

REQUIRED SUPPLEMENTAL FINANCIAL DATA

This section contains additional information required by accounting principles generally accepted in the United States of America.

Schedule of Funding Progress for the Law Enforcement Officers' Special Separation Allowance.

Notes to the Required Schedules for the Law Enforcement Officer's Special Separation Allowance.

Harnett County, North Carolina
Law Enforcement Officers' Special Separation Allowance
Required Supplementary Information
Schedule of Funding Progress

| Actuarial Valuation Date | Actuarial Value of Assets (a) | Actuarial Accrued Liability (AAL) Projected Unit Credit (b) | Unfunded AAL (UAAL) (b-a) | Funded Ratio (a/b) | Covered Payroll (c) | UAAL as a % of Covered Payroll [(b-a)/c] |
|--------------------------------|--|---|------------------------------------|--------------------------|---------------------------|--|
| 12/31/1995 | - | \$ 174,961 | \$ 174,961 | 0.00% | \$ 1,303,115 | 13.43% |
| 12/31/1996 | - | 198,681 | 198,681 | 0.00% | 1,462,583 | 13.58% |
| 12/31/1997 | - | 241,544 | 241,544 | 0.00% | 1,673,753 | 14.43% |
| 12/31/1998 | - | 307,221 | 307,221 | 0.00% | 1,704,550 | 18.02% |
| 12/31/1999 | - | 327,553 | 327,553 | 0.00% | 1,857,807 | 17.63% |
| 12/31/2000 | - | 532,199 | 532,199 | 0.00% | 1,992,686 | 26.71% |
| 12/31/2001 | - | 715,687 | 715,687 | 0.00% | 2,128,568 | 33.62% |

Notes to the Required Schedules:

The information presented in the required supplementary schedules was determined as a 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 dollar closed |
| Remaining amortization period | 29 |
| Assets valuation method | Market value |
| Actuarial assumptions: | |
| Investment rate of return* | 7.25% |
| Projected salary increase** | 5.9% - 9.8% |

*Includes inflation at 3.75%

**Cost of living adjustments - N/A