

Funding Status and Progress:

The fiscal year 1993 pension benefit obligation was determined as a part of an actuarial valuation as of June 30, 1993. Significant actuarial assumptions used include (a) a rate of return on the investment of present and future assets of 7.5% per year compounded annually, (b) projected salary increases of 5.75% per year compounded annually, and (c) postretirement benefit increases of 3% of the original benefit amount effective August 1, 1991.

As of June 30, 1993, the unfunded pension benefit obligation (i.e. pension obligation less net assets available for benefits) of the Plan was as follows (amounts expressed in thousands):

Pension benefit obligation:	
Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$30,731
Current employees:	
Employer—financed vested	45,943
Employer—financed non-vested	18,358
Total pension benefit obligation	95,032
Net assets available for benefits, at cost (market value is \$13,447)	12,884
Unfunded pension benefit obligation	\$82,148

Contribution required and contribution made:

The Administration's retirement contributions are appropriated annually, based upon actuarial valuation. In this regard, the Plan has engaged an independent firm of consulting actuaries to prepare annual actuarial valuations and perform various actuarial consulting services. Effective January 1, 1990, in accordance with the law governing the Plan, all benefits of the Plan are funded in advance. The entry age normal cost method is the actuarial cost method used to determine the employer's normal and accrued liability contribution rates and the unfunded actuarial accrued liability.

Employer contributions to the Plan totalling \$8,467,000 (9.7% of covered payroll) for fiscal year 1993 were made in accordance with actuarially determined contribution requirements based on an actuarial valuation performed as of June 30, 1992. This amount consisted of \$1,652,000 normal cost and \$6,815,000 amortization of the unfunded actuarial accrued liability (1.9% and 7.8%, respectively, of covered payroll).

The liquidation period for the unfunded actuarial accrued liabilities (as provided by law) is 27 years from June 30, 1993. Significant actuarial assumptions used to compute contribution requirements are the same as those used to compute the pension benefit obligation.

The computation of the pension contribution requirements for fiscal year 1993 was based on the same actuarial assumptions, benefit provisions, actuarial funding method, and other significant factors used to determine pension contribution requirements in the previous year.

Four-year historical trend information for the Plan (amounts expressed in thousands):

Fiscal Year	(1) Net Assets Available for Benefits at Cost	(2) Pension Benefit Obligation	(3) Percentage Funded (1)÷(2)	(4) Unfunded Pension Benefit Obligation (2)-(1)	(5) Annual Covered Payroll	(6) Unfunded Pension Benefit Obligation as a Percentage of Covered Payroll (4)÷(5)	(7) Employer Contributions	(8) Employer Contributions as a Percentage of Annual Covered Payroll (7)÷(5)
1990	\$ 1,611	\$74,745	2.2%	\$73,134	\$75,554	96.8%	\$5,408	7.2%
1991	5,792	87,586	6.6	81,794	77,451	105.6	7,677	9.9
1992	8,481	92,718	9.1	84,237	80,700	104.4	7,327	9.1
1993	12,884	95,032	13.6	82,148	87,134	94.3	8,467	9.7

Trend information for the Plan prior to fiscal year 1990 is unavailable.