,197,995	93	1,657,209
60	48	644,671	72	1,372,748	120	2,017,419
61	36	452,872	85	1,345,338	121	1,798,210
62	38	490,750	70	1,242,064	108	1,732,814
63	40	558,132	82	1,428,198	122	1,986,330
64	39	560,495	96	1,719,173	135	2,279,669
65	42	589,704	118	2,030,579	160	2,620,283
66	40	537,468	108	1,689,812	148	2,227,280
67	51	609,576	103	1,758,477	154	2,368,054
68	44	522,842	127	1,903,319	171	2,426,161
69	57	804,166	101	1,562,124	158	2,366,291
70	52	576,986	145	2,308,855	197	2,885,841
71	58	630,490	131	1,915,058	189	2,545,548
72	80	952,525	182	2,523,220	262	3,475,745
73	74	833,478	167	2,379,819	241	3,213,298
74	69	775,036	175	2,453,835	244	3,228,872
75	84	867,818	190	2,532,153	274	3,399,971
76	62	505,620	184	2,393,889	246	2,899,509
77	72	688,131	174	2,125,417	246	2,813,548
78	95	866,463	148	1,732,246	243	2,598,709
79	102	1,015,605	149	1,729,629	251	2,745,234
80	92	756,314	168	1,832,956	260	2,589,270
81	93	763,364	152	1,607,052	245	2,370,416

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
82	98	749,386	175	1,680,922	273	2,430,308
83	87	617,825	152	1,366,244	239	1,984,068
84	80	568,930	186	1,614,843	266	2,183,773
85	81	547,651	163	1,316,972	244	1,864,623
86	73	473,962	158	1,421,882	231	1,895,844
87	86	615,396	165	1,321,236	251	1,936,632
88	58	377,448	143	1,291,104	201	1,668,553
89	80	480,140	115	958,765	195	1,438,905
90	51	359,626	105	901,474	156	1,261,100
91	43	251,947	91	652,530	134	904,477
92	39	209,134	95	666,000	134	875,133
93	33	188,535	62	414,514	95	603,049
94	24	111,638	56	322,233	80	433,871
95	18	81,869	41	250,348	59	332,217
96	7	41,570	33	207,899	40	249,469
97	9	35,334	20	136,541	29	171,875
98	7	23,140	15	85,025	22	108,166
99	3	36,967	16	81,833	19	118,800
100			2	17,571	2	17,571
101			2	7,658	2	7,658
102			2	7,260	2	7,260
103			2	5,189	2	5,189
104			1	5,260	1	5,260
<b>Total</b>	2,550	\$ 24,035,346	5,196	\$ 63,394,295	7,746	\$ 87,429,641

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
26			1	\$ 14,660	1	\$ 14,660
27			1	13,023	1	13,023
28			4	55,123	4	55,123
29			1	19,649	1	19,649
30			3	49,027	3	49,027
31	1	16,501	1	13,954	2	30,456
32			2	26,165	2	26,165
33			5	66,562	5	66,562
34			6	80,779	6	80,779
35	2	35,480	2	22,453	4	57,933
36			4	43,794	4	43,794
37			4	68,378	4	68,378
38			2	41,357	2	41,357
39	3	53,674	6	99,606	9	153,280
40	1	24,837	3	57,809	4	82,646
41	1	9,492	2	26,871	3	36,363
42	2	30,794	4	53,576	6	84,370
43			5	62,948	5	62,948
44	1	23,609	15	233,228	16	256,838
45	3	44,591	7	135,473	10	180,064
46	2	35,415	12	191,565	14	226,980
47	6	91,184	12	170,366	18	261,549
48	2	36,033	19	293,008	21	329,041
49	5	97,674	22	473,928	27	571,602
50	4	71,609	34	655,334	38	726,943
51	5	107,790	30	493,913	35	601,703
52	11	249,035	41	728,541	52	977,576
53	9	188,505	45	884,722	54	1,073,228
54	12	307,715	40	799,388	52	1,107,103
55	11	328,019	50	1,087,167	61	1,415,185
56	14	368,109	45	1,069,222	59	1,437,331
57	10	230,212	42	1,084,604	52	1,314,815
58	17	515,763	37	788,573	54	1,304,336
59	14	351,837	26	430,566	40	782,403
60	9	190,907	31	663,375	40	854,282
61	7	238,724	20	325,396	27	564,119
62	2	50,147	13	255,042	15	305,189
63	5	97,764	16	281,290	21	379,054

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
64	3	59,522	10	194,943	13	254,465
65	1	27,708	19	259,407	20	287,115
66	2	54,854	8	85,080	10	139,934
67	5	66,357	11	187,533	16	253,891
68	6	248,037	17	295,038	23	543,075
69	4	103,429	9	132,283	13	235,712
70	2	61,000	9	164,302	11	225,301
71	5	71,965	9	116,841	14	188,805
72	2	21,970	7	65,719	9	87,689
73			5	80,939	5	80,939
74	4	42,852	10	102,304	14	145,156
75	3	32,932	5	68,350	8	101,282
76	3	46,747	8	70,072	11	116,818
77	2	19,722	6	58,064	8	77,786
78	1	21,302	8	88,288	9	109,589
79			5	71,334	5	71,334
80			6	78,553	6	78,553
81	1	11,984	11	101,024	12	113,008
82	3	34,239	3	32,622	6	66,861
83			4	37,139	4	37,139
84			2	13,758	2	13,758
85	1	15,707	5	44,264	6	59,971
86			1	10,255	1	10,255
87			5	36,015	5	36,015
88						
89						
90						
91						
92						
93						
94						
95						
96						
97			1	5,468	1	5,468
<b>Total</b>	207	\$ 4,735,746	797	\$ 14,260,029	1,004	\$ 18,995,775

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
59			1	\$ 321	1	\$ 321
60			4	12,844	4	12,844
61			1	5,039	1	5,039
62			5	12,089	5	12,089
63			7	5,844	7	5,844
64	2	1,144	15	8,806	17	9,951
65			26	15,493	26	15,493
66	2	1,077	28	22,669	30	23,746
67	2	2,914	26	16,648	28	19,561
68	2	584	27	14,115	29	14,699
69	2	968	22	14,864	24	15,832
70	4	1,161	18	12,837	22	13,999
71	4	2,590	25	21,562	29	24,152
72	4	1,836	47	30,307	51	32,143
73	11	6,183	56	40,378	67	46,561
74	7	4,535	74	46,566	81	51,101
75	13	8,827	65	50,979	78	59,805
76	18	16,175	79	70,095	97	86,270
77	9	7,000	66	54,468	75	61,468
78	15	17,275	73	74,856	88	92,131
79	17	15,294	61	62,916	78	78,210
80	13	12,292	118	129,913	131	142,205
81	17	12,785	103	116,852	120	129,637
82	10	10,887	118	133,228	128	144,115
83	15	21,810	121	149,795	136	171,605
84	17	21,441	101	117,074	118	138,515
85	21	39,081	124	152,326	145	191,407
86	7	7,819	107	140,905	114	148,724
87	10	13,867	82	103,079	92	116,946
88	9	13,979	101	153,255	110	167,234
89	9	16,930	91	133,511	100	150,441
90	8	14,023	82	116,724	90	130,747
91	9	19,843	73	105,770	82	125,613
92	6	12,905	83	134,551	89	147,457
93	4	4,991	95	146,136	99	151,127
94	7	10,221	86	142,332	93	152,552
95	3	6,177	49	80,590	52	86,766
96	3	7,736	64	106,801	67	114,537

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
97	2	7,048	51	90,138	53	97,185
98	2	3,523	35	60,862	37	64,385
99	1	3,023	31	56,297	32	59,319
100			17	26,234	17	26,234
101			14	29,503	14	29,503
102			10	20,212	10	20,212
103			9	17,093	9	17,093
104			5	11,288	5	11,288
<b>Total</b>	285	\$ 347,945	2,496	\$ 3,068,163	2,781	\$ 3,416,108

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, 2003**

Age	Males		Females		Totals	
	Number	Annuities	Number	Annuities	Number	Annuities
76			1	\$ 936	1	\$ 936
77						
78			1	696	1	696
79						
80						
81						
82						
83						
84			1	686	1	686
85			1	634	1	634
86						
87			1	1,398	1	1,398
88						
89						
90						
91						
92						
93						
94						
95						
96						
97			1	3,488	1	3,488
<b>Total</b>			6	\$ 7,838	6	\$ 7,838

Amounts may not add to the dollar due to rounding.