

**REPORT ON THE
FIFTEENTH ACTUARIAL VALUATION
OF THE SUPPLEMENTAL ANNUITY
COLLECTIVE TRUST OF
NEW JERSEY**

PREPARED AS OF JUNE 30, 2009

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January 18, 2010

Council
Supplemental Annuity Collective Trust
of New Jersey
Division of Pensions, CN 295
Trenton, NJ 08625-0295

Members of the Council:

The act governing the operation of the Supplemental Annuity Collective Trust of New Jersey provides for an actuarial review of the Trust at least once in every three-year period. The results of the fifteenth actuarial valuation, prepared as of June 30, 2009, are submitted in this report.

This year an actuarial investigation of the mortality experience of the beneficiaries of the Trust was made. The study covered the three-year period ending June 30, 2009 and the results are described in this report. The study recommends no changes to the mortality assumptions.

The report does not take into account any changes in U.S. equity prices and bond yields that have occurred after the valuation date. Taking these into account may significantly change the market value of assets shown. The effect of these events on any calculations is not known. Funding and financial accounting rules generally prohibit reflection of changes in assets and underlying economic conditions that occur after the valuation date.

To the best of our knowledge, this report is complete and accurate. The valuation was performed by, and under the supervision of, independent qualified actuaries who are members of the American Academy of Actuaries with experience in performing valuations for public retirement systems.

The valuation was prepared in accordance with the principles of practice prescribed by the Actuarial Standards Board and generally accepted actuarial procedures and methods. The calculations are based on the current provisions of the Supplemental Annuity Collective Trust and on actuarial assumptions that are individually and in the aggregate internally consistent and reasonable based on the actual experience of the Trust.

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

Respectfully submitted,



Janet H. Cranna, FSA, EA, MAAA, FCA
Principal, Consulting Actuary

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REPORT ON THE FIFTEENTH ACTUARIAL VALUATION OF THE
SUPPLEMENTAL ANNUITY COLLECTIVE TRUST OF NEW JERSEY
PREPARED AS OF JUNE 30, 2009

SECTION I – SUMMARY OF KEY RESULTS

The Supplemental Annuity Collective Trust of New Jersey was established under the provisions of Chapter 123, P.L. 1963, which was approved July 1, 1963. The act permits active members of the following retirement systems administered by the State of New Jersey to make voluntary additional contributions through their retirement systems to purchase either a variable or fixed annuity to supplement the benefits provided by their systems:

- Public Employees' Retirement System
- Teachers' Pension and Annuity Fund
- The Police and Firemen's Retirement System
- Consolidated Police and Firemen's Pension Fund
- Prison Officers' Pension Fund
- State Police Retirement System
- Judicial Retirement System

As of the valuation date, only the variable annuity program was in operation. It was inaugurated July 1, 1964. Chapter 123, P.L. 1963 was amended June 6, 1965 by Chapter 90, P.L. 1965, to permit eligible employees to enter into an agreement with their employers to reduce their salaries and purchase annuities on their behalf which will qualify for the tax sheltered treatment permitted under Section 403(b) of the Internal Revenue Code of 1954, as amended. The rules were revised in 1982 to permit contributions in the form of qualified voluntary employee contributions (QVEC's). These contributions are treated as IRA contributions for tax purposes. As of January 1, 1987 the QVEC was eliminated.

Chapter 123, P.L. 1963, provides that the actuary shall make an actuarial review of the Trust at least once in every three-year period. This report presents the results of the fifteenth such valuation, prepared as of June 30, 2009.

For convenience of reference, the principal results of the valuation and a comparison with preceding valuation results are summarized below.

Valuation Date	June 30, 2009	June 30, 2006
<u>Participant Data</u>		
Active Members	3,317	3,576
Suspended Members	201	181
Retired Members and Beneficiaries	526	603
Total Participants	4,044	4,360
Annual allowance for retired members and beneficiaries:		
Fixed units	0	0
Variable units	48,530.4660	56,175.8016
<u>Status of Accounts</u>		
Variable Account Unit Value	\$ 44.2856	\$ 62.0279
Variable Benefit Account		
Number of Units in Force	493,127.2852	448,363.7966
Dollar Value	\$ 21,838,437.70	\$ 27,811,064.74
Present Value of Benefits Payable		
(in units)	413,098.5653	494,758.7674
Dollar Value	\$ 18,294,317.82	\$ 30,688,847.35
Deficit/(Surplus) (in units)		
(in units)	(80,028.7199)	46,394.9708
Dollar Value	\$ (3,544,119.88)	\$ 2,877,782.61
Variable Accumulation Account		
Number of Units	2,225,922.1250	2,124,876.7174
Dollar Value	\$ 98,576,296.86	\$ 131,801,640.54

The value of the variable account unit decreased from \$62.0279 to \$44.2856, representing a three-year aggregate of 28.6%, or an annual decrease of approximately 10.6%. The difference between this annual decrease and the assumed annual rate of 4% per annum represents an investment loss.

A deficit of \$2,877,783 (46,395 units) had existed in the Variable Benefit Account as of the prior valuation date, June 30, 2006 (prior to a transfer of units from the Variable Reserve Account). The June 30, 2009 valuation of the Variable Benefit Account indicates a surplus of \$3,544,120 (80,029 units). This change is attributable to mortality experience gains during the three-year period since the prior valuation and adjustments for prior years' expenses.

The active population decreased from 3,576 members at June 30, 2006 to 3,317 at June 30, 2009 for a three-year aggregate change of 7.2%. The number of suspended members increased from 181 as of June 30, 2006 to 201 as of June 30, 2009. Suspended members are members who had terminated late in the plan year but had not yet begun collecting a benefit or had not received a lump sum by the valuation date. They also include members who chose not to make additional contributions and members that the New Jersey Division of Pensions and Benefits are unable to locate.

The major benefit and contribution provisions of the Trust in effect on the valuation date are summarized in Appendix A. There were no changes from the provisions used in the previous valuation.

The actuarial assumptions and methods used for valuing the Fund are summarized in Appendix B. No changes in actuarial assumptions and methods were made since the previous valuation.

Appendix C presents distribution tables of the number of active members and equity units by age. Tables are also given showing the number and equity units of beneficiaries distributed by age.

The results of an investigation of the mortality experience of beneficiaries of the Trust covering the period from July 1, 2006 to June 30, 2009 are presented in Appendix D. Based on the results, no changes in the mortality assumptions were recommended for this valuation.

SECTION II – EMPLOYEE DATA

Data regarding the membership of the Trust were furnished by the Division of Pensions and Benefits. The following tables show the number of active participants under each of the State administered retirement systems and the number of equity units in their account on the valuation date.

**TABLE I
ACTIVE PARTICIPANTS IN THE SUPPLEMENTAL ANNUITY COLLECTIVE TRUST OF NEW JERSEY AS OF JUNE 30, 2009**

Variable Division

Item	Men		Women		Total	
	Number	Equity Units	Number	Equity Units	Number	Equity Units*
Teacher's Pension and Annuity Fund:						
Regular Program	24	23,814.3428	53	67,813.4389	77	91,627.7817
Tax Sheltered Program	91	75,576.8541	277	206,320.6281	368	281,897.4822
QVEC Program	2	1,618.7266	1	1,620.1056	3	3,238.8322
Total	117	101,009.9235	331	275,754.1726	448	376,764.0961
Public Employees' Retirement System:						
Regular Program	872	515,601.8949	594	189,313.8855	1,466	704,915.7804
Tax Sheltered Program	101	83,668.2271	208	105,816.2220	309	189,484.4491
QVEC Program	19	7,302.3859	9	3,578.8356	28	10,881.2215
Total	992	606,572.5079	811	298,708.9431	1,803	905,281.4510
The Police and Firemen's Retirement System:						
Regular Program	1001	634,709.3248	39	21,203.2381	1,040	655,912.5629
Tax Sheltered Program	1	273.3701	0	0.0000	1	273.3701
QVEC Program	3	1,850.0001	0	0.0000	3	1,850.0001
Total	1005	636,832.6950	39	21,203.2381	1,044	658,035.9331
State Police Retirement System:						
Regular Program	17	10,348.8498	0	0.0000	17	10,348.8498
Total	17	10,348.8498	0	0.0000	17	10,348.8498
Legislative Retirement System:						
Regular Program	1	680.8998	0	0.0000	1	680.8998
Total	1	680.8998	0	0.0000	1	680.8998
Judicial Retirement System:						
Regular Program	1	86.4287	3	9,976.1755	4	10,062.6042
Total	1	86.4287	3	9,976.1755	4	10,062.6042
Total – Regular Program	1,916	1,185,241.7408	689	288,306.7380	2,605	1,473,548.4788
Total – Tax Sheltered Program	193	159,518.4513	485	312,136.8501	678	471,655.3014
Total – QVEC Program	24	10,771.1126	10	5,198.9412	34	15,970.0538
Grand Total	2,133	1,355,531.3047	1,184	605,642.5293	3,317	1,961,173.8340

*Units for the quarter ended June 30, 2009 were distributed after that date and are not reflected in the above figures.

TABLE II
SUSPENDED PARTICIPANTS OF THE SUPPLEMENTAL ANNUITY
COLLECTIVE TRUST OF NEW JERSEY AS OF JUNE 30, 2009

Variable Division

<u>Item</u>	<u>Number</u>	<u>Total</u> <u>Equity Units*</u>
Teachers' Pension and Annuity Fund:		
Regular Program	40	4,527.7597
Tax Sheltered Program	<u>18</u>	<u>8,408.0171</u>
Total	58	12,935.7768
Public Employees' Retirement System:		
Regular Program	84	7,688.9818
Tax Sheltered Program	<u>47</u>	<u>735.6022</u>
Total	131	8,424.5840
Police and Firemen's Retirement System:		
Regular Program	<u>11</u>	<u>972.9017</u>
Total	11	972.9017
State Police Retirement System:		
Total	0	0.0000
Legislative Retirement System:		
Regular Program	<u>1</u>	<u>0.0000</u>
Total	1	0.0000
Judicial Retirement System:		
Total	0	0.0000
Total – Regular Program	136	13,189.6432
Total – Tax Sheltered Program	<u>65</u>	<u>9,143.6193</u>
Grand Total	201	22,333.2625

* Units for the quarter ended June 30, 2009 were distributed after that date and are not reflected in the above figures.

The number and equity units of retired members and beneficiaries on the date of the valuation are indicated by the following summary. As of the valuation date, the value of each unit was \$44.2856.

TABLE III
THE NUMBER AND EQUITY UNITS
OF BENEFICIARIES AS OF JUNE 30, 2009

Variable Division

<u>Item</u>	<u>Number</u>	<u>Monthly Equity Units</u>
<u>Men</u>		
Service Retirements	220	1,793.5241
Disability Retirements	3	27.1605
Dependent Beneficiaries	<u>8</u>	<u>42.2841</u>
Subtotal	231	1,862.9687
<u>Women</u>		
Service Retirements	248	1,774.5539
Disability Retirement	3	13.9859
Dependent Beneficiaries	<u>44</u>	<u>392.6970</u>
Subtotal	295	2,181.2368
<u>Combined</u>		
Service Retirements	468	3,568.0780
Disability Retirements	6	41.1464
Dependent Beneficiaries	<u>52</u>	<u>434.9811</u>
Grand Total	526	4,044.2055

SECTION III – ACCOUNT SUMMARY

A. Assets at Market Value as of June 30, 2009

1. Assets

a.	Cash	\$	2,167,145
b.	Common Stocks (Book Value: \$60,688,690)		108,233,367
c.	Cash Management Fund (Book Value: \$12,986,812)		12,986,811
d.	Securities Sold in Transit		0
e.	Accrued Interest		656
f.	Accrued Dividends		223,166
g.	Members' Contributions Receivable		430,326
h.	Other – Accounts Receivable		15,801
i.	Due from General Fund – Member Contribution		<u>0</u>
j.	Total	\$	124,057,272

2. Liabilities

a.	Withdrawals Payable – Termination	\$	2,091,090
b.	Withdrawals Payable – Transfers		(1,388,576)
c.	Variable Benefits Payable		168,663
d.	Withholdings Payable		24,014
e.	Securities Purchased in Transit		0
f.	Accounts Payable - Miscellaneous		0
g.	Interest Payable		0
h.	Accounts Payable – Cancelled Checks		69,851
i.	Due to General Fund – Miscellaneous		0
j.	Cash Overdraft		0
k.	Undistributed Contributions		
	(1) Regular		1,738,672
	(2) Tax Sheltered		565,675
	(3) Lump Sum		241,435
	(4) Unidentified		0
l.	Unclaimed Accounts		<u>131,713</u>
m.	Total	\$	3,642,537

3. Fund Balances

a.	Reserve for Variable Accumulation Account		
	(1) Regular	\$	72,657,778
	(2) Tax Sheltered		25,082,158
	(3) QVEC		<u>836,361</u>
	(4) Subtotal	\$	98,576,297
b.	Reserve for Variable Benefits Account	\$	<u>21,838,438</u>
c.	Total	\$	120,414,735

4. Total Assets at Market Value as of June 30, 2009

	(1)(j) = (2)(m) + (3)(c)	\$	124,057,272
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B. Status of Accounts of Trust

Chapter 123, P.L. 1963, provides for the maintenance of three accounts under the Variable Division, namely, the Variable Accumulation Account, the Variable Benefit Account and the Variable Reserve Account. The amounts of the present assets credited to the various accounts were furnished by the Division of Pensions and Benefits.

Variable Accumulation Account

The Variable Accumulation Account is the account to which the contributions for participants in the Variable Division are credited. An individual account is maintained for each participant. The funds paid by employers to purchase annuities on behalf of participants are accounted for separately from other funds. As of June 30, 2009, there were 2,225,922.1250 units in force in this account valued at \$98,576,296.86 including 1,640,663.7365 regular units valued at \$72,657,777.97, 566,372.7663 tax sheltered units valued at \$25,082,157.78 and 18,885.6222 QVEC units valued at \$836,361.11. Units for the quarter ended June 30, 2009 were distributed after that date and are not reflected in the above figures.

Variable Benefit Account

The Variable Benefit Account is the account from which variable benefits are paid. Upon retirement, a participant's account in the Variable Accumulation Account is transferred to the Variable Benefit Account. Tax sheltered units and QVEC units are combined with non-tax sheltered units to provide one benefit. As of June 30, 2009, there were 493,127.2852 units in force in this account having a value of \$21,838,437.70. The present value of the benefits payable from the account amounted to 413,098.5653 units. There was, therefore, a surplus of 80,028.7199 units in the account on the valuation date having a value of \$3,544,119.88. It is recommended that this account be put in balance as of the valuation date by a transfer of 80,028.7199 units to the Variable Reserve Account.

Variable Reserve Account

The Variable Reserve Account is the account to which all investment earnings or losses of the Variable Division are credited or charged and to which mortality adjustments of the Variable Benefit Account are charged or credited. The balance in this account is distributed to the Variable Benefit Account and to the individual accounts in the Variable Accumulation Account at the end of each quarter.

APPENDIX A

**SUMMARY OF BENEFIT AND CONTRIBUTION PROVISIONS
AS INTERPRETED FOR VALUATION PURPOSES**

A summary of the benefit and contribution provisions of the Trust in effect on the valuation date is presented in this section. Participants' accounts are expressed in terms of equity units. The value of an equity unit was initially set at \$10. The dollar value of the unit is computed at the end of each month. It varies as a result of mortality experience and gains and losses and dividend earnings on the Variable Division's investments.

Eligibility Member of a State-administered retirement system may become a participant upon filing an application for enrollment.

Participant Accounts Although contributions are permitted in either fixed or variable accounts, only the variable system is currently in place.

- (a) There are three optional participant accounts:
 - (1) Variable annuity account.
 - (2) Tax sheltered annuity account under Section 403(b) of the Internal Revenue Code.
 - (3) Qualified voluntary employee contribution account (QVEC) – which was eliminated on January 1, 1987.
- (b) Value of Account: The total number of equity units in force in the variable account at the end of each month shall be determined as follows:
 - (1) The number of equity units in force at the start of the month; plus
 - (2) The number of equity units credited as of the first of the month for participant's contributions received during the preceding quarter, if any; less
 - (3) The number of equity units paid out in the current month on account of terminations for

death or withdrawal during the preceding month; less

- (4) The number of equity units transferred as of the first of the month for retirement during the preceding month; plus
- (5) One third of one percent of the balance so obtained.

BENEFITS

Retirement

Upon retirement, a participant is paid a life annuity which is the fixed number of variable equity units per month computed as the actuarial equivalent of the number of equity units in his account at the close of the month of retirement, multiplied by the value of each unit as of the end of the quarter preceding the month of payment.

At retirement, the participant may elect in lieu of the variable life annuity either (1) a single cash payment, or (2) an equivalent reduced annuity with the provision that:

- (a) In case of death prior to 5 years from the effective date of the annuity, the annuity will be continued to his designated beneficiary for the remainder of the 5-year period, or
- (b) In case of death prior to 10 years from the effective date of the annuity, the annuity will be continued to his designated beneficiary for the remainder of the 10-year period, or
- (c) At the death of the participant, his variable annuity will be continued throughout the life of such other person as the participant shall have designated at the time of retirement, or
- (d) At the death of the participant, one-half of his variable annuity will be continued throughout the life of such other person as the participant shall have designated at the time of retirement.

In the event the value of the participant's account at retirement results in an annuity with initial monthly payments of less than \$10, the benefit shall be paid in a single cash payment.

Death Before Retirement If a participant dies before retirement, a lump sum payment equal to the value of his account on the last day of the month of his death is paid to his designated beneficiary or to his estate. If the beneficiary is a natural person, he may elect, in lieu of a lump sum payment, an annuity under any of the methods of settlement available to a retiree.

Withdrawal Withdrawal is permitted only if membership in the basic State administered retirement system is terminated. However, the Council may terminate an inactive account if the value of the account is less than \$100. The amount paid on withdrawal is the value of the participant's account as of the end of the month of termination.

CONTRIBUTIONS

Participants Each participant contributes through payroll deductions integral dollar amounts not in excess of 10% of his salary. He may also make lump sum contributions by direct payments in integral dollar amounts of not less than \$50, provided that total contributions for any one year may not exceed 10% of his annual salary.

Employers Employers may contribute, on behalf of eligible employees who agree to a salary reduction equivalent to the amount of the contribution, even dollar amounts which shall be from 1% to 10% of base salary.

The amounts by which the employee's salary is reduced must be within the exclusion allowance provided under Section 403(b) of the Internal Revenue Code.

APPENDIX B

**OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS FOR VALUATION
OF THE VARIABLE BENEFIT ACCOUNT**

In valuing the liabilities of the Variable Benefit Account, an interest rate of 4% per year was used.

In addition, the valuation used the RP 2000 Combined Healthy Male (set back 5 years) and Female (set back 2 years) Mortality Tables for service retirement and dependent beneficiaries. Special mortality tables were used for the period after disability retirement. Illustrative rates of mortality used for valuation purposes are as follows:

Age	Rate Per 1,000			
	Service Retirement		Disability	
	Male	Female	Male	Female
40	0.77	0.60	33.17	10.02
45	1.08	0.94	34.91	11.12
50	1.51	1.43	37.64	13.37
55	2.14	2.21	41.98	16.90
60	3.62	3.92	48.81	22.49
65	6.75	7.65	59.52	31.27
70	12.74	13.45	76.29	45.02
75	22.21	22.97	102.24	66.44
80	37.83	37.59	141.72	99.38
85	64.37	62.51	200.93	149.23
90	110.76	107.30	286.68	222.62
95	183.41	170.43	403.95	326.18

Based on the results of an investigation of the mortality experience covering the period from July 1, 2006 to June 30, 2009, the mortality tables used for male and female service retirements and beneficiaries of active and retired members were not changed. Appendix D of the report presents the results of this investigation of the mortality experience of service annuitants and beneficiaries as of June 30, 2009.

APPENDIX C

TABULATIONS USED AS A BASIS FOR THE 2009 VALUATION

The following tables give the distribution of the number and equity units of active members by age as of June 30, 2009. Tables are also given showing the number and equity units of beneficiaries classified by age as of June 30, 2009.

TABLE 1

**AGE AND BENEFIT PROFILE
OF ACTIVE PARTICIPANTS AS OF JUNE 30, 2009**

AGE	MEN		WOMEN	
	NUMBER	EQUITY UNITS	NUMBER	EQUITY UNITS
20-24	10	567.1248	2	403.8810
25-29	60	6,561.8096	16	1,448.7919
30-34	131	28,643.4578	45	6,340.7131
35-39	290	94,127.3533	69	14,584.5071
40-44	378	195,442.8392	99	32,899.3215
45-49	425	279,744.8708	144	46,562.6098
50-54	386	271,295.6663	217	91,708.1537
55-59	241	203,862.6739	266	135,220.6679
60-64	147	133,877.6340	198	136,173.1120
Over 64	65	141,407.8750	128	140,300.7713
TOTAL	2,133	1,355,531.3047	1,184	605,642.5293

TABLE 2

**THE NUMBER AND EQUITY UNITS OF
BENEFICIARIES DISTRIBUTED BY
AGE AS OF JUNE 30, 2009**

VARIABLE DIVISION

SERVICE RETIREMENTS

AGE	NUMBER	MEN	NUMBER	WOMEN
		EQUITY UNITS		EQUITY UNITS
47	1	20.9208		
51			1	30.5208
52	1	10.8732		
54	1	21.2964		
55	1	59.8968		
56	4	119.1600		
57	3	139.7064		
58	1	12.3588		
59	1	32.9520	1	110.2056
60	1	53.4360	1	28.3860
61	2	261.1908	1	33.9708
62	2	404.8332	2	23.3028
63	2	62.9124		
64	3	293.4852	4	77.3724
65	5	735.9672	1	5.2272
66	1	31.0836	10	533.7540
67	3	138.6216	5	320.0820
68	5	391.1232	6	496.0884
69	3	101.1000	7	635.8296
70	6	298.1880	4	201.3912
71	7	845.2956	7	310.7208
72	5	209.4576	9	1,052.2644
73	5	583.1868	5	671.7564
74	7	558.7812	6	494.0532
75	6	564.7200	2	86.3304
76	4	263.5176	7	752.6352
77	12	534.8604	4	116.1972
78	11	1,045.2084	12	1,402.5192
79	5	595.5492	7	939.1344
80	13	1,526.2392	10	753.4272
81	14	1,073.2944	8	535.7076
82	7	504.5160	8	636.5568

TABLE 2

**THE NUMBER AND EQUITY UNITS OF
BENEFICIARIES DISTRIBUTED BY
AGE AS OF JUNE 30, 2009**

VARIABLE DIVISION

**SERVICE RETIREMENTS
CONTINUED**

AGE	NUMBER	MEN	NUMBER	WOMEN
		EQUITY UNITS		EQUITY UNITS
83	9	801.4596	10	866.8224
84	6	388.5924	12	1,460.5920
85	8	920.6964	9	891.9552
86	6	524.6304	12	1,064.2560
87	8	638.2032	10	817.0872
88	10	1,563.1044	17	2,434.5540
89	3	1,425.5232	9	568.5684
90	6	656.7852	3	198.7596
91	4	378.7608	4	303.6192
92	4	573.0072	4	571.9176
93	1	142.3224	6	671.8440
94	5	963.3888	12	758.4924
95	2	163.2792	3	111.0744
96	1	60.4440	2	68.4108
97	2	506.5836	1	43.3980
99			3	90.4884
100	3	321.7764	1	66.7068
101			1	29.9664
103			1	28.7004
TOTAL	220	21,522.2892	248	21,294.6468

SUMMARY

SINGLE LIFE	79	7,896.7320	108	9,512.4144
5 YEAR C&C	22	3,362.2344	20	1,126.5348
10 YEAR C&C	77	6,549.4164	100	8,466.3132
100% J&S	33	2,432.3052	17	1,694.8428
50% J&S	9	1,281.6012	3	494.5416

TABLE 3

**THE NUMBER AND EQUITY UNITS OF
BENEFICIARIES DISTRIBUTED BY
AGE AS OF JUNE 30, 2009**

VARIABLE DIVISION

DISABILITY RETIREMENTS

AGE	NUMBER	MEN	WOMEN
		EQUITY UNITS	NUMBER EQUITY UNITS
65			1 17.3808
73	1	159.6852	
74	1	103.6572	
84	1	62.5836	
88			1 100.3428
93			1 50.1072
TOTAL	3	325.9260	3 167.8308

SUMMARY

SINGLE LIFE	1	103.6572	2	67.4880
5 YEAR C&C	1	62.5836	1	100.3428
50% J&S	1	159.6852		

TABLE 4

**THE NUMBER AND EQUITY UNITS OF
DEPENDENTS OF DECEASED MEMBERS OR BENEFICIARIES
DISTRIBUTED BY AGE AS OF JUNE 30, 2009**

VARIABLE DIVISION

AGE	NUMBER	MEN		WOMEN	
		NUMBER	EQUITY UNITS	NUMBER	EQUITY UNITS
36				1	69.6912
40				1	42.1272
51	1		12.1476		
52	1		88.5768	1	264.8196
54				1	63.3144
56				2	207.8904
57				1	75.4116
59	1		88.4184	1	105.1044
65				1	69.4224
68				1	20.5992
69				2	97.7172
71				2	303.9804
72				1	222.1548
73				1	11.0184
74				4	252.8268
76				3	226.5168
77				2	22.6140
78	2		136.0680		
79				1	22.2852
80	1		151.4796		
81				3	297.2352
82				1	21.7572
83				1	327.6204
84				2	123.7356
87				3	1,240.4184
88				1	297.8556
89				2	156.3852

TABLE 4

**THE NUMBER AND EQUITY UNITS OF
DEPENDENTS OF DECEASED MEMBERS OR BENEFICIARIES
DISTRIBUTED BY AGE AS OF JUNE 30, 2009**

**VARIABLE DIVISION
CONTINUED**

AGE	NUMBER	MEN		WOMEN	
		NUMBER	EQUITY UNITS	NUMBER	EQUITY UNITS
90				2	57.2664
92				1	19.3464
94	1		16.3248		
95				1	27.0504
97	1		14.3940	1	66.1992
TOTAL	8		507.4092	44	4,712.3640
SUMMARY					
SINGLE LIFE	8		507.4092	44	4,712.3640

APPENDIX D

INVESTIGATION OF MORTALITY EXPERIENCE

An investigation of the mortality experience of beneficiaries of the Trust was made this year covering the three-year period from July 1, 2006 to June 30, 2009.

The following table gives a comparison of the actual and expected deaths among retired members and their dependent beneficiaries. In obtaining the expected deaths, the mortality tables adopted by the Council for the June 30, 2006 valuation were used.

COMPARISON OF ACTUAL AND EXPECTED CASES OF DEATH AMONG BENEFICIARIES

NUMBER OF DEATHS

Central Age of Group	MEN			WOMEN		
	Actual	Expected	Ratio of Actual to Expected	Actual	Expected	Ratio of Actual to Expected
<u>Service Retirements</u>						
50	0	0.0	0.000	0	0.0	0.000
55	1	0.1	10.000	0	0.0	0.000
60	1	0.1	10.000	0	0.1	0.000
65	0	0.3	0.000	1	0.7	1.429
70	1	1.1	0.909	1	1.3	0.769
75	4	3.0	1.333	3	2.6	1.154
80	6	5.8	1.034	5	5.7	0.877
85	7	8.2	0.854	8	11.3	0.708
90	15	8.7	1.724	9	10.9	0.826
95 and over	7	7.3	0.959	25	16.4	1.524
TOTAL	42	34.6	1.214	52	49.0	1.061
<u>Disability Retirements</u>						
50	0	0.0	0.000	0	0.0	0.000
55	0	0.0	0.000	0	0.0	0.000
60	0	0.0	0.000	0	0.0	0.000
65	0	0.0	0.000	0	0.1	0.000
70	0	0.4	0.000	0	0.0	0.000
75	0	0.1	0.000	0	0.0	0.000
80	0	0.3	0.000	0	0.0	0.000
85	0	0.2	0.000	0	0.5	0.000
90	0	0.0	0.000	1	1.4	0.714
95 and over	0	0.0	0.000	0	0.0	0.000
TOTAL	0	1.0	0.000	1	2.0	0.500
<u>Dependents of Active and Retired Members</u>						
50	1	0.0	100.000	0	0.0	0.000
55	0	0.0	0.000	0	0.0	0.000
60	0	0.0	0.000	0	0.0	0.000
65	0	0.0	0.000	0	0.1	0.000
70	0	0.0	0.000	0	0.3	0.000
75	0	0.1	0.000	1	0.5	2.000
80	1	0.1	10.000	3	0.6	5.000
85	0	0.0	0.000	2	1.5	1.333
90	1	0.5	2.000	3	1.4	2.143
95 and over	1	1.2	0.833	2	1.2	1.667
TOTAL	4	1.9	2.105	11	5.6	1.964

The preceding table shows that for all classes of beneficiaries the actual number of deaths in total was within acceptable limits of the expected number of deaths and no changes are recommended at this time.