

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF CUMBERLAND, NORTH CAROLINA

Law Enforcement Officers' Special Separation Allowance
 Required Supplementary Information
 Schedule of Funding Progress

| <u>Calendar Year</u> | <u>Actuarial Value of Assets (a)</u> | <u>Actuarial Accrued Liability (AAL) Projected Unit Credit (b)</u> | <u>Unfunded AAL (UAAL) (b-a)</u> | <u>Funded Ratio (a/b)</u> | <u>Covered Payroll (c)</u> | <u>UAAL as a % of Covered Payroll (b-a/c)</u> |
|----------------------|--|--|--|-----------------------------------|------------------------------------|---|
| 1991 | \$ 440,265 | \$ 614,292 | \$ 174,027 | 71.67% | \$ 5,932,680 | 2.93% |
| 1992 | 484,966 | 664,464 | 179,498 | 72.99% | 6,810,380 | 2.64% |
| 1993 | 534,260 | 607,429 | 73,169 | 87.95% | 5,914,388 | 1.24% |
| 1994 | 551,167 | 711,318 | 160,151 | 77.49% | 5,926,653 | 2.70% |
| 1995 | 531,934 | 736,212 | 204,278 | 72.25% | 6,217,879 | 3.29% |
| 1996 | 657,596 | 772,179 | 114,583 | 85.16% | 6,648,222 | 1.72% |
| 1997 | 768,307 | 828,588 | 60,281 | 92.72% | 7,438,100 | 0.81% |
| 1998 | 814,479 | 971,723 | 157,244 | 83.82% | 9,226,176 | 1.70% |
| 1999 | 766,749 | 1,065,499 | 298,750 | 71.96% | 9,784,928 | 3.05% |
| 2000 | 726,819 | 1,759,985 | 1,033,166 | 41.30% | 10,019,486 | 10.31% |
| 2001 | 708,456 | 1,706,390 | 997,934 | 41.52% | 9,483,327 | 10.52% |

COUNTY OF CUMBERLAND, NORTH CAROLINA

Law Enforcement Officers' Special Separation Allowance
 Required Supplementary Information
 Schedule of Employer Contributions

| Year Ended June 30, | Annual Required Contribution | Percentage Contributed |
|------------------------|---------------------------------|---------------------------|
| 1994 | \$ 67,633 | 271.22% |
| 1995 | 75,595 | 176.51% |
| 1996 | 57,961 | 43.13% |
| 1997 | 68,157 | 110.04% |
| 1998 | 74,615 | 33.51% |
| 1999 | 75,775 | 127.93% |
| 2000 | 107,263 | 25.20% |
| 2001 | 129,441 | 33.01% |
| 2002 | 208,451 | 7.83% |

Notes to Required Schedules

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

| | |
|-------------------------------|-----------------------------|
| Valuation date | 12/31/2001 |
| Actuarial cost method | Projected unit credit |
| Amortization method | Level percent of pay closed |
| Remaining amortization period | 29 years |
| Asset valuation method | Market value |
| Actuarial assumption | |
| Investment rate of return* | 7.25% |
| Projected salary increase | 5.9 to 9.8% |
| * Includes inflation at | 3.75% |
| Cost-of-living adjustments | N/A |

COUNTY OF CUMBERLAND, NORTH CAROLINA

Health System Pension Plan
 Required Supplementary Information
 Schedule of Funding Progress

| <u>Calendar Year</u> | <u>Actuarial Value of Assets (a)</u> | <u>Actuarial Accrued Liability (AAL) Attained Age Normal (b)</u> | <u>Unfunded AAL (UAAL) (b-a)</u> | <u>Funded Ratio (a/b)</u> | <u>Covered Payroll (c)</u> | <u>UAAL as a % of Covered Payroll (b-a/c)</u> |
|----------------------|--|--|--|-----------------------------------|------------------------------------|---|
| 1995 | \$ 16,411,828 | \$ 21,193,749 | \$ 4,781,921 | 77.4% | \$ 30,484,292 | 15.7% |
| 1996 | 19,320,639 | 23,922,126 | 4,601,487 | 80.8% | 33,489,766 | 13.7% |
| 1997 | 22,198,755 | 27,005,312 | 4,806,557 | 82.2% | 36,381,250 | 13.2% |
| 1998 | 27,756,425 | 30,076,448 | 2,320,023 | 92.3% | 40,375,156 | 5.7% |
| 1999 | 32,097,572 | 33,813,081 | 1,715,509 | 94.9% | 46,093,234 | 3.7% |
| 2000 | 34,940,516 | 38,669,757 | 3,729,241 | 90.4% | 56,920,009 | 6.6% |
| 2001 | 39,946,895 | 45,789,991 | 5,843,096 | 87.2% | 66,039,819 | 8.8% |

COUNTY OF CUMBERLAND, NORTH CAROLINA

Health System Pension Plan
 Required Supplementary Information
 Schedule of Employer Contributions

| Year Ended September 30, | Annual Required Contribution | Percentage Contributed |
|-----------------------------|---------------------------------|---------------------------|
| 1999 | \$ 3,036,775 | 100.00% |
| 2000 | 3,367,819 | 100.00% |
| 2001 | 4,528,000 | 100.00% |

Notes to Required Schedules

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

| | |
|-------------------------------|---|
| Valuation date | 01/01/2001 |
| Actuarial cost method | Attained Age Normal Method |
| Amortization method | Level dollar open |
| Remaining amortization period | 10 years |
| Asset valuation method | Insurance company contracts are valued at contract value, and all other assets are valued at market value |
| Actuarial assumption | |
| Investment rate of return* | 8.00% |
| Projected salary increase | 5.50% |
| * Includes inflation at | None |
| Cost-of-living adjustments | None |

COUNTY OF CUMBERLAND, NORTH CAROLINA
Financial Statements and Schedules

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