THE STATE POLICE RETIREMENT SYSTEM
OF NEW JERSEY
ANNUAL REPORT
OF THE ACTUARY
PREPARED AS OF JULY 1, 2011

REVISED ECONOMIC ASSUMPTIONS

buckconsultants

June 12, 2012

Board of Trustees
The State Police Retirement System
of New Jersey
Trenton, New Jersey 08625

Members of the Board:

The law governing the operation of the State Police Retirement System of New Jersey provides for annual actuarial valuations of the System. The results of the July 1, 2011 valuation are submitted in this report, which also includes a comparison with the preceding year's valuation.

The valuation shows the financial condition of the Plan as of July 1, 2011 and gives the basis for determining the recommended annual contribution for the plan year beginning July 1, 2011.

As required under Section 32 of Chapter 89, P.L. 1965, experience studies are performed once in every three year period. The valuation was prepared on the basis of the demographic assumptions that were determined from the July 1, 2005 – June 30, 2008 Experience Study and approved by the Board of Trustees at the May 2009 Board meeting. As mandated by the statute, these assumptions will remain in effect for valuation purposes until such time the Board adopts revised demographic assumptions.

The Treasurer, upon recommendation from the Directors of the Division of Pensions and Benefits and the Division of Investments, has approved a change in the economic assumptions used for the valuation. The rate of investment return has been revised from 8.25% per annum to 7.95% per annum and the assumed future salary increases have been revised from 5.45% per annum to 3.45% per annum for fiscal year ending 2012 through fiscal year ending 2016 and 4.70% per annum for fiscal years ending 2017 and thereafter. These assumptions will remain in effect until such time the Treasurer approves revised economic assumptions.

The valuation reflects the final provisions of the Appropriation Act for fiscal year 2011. The fiscal year 2011 recommended pension contribution of $103,745,281 has been reduced to $0. The valuation also reflects the effect of Chapter 1, P.L. 2010 for fiscal year 2012. The fiscal year 2012 recommended pension contribution of $89,671,744 has been reduced to $12,810,249. This amount may be subject to change per the requirements of the State's fiscal year 2012 spending plan. Lastly, the valuation reflects the provisions of Chapter 1, P.L. 2010 which allows the State Treasurer to reduce the recommended pension contribution for the 2013 fiscal year to no less than 2/7th of the recommended contribution.

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 and actuarial value of assets shown. The effect of these events on any funded ratios shown, and on Retirement System calculations, is not known. Retirement System funding and financial accounting rules generally prohibit reflection of changes in assets and underlying economic conditions that occur after the valuation date.

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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 System, and on actuarial assumptions that are individually and in the aggregate internally consistent and reasonable based on the actual experience of the System.

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

Respectfully submitted,

Janet H. Cranna, F.S.A., E.A., M.A.A.A., F.C.A.
Principal, Consulting Actuary

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REPORT ON THE ANNUAL
VALUATION OF
THE STATE POLICE RETIREMENT SYSTEM
OF NEW JERSEY
PREPARED AS OF JULY 1, 2011

SECTION I - SUMMARY OF KEY RESULTS

The State Police Retirement System of New Jersey became effective July 1, 1965 under terms of Chapter 89 of the Laws of 1965. This report, prepared as of July 1, 2011, presents the results of the annual actuarial valuation of the Fund.

For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized on the following pages.

Valuation Data	July 1, 2011 Reflecting the Revised Economic Assumptions	July 1, 2011 Prior to Reflecting the Revised Economic Assumptions	July 1, 2010
Number of Members	2,844	2,844	3,030
Annual Compensation	$ 275,219,752	$ 275,219,752	$ 289,980,657
Number of Pensioners and Beneficiaries	2,818	2,818	2,652
Total Annual Allowance	$ 152,950,538	$ 152,950,538	$ 138,873,702
Assets			
Market Value of Assets	$ 1,820,438,444*	$ 1,820,438,444*	$ 1,656,194,924
Valuation Assets	$ 2,015,624,130*	$ 2,015,624,130*	$ 2,019,350,048
Contribution Rates			
Pension Contribution			
a) Recommended Contribution			
Normal Contribution	14.34%	15.71%	15.94%
Accrued Liability Contribution	18.19	18.57	14.98
Total Pension Contribution	32.53%	34.28%	30.92%
b) Chapter 1, P.L. 2010 Minimum Contribution			
Normal Contribution	4.10%	4.49%	2.28%
Accrued Liability Contribution	5.20	5.31	2.14
Total Pension Contribution**	9.30%	9.80%	4.42%
Non-Contributory Group Insurance Premium	0.73%	0.73%	0.62%
Contribution Amounts			
Pension Contribution			
a) Recommended Contribution			
Normal Contribution	$ 39,467,678	$ 43,227,022	$ 46,230,040
Accrued Liability Contribution	50,068,225	51,118,047	43,441,704
Total Pension Contribution	$ 89,535,903	$ 94,345,069	$ 89,671,744
b) Chapter 1, P.L. 2010 Minimum Contribution			
Normal Contribution	$ 11,276,479	$ 12,350,578	$ 6,604,291
Accrued Liability Contribution	14,305,207	14,605,156	6,205,958
Total Pension Contribution**	$ 25,581,686	$ 26,955,734	$ 12,810,249
Non-Contributory Group Insurance Premium	$ 2,000,000	$ 2,000,000	$ 1,800,000

* Assets include a fiscal year 2012 receivable contribution of $12,810,249 instead of the $89,671,744 contribution recommended for the July 1, 2010 valuation (potential effect of Chapter 1, P.L. 2010.)

** Chapter 1, P.L. 2010 allows the State to make a contribution for fiscal year 2013 equal to 2/7th of the recommended contribution and for fiscal year 2012 equal to 1/7th of the recommended contribution. The contributions could be subject to change per the requirements of the State's fiscal year 2013 and 2012 spending plans.

The major benefit and contribution provisions of the statute as reflected in the valuation are summarized in Appendix A.

The valuation reflects the final provisions of the Appropriation Act for fiscal year 2011, which allowed the State Treasurer to reduce the State normal and accrued liability contributions for fiscal year 2011 of $103,745,281 to $0. (This amount excludes the estimated premium paid to the Non-Contributory Insurance Fund of $1,600,000 for the lump sum death benefit during active service.)

The valuation also reflects the impact of Chapter 1, P.L. 2010, which allows the State Treasurer to reduce the State normal and accrued liability contributions for fiscal year 2012 to no less than $1/7^{th}$ of the full recommended pension contribution. Therefore, the fiscal year 2012 recommended pension contribution of $89,671,744 has been reduced to $12,810,249 and has been recognized as a receivable contribution for purposes of this valuation. (This amount excludes the estimated premium paid to the Non-Contributory Insurance Fund of $1,800,000 for lump sum death benefits during active service.)

There were no other changes to the benefit and contribution provisions.

As required under Chapter 89, P.L. 1965, experience studies are performed once in every three year period. The valuation was prepared on the basis of the demographic assumptions that were determined from the July 1, 2005 – June 30, 2008 Experience Study and approved by the Board of Trustees at the May 2009 Board meeting. As mandated by the statute, these assumptions will remain in effect for valuation purposes until such time the Board adopts revised demographic assumptions. The Treasurer, upon recommendation from the Directors of the Division of Pensions and Benefits and the Division of Investments, has approved a change in the economic assumptions used for the valuation. The rate of investment return has been revised from 8.25% per annum to 7.95% per annum, and the assumed future salary increases have been revised from 5.45% per annum to 3.45% per annum for fiscal year ending 2012 through fiscal year ending 2016 and 4.70% per annum for fiscal years ending 2017 and thereafter. These economic assumptions will remain in effect for valuation purposes until such time the Treasurer approves revised economic assumptions. There were no other changes to the actuarial assumptions and methods used in the prior valuation. The actuarial assumptions and methods used for valuing the Fund are summarized in Appendix B.

The combination of the plan provisions, actuarial assumptions and member and beneficiary data is used to generate the overall required level of employer contributions. These contributions are composed of two separate portions, an “accrued liability contribution” and a “normal contribution”. The recommended contribution is developed in Section III F.

The valuation generates a balance sheet which summarizes in some detail the total present and prospective assets and liabilities of the Fund. A summary comparison of the balance sheets as of July 1, 2010 and July 1, 2011 is set forth in the following table. The allocation of assets among the various investment alternatives is shown in graphic form on page 6.

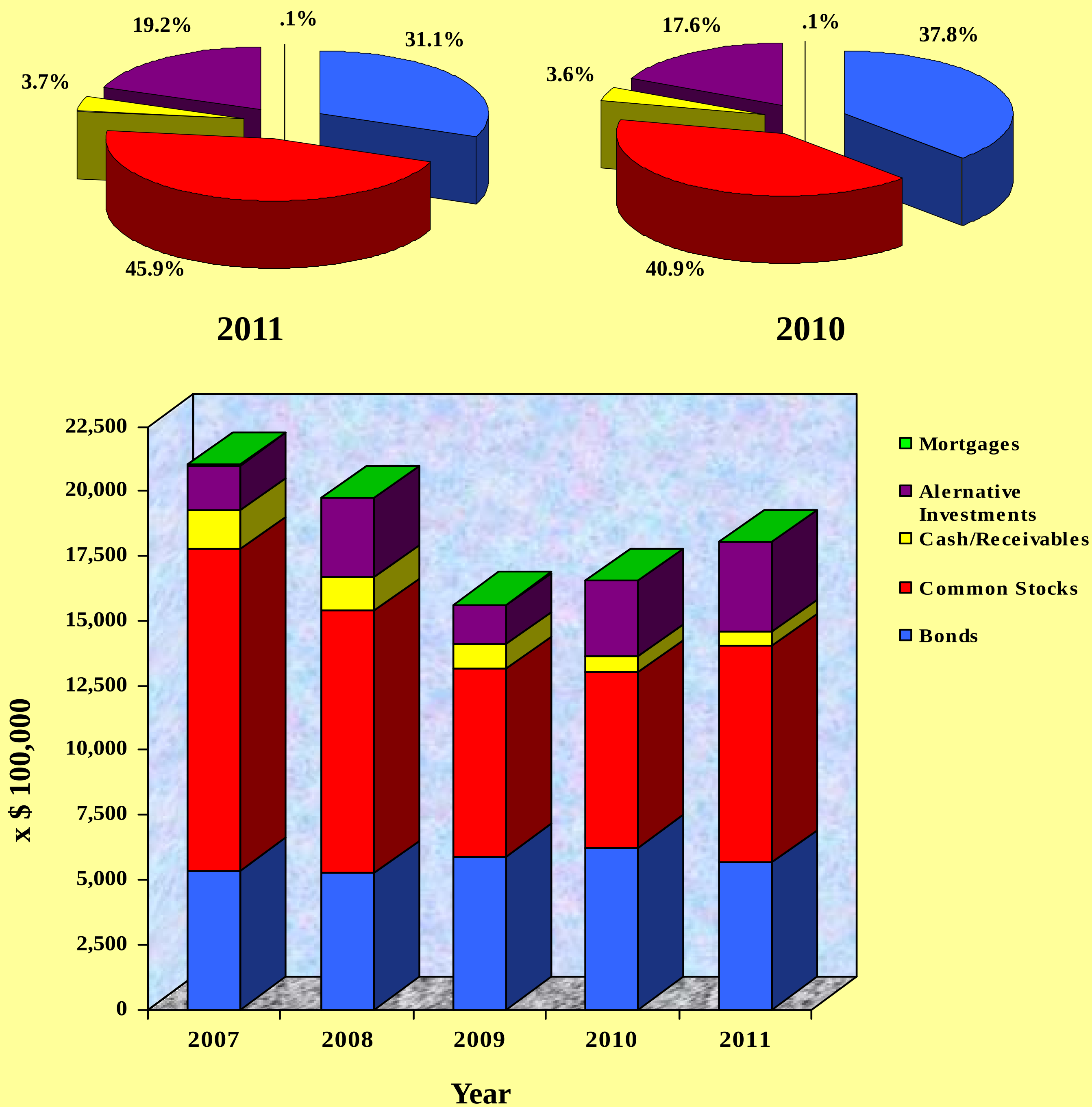
TABLE I

COMPARATIVE BALANCE SHEET

	2011		2010
	Reflecting the Revised Economic Assumptions	Prior to Reflecting the Revised Economic Assumptions	
ASSETS			
Actuarial value of assets of Fund	$ 2,015,624,130	$ 2,015,624,130	$ 2,019,350,048
Unfunded accrued liability/(surplus)	566,326,716	562,163,595	477,744,089
Total Assets	$ 2,581,950,846	$ 2,577,787,725	$ 2,497,094,137
LIABILITIES			
Present value of benefits to present beneficiaries payable from the Retirement Reserve Fund	$ 1,634,856,377	$ 1,593,829,260	$ 1,466,806,024
Present value of benefits to present active members and terminated vested members	947,094,469	983,958,465	1,030,288,113
Total Liabilities	$ 2,581,950,846	$ 2,577,787,725	$ 2,497,094,137

THE STATE POLICE RETIREMENT SYSTEM OF NEW JERSEY

ASSET ALLOCATION
MARKET VALUE



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SECTION II - EMPLOYEE DATA

The data employed for the valuations were furnished to the actuary by the Division of Pensions and Benefits.

The following summarizes and compares the Fund membership as of July 1, 2010 and July 1, 2011 by various categories.

ACTIVE MEMBERSHIP

Group	2011		2010	
	Number	Annual Compensation	Number	Annual Compensation
Men	2,736	$ 265,021,985	2,913	$ 279,027,807
Women	108	$ 10,197,767	117	$ 10,952,850

RETIRED MEMBERS AND BENEFICIARIES

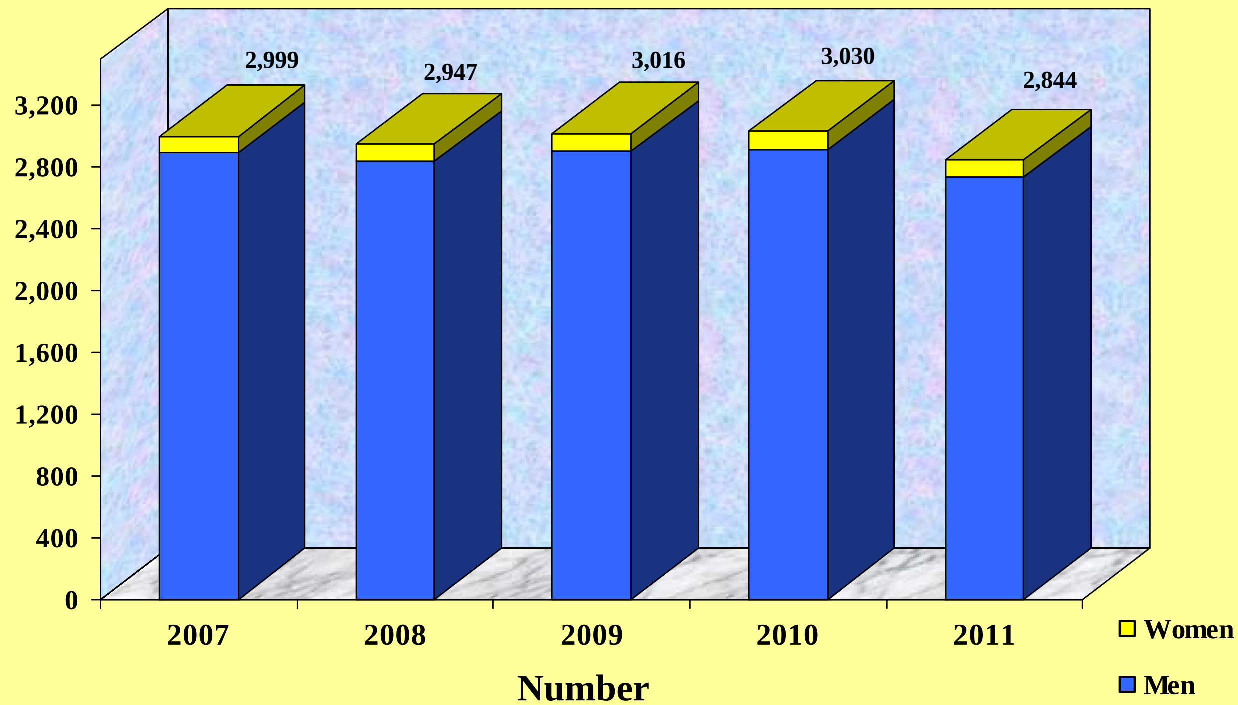
Group	2011		2010	
	Number	Annual Allowances	Number	Annual Allowances
Service Retirements	2,181	$ 129,127,114	2,036	$ 116,713,617
Ordinary Disability Retirements	127	$ 4,210,163	129	$ 3,990,172
Accidental Disability Retirements	130	$ 6,888,228	123	$ 6,279,338
Beneficiaries of Deceased Pensioners	313	$ 10,174,626	300	$ 9,453,180
Beneficiaries of Deceased Active Employees	67	$ 2,550,407	64	$ 2,437,395

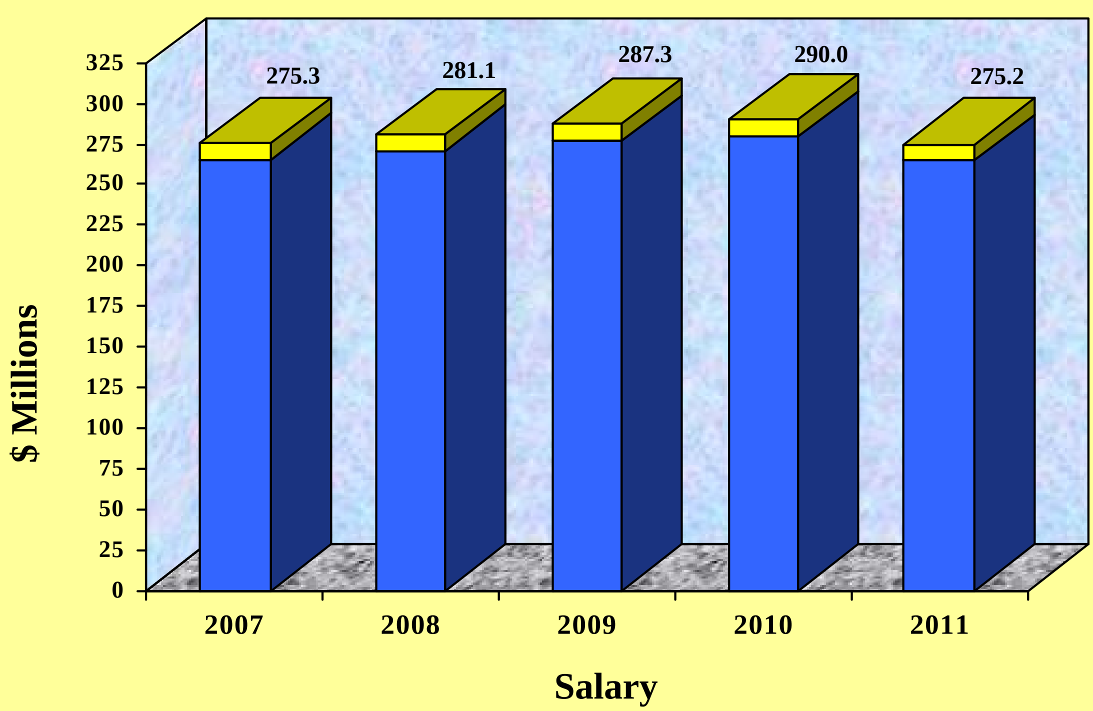
Appendix C provides a detailed distribution between groups.

Graphic presentations of the statistical data on membership for the five preceding years are shown on the following pages.

THE STATE POLICE RETIREMENT SYSTEM OF NEW JERSEY

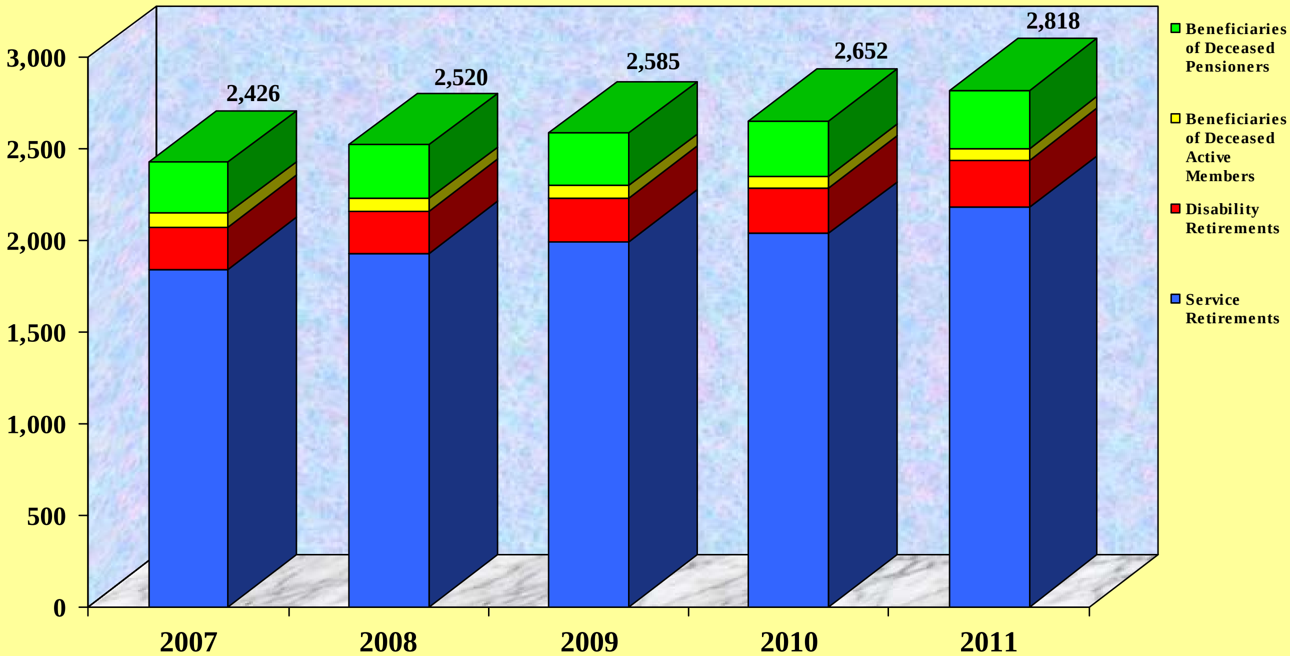
SUMMARY OF ACTIVE PARTICIPATION





THE STATE POLICE RETIREMENT SYSTEM OF NEW JERSEY

SUMMARY OF RETIRED PARTICIPATION



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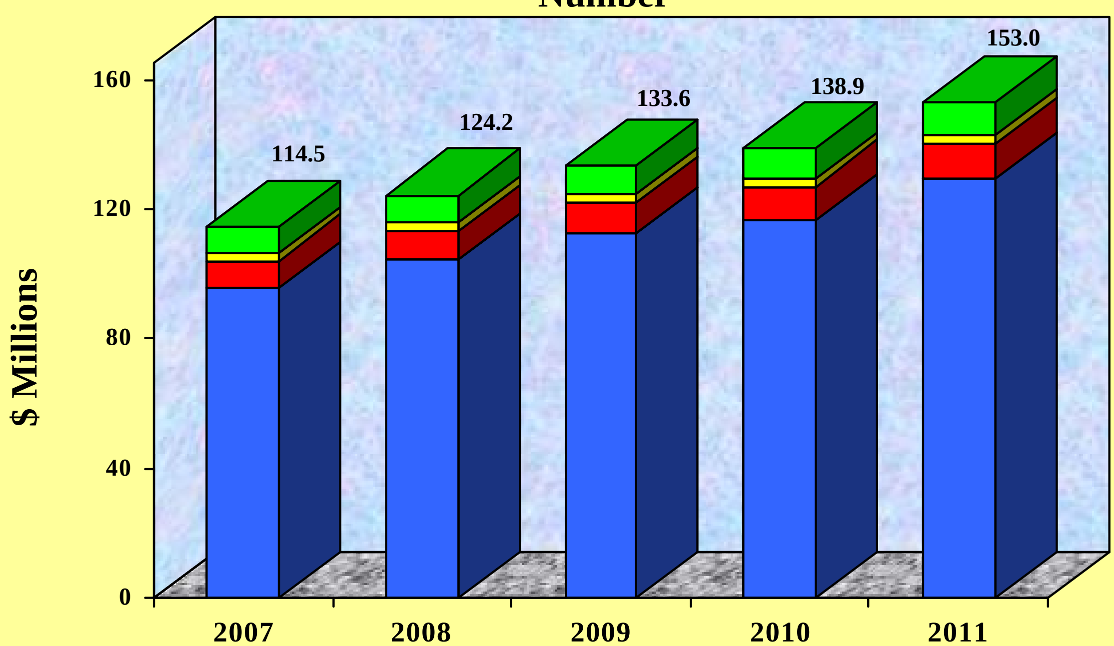

Annual Allowances

SECTION III - ASSETS, LIABILITIES AND CONTRIBUTIONS

A. Market Value of Assets as of June 30, 2011

1. Assets

a.	Cash	$	559,431
b.	Securities Lending Collateral		20,235,655
c.	Accounts Receivable		18,362
d.	Investment Holdings		1,785,576,113
e.	Interest Receivable on Investments		8,104,531
f.	Employer Contribution Receivable – NCGI		402,065
g.	Members' Contributions Receivable		776
h.	Dividends Receivable		2,177,104
i.	Loans Receivable		23,790,961
j.	Interest Receivable – Member Loans		134,633
k.	Total	$	1,840,999,631

2. Liabilities

a.	Pension Payroll Payable	$	8,725,763
b.	Securities Lending Collateral and Rebates Payable		20,209,694
c.	Pension Adjustment Payroll Payable		2,016,167
d.	Withholdings Payable		1,981,973
e.	Securities Purchased in Transit		0
f.	Accounts Payable – Other		35,774
g.	Death Benefits Payable		402,065
h.	Total	$	33,371,436

3.	Preliminary Market Value of Assets as of June 30, 2011: 1(k) - 2(h)	$	1,807,628,195
4.	State Appropriations Receivable		12,810,249 *
5.	Market Value of Assets as of June 30, 2011: 3. + 4.	$	1,820,438,444 **

* The fiscal year 2012 recommended pension contribution of $89,671,744 has been reduced to $12,810,249 to reflect Chapter 1, P.L. 2010. This amount may be subject to change per the requirements of the State's fiscal year 2012 spending plan.

** Excludes assets held in the Non-Contributory Group Insurance Fund.

B. Reconciliation of Market Value of Assets: June 30, 2010 to June 30, 2011

1.	Market Value of Assets as of June 30, 2010		$	1,656,194,924
2.	Increases			
	a.	Pension Contributions		
		Members' Contributions	$	18,162,134
		Transfer from Other Systems		2,703
	b.	Employers' Contributions		
		State Appropriations		0
		Non-Contributory Group Insurance		2,201,604
		Transfer from Other Systems		0
		Administrative Fee Loans		6,736
	c.	Income		
		Per Statement		280,447,556
	d.	Total	$	300,820,733
3.	Decreases			
	a.	Benefits Provided by Members		
		Withdrawals – Members' Contributions		
		Regular	$	121,749
		Suspense		17,275
		Adjustment – Member Account Loans – State		14,731
	b.	Benefits Provided by Employers and Members		
		Retirement Allowances		122,990,229
	c.	Benefits Provided by Employers		
		Benefit Expense – Pension Adjustment		23,741,072
		Administrative Expense		296,148
		Administrative Expense Loans		6,912
		Adjusted Member Accounts Expense- State		(2,258)
		NCGI Premium Expense		2,201,604
	d.	Total	$	149,387,462
4.	Preliminary Market Value of Assets as of June 30, 2011: 1. + 2.(d) – 3.(d)		$	1,807,628,195
5.	State Appropriations Receivable			12,810,249 *
6.	Market Value of Assets as of June 30, 2011: 4. + 5.		$	1,820,438,444 **

* The fiscal year 2012 recommended pension contribution of $89,671,744 has been reduced to $12,810,249 to reflect Chapter 1, P.L. 2010. This amount may be subject to change per the requirements of the State's fiscal year 2012 spending plan.

** Excludes assets held in the Non-Contributory Group Insurance Fund.

C. Development of Actuarial Value of Assets as of July 1, 2011

The actuarial value of plan assets is determined using a five-year average market value with write up. The following summary shows the development of the actuarial value of plan assets for the current valuation:

1.	Actuarial Value of Assets as of July 1, 2010	$	2,019,350,048
2.	Net Cash Flow (excluding investment income)		(129,014,285)
3.	Expected Investment Income at 8.25%		
	a. Interest on assets as of July 1, 2010	$	166,596,379
	b. Interest on Net Cash Flow		(5,321,839)
	c. Total	$	161,274,540
4.	Expected Actuarial Value of Assets as of July 1, 2011: 1. + 2. + 3.(c)	$	2,051,610,303
5.	20% of Difference from Preliminary Market Value of Assets		(48,796,422)
6.	Receivable Employer Contributions		12,810,249*
7.	Actuarial Value of Assets as of July 1, 2011 = 4. + 5. + 6.	$	2,015,624,130**

* The fiscal year 2012 recommended pension contribution of $89,671,744 has been reduced to $12,810,249 to reflect Chapter 1, P.L. 2010. This amount may be subject to change per the requirements of the State's fiscal year 2012 spending plan.

** Excludes assets held in the Non-Contributory Group Insurance Fund.

D. Present Value of Projected Benefits as of July 1, 2011

			Reflecting the Revised Economic Assumptions	Prior to Reflecting the Revised Economic Assumptions
1.	Retirees and Beneficiaries			
	a.	Service Retirements	$ 1,385,067,909	$ 1,350,981,818
	b.	Disability Retirements	127,109,511	123,518,347
	c.	Beneficiaries	101,009,973	98,493,219
	d.	Death Benefits	21,668,984	20,835,876
	e.	Total	$ 1,634,856,377	$ 1,593,829,260
2.	Terminated Vested Members		$ 0	$ 0
3.	Contributing Active Participants			
	a.	Service Retirement	$ 867,213,984	$ 900,741,684
	b.	Ordinary Disability	20,002,178	20,819,169
	c.	Accidental Disability	23,063,095	24,056,735
	d.	Ordinary Death	8,394,142	8,779,453
	e.	Accidental Death	8,003,055	8,630,068
	f.	Vested Termination	1,389,035	1,342,249
	g.	Withdrawal Benefits	213,171	212,389
	h.	Lump Sum Death Benefits*	7,852,791	7,976,671
	i.	Total	$ 936,131,451	$ 972,558,418
4.	Non-Contributing Active Participants		$ 10,963,018	$ 11,400,047
5.	Total Present Value of Benefits = 1.(e) + 2. + 3.(i) + 4.		$ 2,581,950,846	$ 2,577,787,725

*Excludes lump sum death benefits payable during active service.

E. Development of Normal Cost as of July 1, 2011

		Reflecting the Revised Economic Assumptions	Prior to Reflecting the Revised Economic Assumptions
1.	Service Retirement	$ 47,337,302	$ 50,340,994
2.	Ordinary Disability	1,908,620	2,015,043
3.	Accidental Disability	2,194,894	2,318,286
4.	Ordinary Death	732,832	777,099
5.	Accidental Death	818,007	900,090
6.	Vested Termination	144,175	137,759
7.	Withdrawal Benefits	40,959	40,814
8.	Lump Sum Death Benefits*	473,373	491,588
9.	Total Pension Normal Cost* = 1. + 2. + 3. + 4. + 5. + 6. + 7. + 8.	$ 53,650,162	$ 57,021,673

*Excludes Non-Contributory Group Insurance Premium (term cost for lump sum death benefits payable during active service.)

F. Development of Recommended State Pension Contributions

			Reflecting the Revised Economic Assumptions	Prior to Reflecting the Revised Economic Assumptions
1.	Present Value of Benefits		$ 2,581,950,846	$ 2,577,787,725
2.	Actuarial Value of Assets		2,015,624,130	2,015,624,130
3.	Unfunded Actuarial Accrued Liability/(Surplus) = 1. - 2.		$ 566,326,716	$ 562,163,595
4.	Amortization Period		30	30
5.	Amortization of Unfunded Actuarial Accrued Liability payable July 1, 2012 (Level Dollar)		$ 50,068,225	$ 51,118,047
6.	a.	Gross Normal Cost (excluding Non-Contributory Group Insurance Premium)	$ 53,650,162	$ 57,021,673
	b.	Expected Member Contributions*	17,089,089	17,089,089
	c.	State Normal Cost = (a) - (b)	$ 36,561,073	$ 39,932,584
	d.	State Normal Cost payable July 1, 2012 = (c) * (1 + interest credit**)	$ 39,467,678	$ 43,227,022
7.	Total Recommended Pension Contribution as of July 1, 2012 = 5. + 6.(d)		$ 89,535,903	$ 94,345,069

* Reflects only member contributions of 7.5% of compensation. Based on discussions with the Division of Pension and Benefits, any member contributions in excess of 7.5% of compensation shall not reduce the State's normal cost contribution.

** The revised economic assumptions reflect a 7.95% annual interest credit. The interest credit prior to reflecting the revised economic assumptions is 8.25% per annum.

G. Development of Chapter 1, P.L. 2010 Minimum Required Pension Contributions*

		Reflecting the Revised Economic Assumptions	Prior to Reflecting the Revised Economic Assumptions
1.	State Normal Cost payable July 1, 2012 = F.6(d). x 2/7	$ 11,276,479	$ 12,350,578
2.	Amortization of Unfunded Actuarial Accrued Liability payable July 1, 2012 = F.5. x 2/7	14,305,207	14,605,156
3.	Total Minimum Contribution** = 1. + 2.	$ 25,581,686	$ 26,955,734

* Chapter 1, P.L. 2010 allows the State Treasurer to reduce the recommended contribution for the 2013 fiscal year to no less than 2/7th of the recommended contribution.

**Contribution could be subject to change per the requirements of the State's fiscal year 2013 spending plan.

H. Non-Contributory Group Insurance Premium (One-Year Term Cost)

Reflecting the Revised Economic Assumptions	Prior to Reflecting the Revised Economic Assumptions
$ 2,000,000	$ 2,000,000

SECTION IV - COMMENTS CONCERNING THE VALUATION

The variation in liabilities and contributions reflects the System's actual experience during the year. The System experienced a net actuarial loss during the year that ended June 30, 2011.

The loss is primarily due to an actual return on System assets less than expected. For valuation purposes, an 8.25% per annum rate of return was assumed for the period July 1, 2010 through June 30, 2011. The actual return on the Fund's actuarial value of assets was 5.75% for this period. There was a liability gain due to experience among active and retired members.

The following shows the development of the actuarial experience and identifies the major experience components:

A. Calculation of Actuarial Experience for the Year Ended June 30, 2011

1.	Unfunded Accrued Liability/(Surplus) as of July 1, 2010	$	477,744,089
2.	Gross Normal Cost as of July 1, 2010		60,866,174
3.	Interest on (1) and (2)		44,435,347
4.	Actual Members' Contributions Received		18,162,134
5.	Employers' Contributions (including receivable)		12,810,249
6.	Interest on Contributions		749,188
7.	Expected Unfunded Accrued Liability/(Surplus) as of July 1, 2011 = (1) + (2) + (3) - (4) - (5) - (6)	$	551,324,039
8.	Change in Unfunded Accrued Liability due to the Revised Economic Assumptions		4,163,121
9.	Actual Unfunded Accrued Liability as of July 1, 2011		566,326,716
10.	Actuarial (Gain)/Loss = (9) – (7) – (8)	$	10,839,556

B. Components of Actuarial Experience

1.	Investment (Gain)/Loss	$	48,796,422
2.	Other (Gain)/Loss, including mortality, changes in employee data and salary increases different than expected		(37,956,866)
3.	Total Actuarial (Gain)/Loss	$	10,839,556

C. Funded Ratios

The following table presents the System's funded ratios based on the actuarial value of assets (including receivables) and market value basis (including receivables).

	June 30, 2011			Change	
	Reflecting the Revised Economic Assumptions **(1)**	Prior to Reflecting Revised Economic Assumptions **(2)**	**June 30, 2010 (3)**	Reflecting the Revised Economic Assumptions **(1) - (3)**	Prior to Reflecting Revised Economic Assumptions **(2) - (3)**
Actuarial Value of Assets*	78.1%	78.2%	80.9%	(2.8)%	(2.7)%
Market Value of Assets	70.5%	70.6%	66.3%	4.2%	4.3%

*Statutory funded ratio.

The System's statutory funded ratio is 80.9% and 78.1% as of June 30, 2010 and June 30, 2011, respectively. For purposes of Chapter 78, P.L. 2011, the "target funded ratio" is 75.000% and 75.714% for June 30, 2010 and June 30, 2011, respectively. Therefore, the System's statutory funded ratio reached the "target funded ratio" for June 30, 2010 and remained above the "target funded ratio" for June 30, 2011.

There is a difference on a market value basis since the actuarial value smoothes the investment gains and losses over time. Since July 1, 2000, the funded ratio on a market value basis has decreased by 62.3%. This decrease is primarily due to investment losses experienced over the period, State contributions less than the GASB Annual Required Contribution, and the strengthening of actuarial assumptions.

As of June 30, 2011, the market value of assets is greater than the actuarial liability attributable to retirees. However, if the assets contained in the Annuity Savings Fund (ASF) of $187,530,427 are excluded, the funded ratio of the remaining market value of assets to the actuarial accrued liability for retirees is 99.9%.

As of June 30, 2011, the ratio of market value of assets to the prior year's benefit payment is 12.4. This is a simplistic measure of the number of years that the assets can cover benefit payments, excluding: future increases in those payments, State and member contributions, and investment income. This ratio increased by 3% from the previous year's ratio of 12.0. If ASF assets are excluded, since they represent accumulated contributions from active and inactive members, the ratio is 11.1.

Statement No. 5 of the Governmental Accounting Standards Board, issued November 1986, established standards of disclosure of pension information by public retirement systems. Statement No. 25 of the Governmental Accounting Standards Board, issued November 1994, established financial reporting standards for defined benefit pension plans and for the notes to the financial statements of defined contribution plans of state and local governmental liabilities and superseded Statement No. 5 effective for periods beginning after June 15, 1996. Statement No. 27, Accounting for Pensions by State and Local Governmental Employers superseded Statement 5 for employers participating in pension plans and is effective for periods beginning after June 15, 1997. Statement No. 50, Accounting for Pensions by State and Local Governmental Employers amends the note disclosure and required supplementary information (RSI) of Statements No. 25 and No. 27 to conform with applicable changes adopted in Statements No. 43 and 45 for Postemployment Benefit Plans other than Pension Plans. Statement No. 50 is intended to improve the transparency of reported information about pensions by State and Local governmental plans and employers. Statement No. 50 is effective for periods beginning after June 15, 2007.

The information required by Statements No. 25, No. 27 and No. 50 is presented in the following tables. These include the development of the Annual Required Contribution (ARC), the development of the Net Pension Obligation (NPO), the Schedule of Funding Progress and the Schedule of Employer Contributions.

(A) Development of the Annual Required Contribution (ARC) as of June 30, 2013

1. Actuarial Value of Plan Assets as of June 30, 2011

(a)	Valuation Assets as of June 30, 2011	$	2,015,624,130
(b)	Adjustment for Receivable Contributions included in (a)		12,810,249 *
(c)	Valuation Assets as of June 30, 2011 for GASB Disclosure = (a) - (b)	$	2,002,813,881

* Receivable contribution for fiscal year 2012.

2.	Actuarial Accrued Liability as of June 30, 2011	$ 2,581,950,846
3.	Unfunded Actuarial Accrued Liability/(Surplus) as of June 30, 2011 = 2. - 1.	$ 579,136,965
4.	Amortization of Unfunded Actuarial Accrued Liability/(Surplus) over 30 years (Level Dollar)	$ 47,430,072
5.	Normal Cost as of June 30, 2011 (excludes NCGIPF)	$ 36,561,073
6.	Annual Required Contribution as of June 30, 2013	
(a)	Annual Required Contribution as of June 30, 2011 = 4. + 5.	$ 83,991,145
(b)	Interest Adjustment to June 30, 2013	13,885,437
(c)	Non-Contributory Group Insurance Premium	2,000,000
(d)	Annual Required Contribution as of June 30, 2013 = (a) + (b) + (c)	$ 99,876,582

(B) Development of the Net Pension Obligation (NPO) as of June 30, 2013

1.	Annual Required Contribution as of June 30, 2013	$ 99,876,582
2.	Interest on Net Pension Obligation	56,172,432
3.	Adjustment to Annual Required Contribution	(62,467,085)
4.	Annual Pension Cost = 1. + 2. + 3.	$ 93,581,929
5.	Expected Employer Contributions for Fiscal Year 2013	$ 27,581,686*
6.	Net Pension Obligation at June 30, 2012	$ 706,571,468**
7.	Increase in Net Pension Obligation = 4. - 5.	$ 66,000,243
8.	Net Pension Obligation at June 30, 2013 = 6. + 7.	$ 772,571,711

* The recommended contribution of $91,535,903 has been reduced to $27,581,686 in accordance with Chapter 1, P.L. 2010. This amount may be subject to change per the requirements of the State's fiscal year 2013 spending plan. Included in the Expected Employer Contribution for fiscal year 2013 is 100% of the Non-Contributory Group Insurance premium of $2,000,000.

** The June 30, 2012 Net Pension Obligation amount has been revised from the amount shown in the prior year's report to reflect the adjustment to the fiscal year 2011 employer contribution.

(C) Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll (b-a) / c
6/30/2006	$ 1,970,398,511	$ 2,319,656,532	$ 349,258,021	84.9%	$ 263,220,592	132.7%
6/30/2007	$ 2,066,754,160	$ 2,485,649,230	$ 418,895,070	83.1%	$ 275,301,995	152.2%
6/30/2008	$ 2,127,263,509	$ 2,609,164,869	$ 481,901,360	81.5%	$ 281,087,566	171.4%
6/30/2009	$ 2,063,962,877	$ 2,825,455,568	$ 761,492,691	73.0%	$ 287,267,502	265.1%
6/30/2010[Ø]	$ 2,019,350,048	$ 2,497,094,137	$ 477,744,089	80.9%	$ 289,980,657	164.8%
6/30/2011[Ø]	$ 2,002,813,881	$ 2,581,950,846	$ 579,136,965	77.6%	$ 275,219,752	210.4%

[Ø]Reflects Chapter 78, P.L. 2011.

(D) Schedule of Employer Contributions

Fiscal Year[##]	Annual Required Contribution	Employer Contribution	Percentage Contributed
2008	$ 78,761,279	$ 36,443,502*	46.3%
2009	$ 86,385,254	$ 5,574,860**	6.5%
2010	$ 91,411,237	$ 1,018,200[Ø]	1.1%
2011	$ 114,120,061	$ 1,600,000[ØØ]	1.4%
2012[###]	$ 98,869,662	$ 14,610,249[#]	14.8%
2013[###]	$ 99,876,582	$ 27,581,686[†]	27.6%

* The fiscal year 2008 recommended contribution of $70,942,933 was reduced to $36,443,502 in accordance with the provisions of the Appropriation Act for fiscal year 2008.

** The fiscal year 2009 recommended contribution of $77,679,416 was reduced to $5,574,860 in accordance with the provisions of the Appropriation Act for fiscal year 2009.

Ø The fiscal year 2010 recommended contribution of $84,031,012 was reduced to $1,018,200 in accordance with the provisions of the Appropriation Act for fiscal year 2010.

ØØ The fiscal year 2011 recommended contribution of $105,345,281 was reduced to $1,600,000 in accordance with provisions of the Appropriation Act for fiscal year 2011.

\# The fiscal year 2012 recommended contribution of $91,471,744 has been reduced to $14,610,249 in accordance with Chapter 1, P.L. 2010. This amount could be subject to change per the requirements of the State's fiscal year 2012 spending plan.

\## The contribution amounts reflect premiums paid to the Non-Contributory Group Insurance Premium Fund.

\### Reflects Chapter 78, P.L. 2011.

† The fiscal year 2013 recommended contribution of $91,535,903 has been reduced to $27,581,686 in accordance with Chapter 1, P.L. 2010. This amount could be subject to change per the requirements of the State's fiscal year 2013 spending plan.

(E) The information presented in the required supplementary schedules were determined as part of the actuarial valuation. Additional information follows:

Valuation Date	June 30, 2011
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Dollar, Open
Remaining Amortization Period	30 years
Asset Valuation Method	Five-Year Average of Market Value
Actuarial Assumptions:	
Investment Rate of Return	7.95%
Projected Salary Increase	3.45% for fiscal year ending 2012 through fiscal year ending 2016 and 4.70% for fiscal years ending 2017 and thereafter
Cost of Living Adjustments	0.00%

SECTION VI - LEVEL OF FUNDING

Although the value of accrued benefits and the funding ratios shown in the previous section are required for the State's financial statements, it is instructive to also look at these values under an alternative approach. For this purpose, we are presenting liabilities determined on a Financial Accounting Standards Board Statement No. 87 Accumulated Benefit Obligation (ABO) basis. This is the same approach as GASB Statement No. 25 except that no assumption is made as to future salary increases.

FASB 87 ABO Funded Ratios		
Actuarial present value of accumulated benefits:	June 30, 2011	June 30, 2010
Vested benefits		
Participants currently receiving payments	$ 1,634,856,377	$ 1,466,806,024
Other participants	672,805,445	675,431,659
	$ 2,307,661,822	$ 2,142,237,683
Non-vested benefits	123,069,533	123,495,425
Total	$ 2,430,731,355	$ 2,265,733,108
Assets at market value	$ 1,820,438,444	$ 1,656,194,924
Ratio of assets to total present value	74.9%	73.1%

As in the case of the Governmental Accounting Standard Board Statement No. 25, the actuarial present value of vested and non-vested accrued benefits was based on an interest rate of 7.95% for 2011 and 8.25% for 2010.

<u>APPENDIX A</u>

BRIEF SUMMARY OF THE BENEFIT AND
CONTRIBUTION PROVISIONS AS INTERPRETED
FOR VALUATION PURPOSES

<u>Eligibility for Membership</u>

All members of the former State Police and Benevolent Fund: full-time commissioned officers, non-commissioned officers or troopers of the Division of State Police. Membership is a condition of employment.

1. <u>Definitions</u>

Plan Year	The 12-month period beginning on July 1 and ending on June 30.
Service	Service rendered while a member as described above.
Credited Service	A year is credited for each year of service as an officer or trooper in the State Police. Service with other State Retirement Systems is included in the calculation of the retirement benefit at the rate of 1% of final compensation for each year of service credit.
Compensation	Based on contractual salary, including maintenance allowance, received by the member in the last 12 months of credited service preceding retirement, termination or death. Compensation does not include individual salary adjustments granted primarily in anticipation of the retirement or for temporary or extracurricular duties beyond the ordinary work day. (Effective June 30, 1996, Chapter 113, P.L. 1997 provided that the amount of compensation used for employer and member contributions and benefits under the program cannot exceed the compensation limitation of Section 401(a)(17) of the Internal Revenue Code; Chapter 1, P.L. 2010 provides that for members hired on or after May 22, 2010, the amount of compensation used for employer and member contributions and benefits under the System cannot exceed the annual maximum wage contribution base for Social Security, pursuant to the Federal Insurance Contributions Act.)
Final Compensation	Average compensation received by member in last 12 months of credited service preceding retirement or death. Such term includes the value of the member's maintenance allowance for the same period. (Chapter 1, P.L. 2010 provides that for members hired on or after May 22, 2010, Final Compensation means the average annual salary for service for which contributions are made during any three fiscal years of membership providing the largest possible benefit to the member or the member's beneficiary. Such term shall include the value of the member's maintenance allowance.)
Aggregate Contributions	The sum of all amounts deducted from the compensation of a member or contributed by him or on his behalf. For contribution

	purposes, compensation does not include overtime, bonuses, maintenance or any adjustments before retirement.
Adjusted Final Compensation	The amount of compensation or compensation as adjusted, as the case may be, increased by the same percentage increase which is applied in any adjustments of the compensation schedule of active members after the member's death and before the date on which the deceased member of the retirement system would have accrued 25 years of service under an assumption of continuous service, at which time that amount will become fixed. Adjustments to compensation or adjusted compensation shall take effect at the same time as any adjustments in the compensation schedule of active members.

2. Benefits

Service Retirement	Mandatory retirement at age 55. Voluntary retirement prior to age 55 with 20 years of credited service. Benefit is an annual retirement allowance equal to the greater of (a), (b), or (c), as follows: (a) 50% of final compensation; (b) For members retiring with 25 or more years of service, 65% of final compensation, plus 1% for each year of service in excess of 25 years, to a maximum of 70% of final compensation. (c) For members as of August 29, 1985 who would not have 20 years of service by age 55, benefit as defined in (a) above. For members as of August 29, 1985 who would have 20 years of service but would not have 25 years of service at age 55, benefit as defined in (a) above plus 3% for each year of service in excess of 20 years.
Vested Termination	Termination of service prior to age 55. Benefit for 10 to 20 years of service - Refund of aggregate contributions, or a deferred life annuity beginning at age 55 equal to 2% of final compensation for each year of service up to 20 years.
Non-Vested Termination	Termination of service prior to age 55 and less than 10 years of service – Return of aggregate contributions.
Ordinary Death	
Before Retirement	Death of an active member of the plan. Benefit is equal to: (a) Lump sum payment equal to 3-1/2 times compensation, plus (b) Spousal life annuity of 50% of final compensation payable until spouse's death or remarriage. If there is no surviving

spouse, or upon death or remarriage, a total of 20%, 35% or 50% of final compensation payable to one, two or three dependent children. If there is no surviving spouse (or dependent children), 25% or 40% of final compensation to one or two dependent parents.

Minimum benefit: Aggregate contributions.

After Retirement	Death of a retired member of the plan. The benefit is equal to: (a) Lump sum of 50% of compensation, plus (b) Spousal life annuity of 50% of final compensation payable until spouse's death or remarriage. If there is no surviving spouse, or upon death or remarriage, a total of 20%, 35% or 50% of final compensation payable to one, two or three dependent children, respectively.
Accidental Death	Death of an active member of the plan resulting during performance of duties. Benefit is equal to: (a) Lump sum payment equal to 3-1/2 times compensation, plus (b) Spousal life annuity of 70% of adjusted final compensation payable until spouse's death. If there is no surviving spouse, or upon death of the surviving spouse, a total of 20%, 35% or 50% of adjusted final compensation payable to one, two or three dependent children. If there is no surviving spouse or dependent children, 25% or 40% of adjusted final compensation to one or two dependent parents.
Ordinary Disability Retirement	Mentally or physically incapacitated for the performance of his usual duty and of any other available duty in the Division of State Police and such incapacity is likely to be permanent. (a) The benefit for members with less than four years of service is a refund of the member's aggregate contributions. (b) For members with at least four years of service, the benefit is an immediate life annuity equal to 40% of final compensation plus 1-1/2% of final compensation for years of creditable service in excess of 26-2/3. (c) For members who are forced to retire with 20 but less than 25 years of service, the benefit is 50% of the member's final compensation plus 3% of final compensation for

each year of service in excess of 20 years, to a maximum of 65% of final compensation.

For death following disability retirement, a lump sum equal to 3-1/2 times compensation if death occurs prior to age 55 or 1/2 of compensation after age 55.

Accidental Disability Retirement	Totally and permanently disabled as a direct result of a traumatic event occurring during and as a result of his regular or assigned duties. Benefit is an immediate life annuity equal to 2/3 of final compensation. Upon death after disability retirement, lump sum benefit of 3-1/2 times final compensation if death occurs before 55 and 1/2 times final compensation if death occurs after 55.
Loan Provision	Eligible if an active member of the State Police Retirement System with at least 3 years of contributory service. If eligible, a member may borrow an amount which is greater than $50, but not more than 50% of aggregate contributions. The loan accrues interest at a rate set by the State Treasurer, which is based on a commercially reasonable rate as required by the Internal Revenue Code. An administrative fee may be charged for the loan.
Member Contributions	Each member contributes 7.5% of Compensation. Chapter 78, P.L. 2011 increased Member Contributions from 7.5% to 9.0% of Compensation effective October 2011.

APPENDIX B

OUTLINE OF ACTUARIAL ASSUMPTIONS AND METHODS

VALUATION INTEREST RATE: 7.95% per annum, compounded annually.

COLA: No future COLA is assumed.

SALARY INCREASES: Salaries are assumed to increase by 3.45% per year for fiscal year ending 2012 through fiscal year ending 2016 and 4.70% per year for fiscal years ending 2017 and thereafter.

TERMINATION: Withdrawal rates vary by length of service. Illustrative rates are shown below:

	Lives per Thousand	
Age	Less Than 5 Years of Service	Five to Nineteen Years of Service
25	5.0	0.0
30	5.0	4.0
35	8.3	1.0
40	0.0	1.5
45	0.0	2.0
50	0.0	0.0

SEPARATIONS FROM SERVICE: Representative mortality, disability and retirement rates are as follows:

	Annual Rates of*				
	Ordinary Death				
Age	**Male**	**Female**	**Accidental Death**	**Ordinary Disability**	**Accidental Disability**
25	0.4	0.2	0.4	0.6	0.3
30	0.4	0.3	0.5	0.9	0.5
35	0.6	0.5	0.5	2.4	1.9
40	0.9	0.7	0.5	2.5	2.1
45	1.2	1.1	0.6	3.1	2.1
50	1.7	1.7	0.9	5.4	2.2

*Per one thousand lives.

MARRIAGE: Husbands are assumed to be 3 years older than wives. Among the active population, 83.3% of participants are assumed married. No children are assumed. Neither the percentage married nor the number of children assumption is individually explicit but are considered reasonable as a single combined assumption.

VALUATION METHOD: Projected Unit Credit Method. This method essentially funds the System's benefits accrued to the valuation date. Experience gains and losses are recognized in future accrued liability contributions. In accordance with Chapter 78, P.L. 2011, beginning with the July 1, 2010 actuarial valuation, the accrued liability contribution shall be computed so that if the contribution is paid annually in level dollars, it will amortize the unfunded accrued liability over an open 30 year period. Beginning with the

July 1, 2019 actuarial valuation, the accrued liability contribution shall be computed so that if the contribution is paid annually in level dollars it will amortize the unfunded accrued liability over a closed 30 year period (i.e., for each subsequent valuation, the amortization period shall decrease by one year.) Beginning with the July 1, 2029 actuarial valuation, when the remaining amortization period reaches 20 years, any increase or decrease in the unfunded accrued liability as a result of actuarial losses or gains for subsequent valuation years shall serve to increase or decrease, respectively, the amortization period for the unfunded accrued liability, unless an increase in the amortization period will cause it to exceed 20 years. If an increase in the amortization period as a result of actuarial losses for a valuation year would exceed 20 years, the accrued liability contribution shall be computed for the valuation year using a 20 year amortization period.

Chapter 78, P.L. 2011 increased the member contributions from 7.5% to 9.0% of compensation. Based on discussions with the Division of Pension and Benefits, member contributions in excess of 7.5% of compensation shall not reduce the State normal cost contribution.

ASSET VALUATION METHOD: A five-year average of market values with write-up. (This method takes into account appreciation (depreciation) in investments in order to smooth asset values by averaging the excess of the actual over the expected income, on a market value basis, over a five-year period).

DEATHS AFTER RETIREMENT: For healthy inactive members and beneficiaries of deceased members the RP 2000 Combined Healthy Male (set back 3 years) and RP 2000 Combined Healthy Female Mortality tables are used. For disabled members the RP 2000 Combined Healthy Male (set forward 5 years) and RP 2000 Combined Healthy Female Mortality (set forward 5 years) tables are used. There has been no provision made for mortality improvement after the valuation date. Illustrative rates of mortality are shown below:

	Lives per Thousand			
	Retired Members and Beneficiaries of Deceased Members		Disabled Members	
Age	**Males**	**Females**	**Males**	**Females**
55	2.7	2.7	6.8	5.1
60	4.7	5.1	12.7	9.7
65	8.8	9.7	22.2	16.7
70	16.1	16.7	37.8	28.1
75	27.3	28.1	64.4	45.9
80	46.9	45.9	110.8	77.5
85	80.5	77.5	183.4	131.7
90	136.0	131.7	267.5	194.5

RATES OF RETIREMENT: Rates of retirement vary by length of service and age (if more than 24 years of service) with 100% of those remaining at age 55 retiring at age 55. The rates are shown below:

Service	Lives Per 100
20	2.0
21	0.5
22	0.0
23	0.0
24	0.0
25	40.0
Greater than 25 :	
(a) through age 42	5.0
(b) ages 43-47	25.0
(c) ages 48-53	30.0
(d) age 54	55.0

<u>APPENDIX C</u>

TABULATIONS USED AS A BASIS FOR THE 2011 VALUATION

The following tables give a reconciliation of data from July 1, 2010 to June 30, 2011. Tables are also given showing active member number and salaries by age and length of service as of July 1, 2011 and showing the number and retirement allowances of beneficiaries classified by age as of July 1, 2011.

TABLE 1

RECONCILIATION OF DATA FROM JULY 1, 2010 TO JUNE 30, 2011

	Actives		Deferred	Retirees						Domestic Relations Beneficiaries		
	Contrib.	Noncontrib.	Vested	Service	Special	Deferred	Disabled	Beneficiaries	Dependents	Retirees	Disabilities	Total
Members as of July 1, 2010	2,988	42	0	412	1,511	4	231	359	5	109	21	5,682
Changed to Contributing	7	(7)										
Changed to Noncontributing	(6)	6										
Terminated Vested		(2)										(2)
Terminated Non-Vested		(3)										(3)
Service Retirement	(9)			9								
Special Retirement	(158)				158							
New Disabled	(11)	(1)					12					
New Death	(2)			(22)	(14)		(4)	(16)				(58)
Payments Began												
Payments Ceased									(1)	(5)	(4)	(10)
New Actives												
Rehires												
New Beneficiaries								30	3	18	1	52
Data Corrections				1								1
Members as of June 30, 2011	2,809	35	0	400	1,655	4	239	373	7	122	18	5,662

TABLE 2

DISTRIBUTION OF ACTIVE MEMBERS BY AGE AND SERVICE

AGE	SERVICE	1	5	10	15	20	25	30	35	TOTAL
25	Number	30	90	1						**121**
	Salary	2,072,598	6,543,064	71,775						**8,687,437**
30	Number	47	436	79						**562**
	Salary	3,249,758	34,126,562	7,108,038						**44,484,358**
35	Number	10	216	313	17					**556**
	Salary	690,866	17,343,954	29,639,806	1,589,932					**49,264,558**
40	Number		62	174	254	16	3			**509**
	Salary		5,126,880	17,144,271	26,594,380	1,657,663	314,427			**50,837,621**
45	Number			29	123	171	324	3		**650**
	Salary			2,843,622	12,911,153	18,557,140	36,719,747	358,458		**71,390,113**
50 and over	Number			4	16	68	302	54	2	**446**
	Salary			301,508	1,714,980	7,382,212	34,409,370	6,491,762	255,833	**50,555,665**
TOTAL	Number	**87**	**804**	**600**	**410**	**255**	**629**	**57**	**2**	**2,844**
	Salary	**6,013,222**	**63,140,460**	**57,109,020**	**42,810,445**	**27,597,015**	**71,443,544**	**6,850,220**	**255,833**	**275,219,752**

TABLE 3

THE NUMBER AND ANNUAL COMPENSATION OF ACTIVE MEMBERS DISTRIBUTED BY AGE AS OF JUNE 30, 2011

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
25	10	$ 706,994		
26	32	2,264,531	1	$ 71,775
27	43	3,075,562		
28	79	5,842,266	2	148,927
29	81	6,117,545	9	680,921
30	110	8,513,558	5	380,382
31	124	9,867,423	3	234,143
32	124	10,146,898	4	341,074
33	116	9,967,535	4	335,698
34	129	11,112,805	8	663,879
35	97	8,441,043	4	352,428
36	110	9,823,222	8	689,745
37	86	7,884,183	5	477,577
38	84	7,965,718	6	535,729
39	90	8,856,931	4	384,505
40	108	10,596,083	8	787,775
41	106	10,848,992	7	724,979
42	92	9,407,591	2	199,195
43	84	8,739,510	2	199,195
44	97	10,328,166	3	313,357
45	130	14,195,437	3	312,104
46	141	15,724,795	5	582,840
47	158	17,469,478	2	205,120
48	142	16,008,953	4	472,384
49	103	11,562,705	4	505,271
50	79	8,874,586	3	354,204
51	49	5,590,316	1	115,206
52	48	5,442,717		
53	31	3,543,941		
54	53	6,102,501	1	129,352
TOTAL	2,736	$ 265,021,985	108	$ 10,197,767

Of the 2,844 active members included in the June 30, 2011 valuation data, 1,669 are vested and 1,175 have not yet completed the vesting service requirement.

TABLE 4

THE NUMBER AND ANNUAL COMPENSATION OF ACTIVE MEMBERS DISTRIBUTED BY SERVICE AS OF JUNE 30, 2011

YEARS OF SERVICE	MEN		WOMEN	
	NUMBER	AMOUNT	NUMBER	AMOUNT
1				
2	83	$ 5,736,876	1	$ 69,087
3	145	10,388,501	7	502,422
4	64	4,736,147	7	521,245
5	91	6,988,796	5	383,070
6	251	20,119,863	11	886,303
7	168	13,794,930	4	336,273
8	115	10,012,709	11	969,145
9	53	4,669,478	3	256,564
10	281	27,190,501	14	1,346,416
11	33	2,962,818	3	278,722
12	31	2,847,616	1	101,086
13	118	12,042,552	6	588,529
14	102	10,366,799	5	522,497
15	18	1,759,246	1	104,035
16	149	15,772,734	9	993,836
17	102	10,866,452	4	429,814
18	84	8,983,209		
19	8	833,113		
20	6	621,311		
21	10	1,035,021	1	104,035
22	73	7,911,881	2	238,998
23	186	20,311,070	3	354,230
24	253	28,510,597	4	459,439
25	178	20,645,157	4	507,463
26	48	5,677,229		
27	21	2,477,965	1	115,206
28	24	2,829,923		
29	23	2,776,732		
30	9	1,094,036		
31	1	127,160	1	129,352
32	4	456,490		
33	3	364,200		
34	1	110,873		
TOTAL	2,736	$ 265,021,985	108	$ 10,197,767

Of the 2,844 active members included in the June 30, 2011 valuation data, 1,669 are vested and 1,175 have not yet completed the vesting service requirement.

TABLE 5

State Police Retirement System of New Jersey

(Based on the July 1, 2011 Actuarial Valuations)

	Service Retirement		Special Retirement (25 Years of Service)		Ordinary Disability		Accidental Disability		Survivors	
	Average Age At Retirement	Average Annual Benefit At Retirement	Average Age At Retirement	Average Annual Benefit At Retirement	Average Age At Retirement	Average Annual Benefit At Retirement	Average Age At Retirement	Average Annual Benefit At Retirement	Average Age At Retirement *	Average Annual Benefit At Retirement
All Retirees	50.5	$ 26,634	51.4	$ 60,631	41.3	$ 31,650	39.8	$ 48,443	46.8	$ 21,197
New Retirees	55.0	$ 50,775	49.3	$ 78,752	47.2	$ 55,723	41.8	$ 61,423	45.8	$ 23,439

	All Retirements (excluding Survivors)	
	Average Age At Retirement	Average Annual Benefit At Retirement
All Retirees	50.1	$ 52,599

Note: The Average Annual Benefit at Retirement does not reflect COLA's granted after retirement.

** Calculated as of Member's Date of Retirement*

TABLE 6

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED BY AGE AS OF JUNE 30, 2011

SERVICE RETIREMENTS

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
40			1	$ 21,376
41				
42			1	8,841
43				
44	2	$ 113,307	1	10,352
45	3	192,462	2	82,407
46	11	782,911	2	111,925
47	20	1,512,311	4	174,706
48	24	1,832,171	6	230,478
49	37	2,836,841	3	64,187
50	43	3,308,038	10	278,127
51	28	2,146,971	7	301,384
52	60	4,695,385	14	567,879
53	60	4,553,107	10	268,030
54	66	5,139,562	8	395,249
55	72	5,418,292	7	266,568
56	62	4,545,013	11	328,253
57	83	6,187,684	8	380,101
58	51	3,809,777	5	82,526
59	61	4,416,299	2	84,158
60	70	4,720,077	5	78,619
61	50	3,531,795	2	36,575
62	69	4,756,504	6	148,715
63	66	4,110,526	1	18,000
64	88	5,727,179	9	203,648
65	96	5,793,452	8	161,733
66	75	4,409,659	8	145,833
67	68	3,788,638	1	16,049
68	89	4,996,579		
69	82	4,363,509	1	12,000
70	87	4,465,063	3	52,717
71	58	3,006,238		
72	43	2,238,633	3	77,010
73	51	2,493,193	3	64,272
74	29	1,407,631		
75	30	1,330,076	1	2,600

TABLE 6

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED BY AGE AS OF JUNE 30, 2011

SERVICE RETIREMENTS (CONTINUED)

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
76	25	$ 1,189,146		
77	17	841,655	1	$ 25,930
78	16	683,856		
79	28	1,280,062		
80	33	1,421,823		
81	30	1,169,137		
82	23	911,341		
83	35	1,502,313		
84	18	623,594		
85	16	522,865		
86	16	513,951		
87	16	501,325		
88	5	143,761		
89	4	107,067		
90	4	142,450		
91	2	82,915		
92	2	63,507		
93	1	27,160		
94	1	38,138		
96	1	31,919		
TOTAL	2,027	$ 124,426,868	154	$ 4,700,246

TABLE 7

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF BENEFICIARIES DISTRIBUTED BY AGE AS OF JUNE 30, 2011

BENEFICIARIES OF DECEASED PENSIONERS

	MEN		WOMEN	
AGE	NUMBER	AMOUNT	NUMBER	AMOUNT
40				
45			1	$ 45,844
48			1	49,190
49			1	47,558
50				
52			2	101,055
53	1	$ 10,083	1	40,622
54			4	160,548
55			1	61,792
56			1	49,003
57			2	69,348
58			1	36,467
59			2	75,569
60			1	54,000
61			7	322,775
62				
63			7	282,919
64	1	10,114	11	450,678
65			4	154,906
66			7	294,517
67			5	196,716
68			9	310,966
69	1	41,249	11	464,372
70			11	395,024
71			9	318,357
72			4	160,841
73			12	418,011
74			6	196,148
75			6	177,801
76			8	273,540
77			6	181,435
78			10	318,279
79			19	577,961

TABLE 7

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF BENEFICIARIES DISTRIBUTED BY AGE AS OF JUNE 30, 2011

BENEFICIARIES OF DECEASED PENSIONERS (CONTINUED)

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
80			15	$ 417,668
81			15	436,516
82			19	560,170
83			17	451,779
84			12	364,557
85			10	289,198
86			8	209,132
87			8	230,510
88			6	150,869
89			5	141,087
90			5	137,041
91			4	105,525
92			5	107,367
93			5	110,445
94			1	21,787
95			2	46,960
96			2	26,684
97			1	19,646
TOTAL	3	$ 61,446	310	$ 10,113,180

TABLE 8

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF BENEFICIARIES DISTRIBUTED BY AGE AS OF JUNE 30, 2011

BENEFICIARIES OF DECEASED ACTIVE EMPLOYEES

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
19			1	$ 13,155
31			1	57,774
35			1	68,681
36			1	46,125
43			1	42,625
45			1	70,744
46			1	70,744
47			1	37,528
48			2	145,985
49			1	70,744
50			1	52,511
52			1	65,042
53			2	111,709
56			1	40,873
57			1	45,825
59			2	106,869
60			2	83,961
61			1	56,136
62			3	100,827
64			1	36,719
65			1	50,709
66			3	113,416
67			3	115,664
68			3	146,504
69			1	47,701
70			2	80,845
71			2	62,792
72			1	21,930
73			1	22,713
74			1	40,977
76			1	29,343
77			1	36,568
79			2	47,997
81			3	97,162
82			1	22,483
83			1	38,740
84			1	24,167
85			1	32,492
86			1	19,431
87			2	52,197

TABLE 8

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF BENEFICIARIES DISTRIBUTED BY AGE AS OF JUNE 30, 2011

BENEFICIARIES OF DECEASED ACTIVE EMPLOYEES (CONTINUED)

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
90			2	$ 33,182
91			1	20,424
92			1	17,618
95			1	15,963
TOTAL			63	$ 2,515,596

TABLE 9

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF BENEFICIARIES DISTRIBUTED BY AGE AS OF JUNE 30, 2011

CHILDREN OF DECEASED MEMBERS

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
10			1	$ 7,641
11				
12				
13				
14			1	11,889
15			1	7,641
16				
17				
18			1	7,641
19				
TOTAL			4	$ 34,811

TABLE 10

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED BY AGE AS OF JUNE 30, 2011

ORDINARY DISABILITY RETIREMENTS

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
32	1	$ 31,970		
35	1	40,794		
39	1	36,524		
40	1	40,411	1	$ 28,558
42	1	30,516		
43	3	86,761		
44	2	73,568		
45	7	266,554	2	29,299
46	4	112,693		
47	8	293,205	1	36,999
48	4	154,619	3	108,619
49	5	197,800	3	70,994
50	5	187,198	4	77,578
51	1	37,223	1	18,470
52	6	296,501	2	65,213
53	4	178,036	1	8,996
54	2	88,431	1	51,060
55	3	82,643	1	9,600
56	1	56,808		
57	4	205,814	1	26,202
58	2	83,757		
59	3	143,315		
60	2	29,302	1	8,141
61	1	26,314	1	21,804
62	1	50,930		
63	2	28,532		
64	4	132,223	1	32,489
66	3	85,582		
67	3	105,735	1	13,739
68	1	23,812		
69	3	82,438		
70	2	39,258		
71	4	105,167		
72	2	75,202		
73	3	57,235		
74	1	19,279		
86	1	16,253		
TOTAL	102	$ 3,602,402	25	$ 607,761

TABLE 11

THE NUMBER AND ANNUAL RETIREMENT ALLOWANCES OF RETIRED MEMBERS DISTRIBUTED BY AGE AS OF JUNE 30, 2011

ACCIDENTAL DISABILITY RETIREMENTS

	MEN		WOMEN	
AGE	**NUMBER**	**AMOUNT**	**NUMBER**	**AMOUNT**
29	1	$ 48,700	1	$ 50,082
30	1	47,708		
33	2	121,202		
36	1	58,530		
37	2	130,109		
38	3	159,204		
39	3	173,577		
40	5	312,141		
41	1	60,765		
42	1	49,954		
43	5	288,883		
44	6	353,926	2	139,898
45	3	187,835		
46	7	456,463	1	57,061
47	9	541,710	2	12,212
48	7	444,101	1	61,027
49	6	346,885		
50	8	420,866	2	14,763
51	4	264,045	1	40,934
52	2	129,853		
53	2	96,712	1	31,367
54	1	71,460	2	112,359
55	4	206,359		
56	1	63,857		
57	3	177,417		
59	3	140,423	1	9,984
61	3	176,701	1	51,760
64	1	54,648		
65	1	36,295		
66	1	74,305		
67	2	64,995		
68	1	28,218		
69	5	161,207		
70	1	26,679		
71	1	25,249		
72	3	105,278		
73	1	45,334		
74	1	51,232		
80	1	29,049		
86	2	74,908		
TOTAL	115	$ 6,306,781	15	$ 581,447