

**LOUISIANA STATE EMPLOYEES'  
RETIREMENT SYSTEM**

**JUNE 30, 2014**

**ACTUARIAL VALUATION**

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September 26, 2014

Board of Trustees  
Louisiana State Employees' Retirement System  
Post Office Box 44213  
Baton Rouge, Louisiana 70804-4213

Ladies and Gentlemen:

This report presents the results of the actuarial valuation of assets and liabilities, as well as funding requirements, for the Louisiana State Employees' Retirement System as of June 30, 2014. The format of this report was designed with the intent of highlighting the pertinent results of the valuation and funding requirements.

In preparing this valuation, we have relied upon the information provided regarding plan provisions, plan membership, plan assets and other matters as detailed in the exhibits of this report. In particular, we have relied upon the statement of assets as audited by Duplantier, Hrapmann, Hogan & Mahers, LLP, Certified Public Accountants. We did not audit the data or plan assets but reviewed for reasonableness and consistency with prior year data. Our review concluded that the data is reasonable and consistent with the prior year's data.

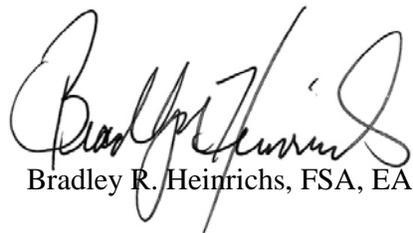
The present values shown herein have been calculated on the basis of the actuarial cost methods as specified in Louisiana Revised Statutes Title 11 Section 22(6). All actuarial assumptions and methods have been approved by the Board of Trustees and are appropriate for the purposes of this valuation, unless otherwise stated herein. However, the use of another set of assumptions and methods could also be reasonable and could produce materially different results. Actual results may vary from assumptions used to prepare the valuation.

Exhibits 3A and 3B contain disclosures of the accrued liabilities required by the Governmental Accounting Standards Board Statements 25, 27 and 67. This report has been prepared in accordance with actuarial standards of practice, and to the best of our knowledge, fairly reflects the actuarial present value of accrued benefits of the Louisiana State Employees' Retirement System.

Shelley is an Associate in the Society of Actuaries and Brad is a Fellow in the Society of Actuaries. Shelley and Brad are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein.

Respectfully submitted,

FOSTER & FOSTER INC.

  
Shelley R. Johnson, ASA, MAAA  
Bradley R. Heinrichs, FSA, EA, MAAA

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**SUMMARY OF VALUATION RESULTS**

A brief summary of the more important figures developed in this valuation, with comparable results from previous valuations are as follows:

	<b>June 30, 2014</b>	<b>----- Prior Years -----</b>	
		<b>June 30, 2013</b>	<b>June 30, 2012</b>
I. Membership Census			
1) Retirees	46,940	45,425	42,722
2) Actives	40,321	44,111	52,352
3) DROP	1,838	2,092	2,577
4) Terminated Vested	4,558	4,162	2,222
II. Annual Benefits	\$1,074,358,980	\$1,076,245,404	\$908,116,716
III. Total Payroll	1,813,759,357	1,951,987,750	2,341,703,286
IV. Valuation Assets	10,606,474,675	9,740,877,677	9,026,415,878
V. Experience Account	117,093,356	195,623,963	0
VI. Investment Yield			
Market Value (Total Assets)	17.55%	11.81%	-0.10%
Market Value (Excl. Self Directed, ORP)	18.19%	12.19%	-0.20%
Actuarial Value	13.45%	14.05%	5.20%
DROP	12.95%	13.55%	4.70%
VII. Total Normal Cost <sup>1</sup>	208,898,813	282,121,445	343,529,375
Total Normal Cost (% of Payroll) <sup>1</sup>	11.52%	14.45%	14.67%
Employer Normal Cost (% of Payroll)	3.56%	6.54%	6.10%
VIII. Unfunded Actuarial Accrued Liability	7,271,270,270	6,441,316,964	7,131,481,688
IX. Funded Percentage	59.3%	60.2%	55.9%
X. Funding Requirements (Mid-year payment)			
1) Employee Contribution	146,448,588	156,872,780	189,875,026
Employee Contribution Rate	7.953%	7.915%	7.870%
2) Employer Contribution	693,094,712	713,215,614	737,555,253
Aggregate Rate (Current Year) <sup>2</sup>	37.6%	36.0%	30.6%
3) Projected Employer Contribution	697,562,314	760,458,132	784,963,346
Proj. Aggregate Composite Rate (Next Year) <sup>2</sup>	37.0%	37.4%	31.7%

The above funding requirements measure the cost of benefits that were in effect on June 30, 2014, and Acts of the 2014 Regular Legislative Session.

<sup>1</sup> Excludes projected administrative expenses beginning June 30, 2013. This is a reporting change, not a funding change.

<sup>2</sup> Aggregate employer rate for all plans, net of special sub-plan appropriations.

**Projected Contribution Rates by Plan:**

The aggregate funding requirements for the Plan are shown in Exhibit 1. Act 1026 of the 2010 Legislative Session requires the employer contribution rate to be determined separately for each of the plans shown in the table below. The normal cost portion of each plan's employer contribution rate varies based upon that plan's benefits, member demographics, and the rate contributed by employees. The shared UAL contribution rate is determined in aggregate for all plans. The UAL established due to a specific plan or group of plans due to legislation will be allocated entirely to that plan or those plans. The Rank and File Employer Contribution Rate is applicable to Appellate Law Clerks, as determined by PRSAC, and was developed by including Appellate Law Clerk normal costs and payroll. The variation in normal cost by plan reflects differences in benefits, actuarial assumptions, and member demographics based on the entry age normal cost method. The change in actuarial cost methods from projected unit credit to entry age normal is expected to result in more stable funding requirements as member demographics change, particularly for plans recently created by Act 992 and plans closed to new entrants.

Projected Cost for Fiscal Year 2015/2016							
Plan	Plan Status on July 1, 2015	Normal Cost (excl Admin) % (A)	Employee NC % (B)	Employer NC % (A)-(B)	Shared UAL %	Plan Specific UAL %	Total Employer Contribution %
Rank & File - Traditional DB	Open	11.4%	7.7%	3.7%	33.4%	0.062%	<b>37.2%</b>
Judges and Court Officers	Closed	16.2%	11.5%	4.7%	33.4%	0.0%	<b>38.1%</b>
Legislators	Closed	17.8%	11.5%	6.3%	33.4%	0.0%	<b>39.7%</b>
Corrections - Primary	Closed	8.2%	9.0%	-0.8%	33.4%	0.0%	<b>32.6%</b>
Corrections - Secondary	Closed	9.1%	9.0%	0.1%	33.4%	0.0%	<b>33.5%</b>
Wildlife	Closed	22.7%	9.5%	13.2%	33.4%	0.0%	<b>46.6%</b>
Peace Officers	Closed	10.9%	9.0%	1.9%	33.4%	0.0%	<b>35.3%</b>
Alcohol Tobacco Control	Closed	8.9%	9.0%	-0.1%	33.4%	0.0%	<b>33.3%</b>
Bridge Police	Closed	10.8%	8.4%	2.4%	33.4%	0.0%	<b>35.8%</b>
Judges (Act 992)	Open	18.9%	13.0%	5.9%	33.4%	0.0%	<b>39.3%</b>
Hazardous Duty (Act 992)	Open	13.5%	9.5%	4.0%	33.4%	0.151%	<b>37.6%</b>
Aggregate LASERS Plans		11.5%	8.0%	3.6%	33.4%	0.1%	<b>37.0%</b>

**Funding Requirements Specific to Individual Sub-Plans**

**Rank & File** – Act 262 of 2008 increased the disability accrual rate for members hired on or after July 1, 2006. The cost is amortized over 10 years with level payments. Act 992 of 2010 changed the retirement eligibility for members hired on or after July 1, 2006. The increase in UAL is amortized over 30 years with level payments. Both payments are allocated only to employers of rank and file members.

**Hazardous Duty Plan** - Act 992 of 2010 changed the normal form of benefit for prior members joining the hazardous duty plan prospectively. The increase in UAL is funded with level payments over a period of 10 years. This payment is allocated only to employers of members of the Hazardous Duty Plan.

**Alcohol Tobacco Control** - Act 740 of 2008 modified the eligibility requirements for enforcement personnel of the Alcohol Tobacco Control office. The resulting increase in UAL is funded with annual payments over a period of 10 years from the Department of Revenue Alcohol and Tobacco Control Officers Fund.

**Peace Officers** - Act 414 of 2007 increased the accrual rate for certain Peace Officers. The resulting increase in UAL is funded with annual payments over a period of 30 years from the Department of Public Safety Peace Officers Fund.

**Adult Probation and Parole** - Act 852 of 2014 increased the accrual rate for certain members employed as Probation and Parole Officers in the office of adult services of the Department of Public Safety and Corrections prior to 2002. The resulting increase in normal costs and UAL payments, which will be funded over 10 years, are funded by appropriations from the Adult Probation and Parole Officer Retirement Fund (APPOR Fund). The first payment will be \$1 million and will be paid on March 30, 2015 to fund the normal cost, with any remaining balance applied to the UAL created by the Act. Beginning April 1, 2016 and annually thereafter, funds will be allocated to fund the increase in normal cost and UAL created by the bill according to the amount established in the actuarial valuation for the prior fiscal year. Not less than quarterly, any balance of the APPOR Fund exceeding \$50,000, shall be transferred to LASERS and held in a separate account to be used as follows: 1) to fund the next fiscal year's UAL payment or normal cost payment, if funds are sufficient to make such payment, or 2) to make an additional payment toward the UAL created by this Act.

Normal Cost, mid-year	\$55,421
Interest adjusted to March 30, 2015	\$56,465
Credit to be received from APPOR Fund, March 30, 2015	-\$1,000,000
Balance to apply to UAL	-\$943,535
Increase in UAL, as of July 1, 2014	\$5,278,527
Interest adjusted to March 30, 2015	\$5,582,461
Credit to be received from APPOR Fund, March 30, 2015	-\$943,535
UAL Balance March 30, 2015	\$4,638,926
Interest adjusted to July 1, 2015	\$4,726,305

### **Changes in UAL and Funding Requirements**

The basic elements of the annual required contribution are the normal cost and amortization of the unfunded accrued liability (UAL). The normal cost is the present value cost of benefits allocated to the current year. The normal cost is divided into the employee portion and the employer portion, both expressed as a percentage of payroll. Statutes provide for the amortization of the UAL plus subsequent changes in benefits, methods and gain/loss experience.

Changes in the required contribution are generally the result of gains or losses resulting from actual experience differing from expected plan experience, expected changes in the UAL payment due to statutory requirements, and changes in actuarial assumptions or methods. Changes in the employer contribution rate are impacted by both the change in the total dollar required contribution and by the total aggregate payroll for active members.

The decrease in contribution requirements is due mainly to significant investment experience gains relative to the assumed rate and an experience gain relative to all other actuarial assumptions. These gains largely offset the increased contribution requirements resulting from the decrease in discount rate, change in other actuarial assumptions, and change in cost method.

The current actuarial valuation discloses an increase in the value of the plan's unfunded accrued liability (UAL), due mainly to the change in the discount rate and other assumptions and the change in cost method. The increase in UAL was partially offset by investment experience gains and an experience gain from other actuarial assumptions.

The change in the projected employer contribution rate and unfunded accrued liability is detailed in the tables below. The total of the items contributing to the contribution rate change may not exactly equal the actual contribution rate change due to rounding and since the items impacting the rate are not additive and may overlap.

**Aggregate Contribution Rate Change from FY 14/15 to FY 15/16**

Normal Cost	
Demographic Change	-0.15%
Assumption/Cost Method Change	-2.70%
UAL Payment	
Investment Experience Gain	-5.34%
Other Experience Gain	-0.27%
Experience Account Allocation	0.02%
Statutory UAL Payment Increase	1.03%
Contribution Variance Payment Change	-0.77%
Assumption Change	2.58%
Cost Method Change	2.76%
Payroll Change	2.41%
<b>Total</b>	<b>-0.43%</b>
Actual Contribution Rate Change	-0.40%

**Change in Unfunded Actuarial Accrued Liability**

Unfunded Liability - June 30, 2013		\$ 6,441,316,964
Interest on Unfunded Liability	\$ 515,305,357	
Employer Amortization Payment	(606,937,911)	
Act 55 Appropriation	(2,465,608)	
Employer Shortfall Deficit	100,910,314	
Net Investment Experience Gain <sup>1</sup>	(472,809,676)	
Other Experience Gain	(61,187,556)	
Experience Account Allocation	4,590,124	
Permanent Benefit Increase	109,427,066	
Experience Account Disbursement	(109,427,066)	
Act 852 Benefit Increase <sup>2</sup>	5,278,524	
Change in Assumptions	725,253,130	
Change in Cost Method	622,016,608	
<b>Total Change</b>		<b>829,953,306</b>
Unfunded Liability - June 30, 2014		\$ 7,271,270,270

<sup>1</sup> Net of excess investment earnings credited to DROP accounts

<sup>2</sup> Act 852 increased benefits for certain members previously employed by the Office of Adult Probation and Parole

The aggregate employer contribution rate established by the Public Retirement Systems' Actuarial Committee for the 2014/15 plan year was 37.4%. The restated employer contribution rate determined by this valuation for the 2014/15 plan year is 37.6%. Therefore, an employer contribution deficit of 0.3% of payroll is expected next year.

### **Legislative/Plan Changes**

Act 102 of 2014 provides for a 1.5% permanent benefit increase, calculated on the first \$96,931 of a recipient's benefit for eligible members, effective July 1, 2014. All retirees must have been retired by June 30, 2013 to be eligible. Regular retirees must be at least age 60. There is no age requirement for disability retirees. Non-retiree beneficiaries are eligible if the retiree would have attained age 60 by June 30, 2014.

Act 226 of 2014 establishes new retirement eligibility requirements for members whose first employment making them eligible for membership in one of the state systems occurred on or after July 1, 2015. These member are eligible for a regular retirement benefit at age 62 with five years of service credit. These members may also retire with an actuarial reduction with 20 years of service credit at any age.

Act 399 of 2014 provides for substantial changes to the amortization of current UAL schedules and new schedules resulting from future investment experience gains, credits to the experience account and limits to future PBIs. Currently, the first \$100 million of investment experience gains, referred to in this report as "threshold allocation" is used to reduce the OAB and EAAB UAL schedules before any funds are allocated to the Experience Account or used to establish a new UAL credit 30 year amortization schedule. For the June 30, 2014 valuation only, the "threshold allocation" will be reduced to the first \$50 million and any additional gains not allocated to the Experience Account will be amortized with level payments over a 5 year period. For all future valuations until the system is 85% funded, the OAB and EAAB will not be re-amortized after application of the "threshold allocation" or overpayment of contributions. Beginning June 30, 2015, the maximum threshold amounts will increase each year by the percentage increase in the actuarial value of assets. Beginning June 30, 2019, gains allocated to the experience account will be amortized as a loss with level payments over 10 years, rather than current practice of reducing the investment gain that is amortized over 30 years. Once the system attains an 85% funded ratio, all future gains and losses will be amortized over 20 years. The Act extends the application of and provides for the determination of the "threshold allocations" after the OAB and EAAB are paid off. Future credits to the Experience account and future benefit increase percentages will be limited based on the funded ratio of the system, as described in Exhibit 5. Future benefit increases will apply only to the first \$60,000 (indexed to the CPI-U) of a retiree's benefit. Increases can be granted at most every other year until the system is 85% funded.

Act 571 of 2014 changes the actuarial cost method from projected unit credit to entry age normal, effective when the Public Retirement Systems Actuarial Committee first approves a valuation using this method.

Act 648 of 2014 provides for the transfer of the members, assets, and liabilities of the Harbor Police Retirement System into LASERS, effective July 1, 2015. A cooperative endeavor agreement, subject to PRSAC approval, will establish the terms of the transfer. Effective July 1, 2014, new hires of the Harbor Police Department of the Port of New Orleans will be enrolled in the Hazardous Duty Plan. Existing retirees and active members of the HPRS will be transferred to LASERS, effective July 1, 2015, and retain current benefits. The employer contribution rate established for members of the Harbor Police subplan will not include any payment for LASERS shared UAL existing on July 1, 2015 until the earlier of July 1, 2022 or the date that all sums owed, as established by the cooperative endeavor agreement, have been paid to LASERS. Members of the Harbor Police subplan that have not participated in DROP may apply to transfer to the Hazardous Duty Plan.

Act 852 of 2014 improves benefits for certain probation and parole officers who were employed by the office of adult services of the Department of Public Safety and Corrections on or before December 31, 2001. Eligible members who did not upgrade their primary component service will receive a maximum retirement benefit using a 3.0% accrual rate rather than 2.5% for service earned prior to joining the secondary component. Eligible members who did not join the secondary component will receive a maximum retirement benefit using a 3.0% accrual rate rather than 2.5% for service earned prior to July 1, 2014. The accrual rate will increase to 3.33% for service earned after July 1, 2014. For those members who have entered DROP prior to July 1, 2014, post-DROP supplemental benefits will be earned at the accrual rates described above. The resulting increase in accrued liability and normal cost will be paid by funds in the Adult Probation and Parole Officer Retirement Fund. The first payment in the amount of \$1 million will be paid on March 30, 2015. Beginning April 1, 2016 and annually thereafter, funds will be allocated to LASERS to fund the increased UAL and normal cost created by the bill according to the amount established in the actuarial valuation.

Act 55 of 2014, Section 1, appropriates a percentage of nonrecurring revenue in accordance with the Constitution Article VII, Section 10(D)(2)(b)(ii) and requires the funds to be used to reduce the IUAL. The funds will be used to reduce the Original Amortization Base.

### **Actuarial Assets/Valuation Assets**

Because the market value of assets can be volatile from one year to the next, an asset valuation method is generally used to adjust the market value of assets to smooth the effects of short-term volatility. The adjusted asset value is called the actuarial value of assets. The method gradually recognizes gains/losses relative to the assumed rate over five years.

The gross actuarial value of assets represent the total assets to fund all liabilities of the pension plan as well as side-fund accounts dedicated for other purposes. The valuation assets exclude the side-fund accounts for purposes of determining the employer contribution rate as illustrated in Exhibit 2.

The side-fund accounts excluded from valuation assets are as follows:

**Employer Credit Account:** This fund accumulates the excess of the minimum employer contribution rate established by Act 588 of 2004 over the rate determined by the required employer contribution, as restated in the current valuation. The account continues to have a zero balance.

**Experience Account:** The account is used to fund permanent benefit increases for retirees. Fifty percent of any excess return above \$100,000,000 (indexed to positive changes in the actuarial value of assets, beginning June 30, 2015) will be credited to the Experience Account, subject to the restrictions provided in Act 399 of 2014, as described in Exhibit 5 of this report. Based on the current funded ratio, the account balance is currently restricted to the reserve of one 1.5% permanent benefit increase, which results in a maximum balance of \$117,093,356. This maximum balance restricted the current allocation of excess investment earnings to \$4,590,124.

### **Plan Experience**

The actuary is charged with recommending actuarial assumptions based on the best estimate of future plan experience to properly fund benefits. These assumptions, which are adopted by the Board of Trustees, are detailed in Exhibit 6 of the valuation report. The results of the actuarial valuation are dependent on the actuarial assumptions used. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that

anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions or applicable law. If the actual experience differs from the projected plan measurements, an experience gain or loss occurs. This gain or loss is amortized over a 30 year period with level dollar payments.

### **Investment Experience**

For the plan year ending June 30, 2014, the realized actuarial rate of return based upon the actuarial value of assets, of 13.45% exceeded the assumed rate of 8.00%. The result is an investment experience gain of \$472,809,676 relative to projected investment income, net of the interest to be credited to DROP accounts.

Per Act 399, for the June 30, 2014 valuation only, if the actuarial return exceeds the assumed rate, the first \$25,000,000 of investment gains will be used to reduce the OAB, without reamortization. The next \$25,000,000 of investment gains will be used to reduce the EAAB, without reamortization. The next \$50 million will be amortized as a investment gain, but over a five year period. Any remaining gain will be divided 50/50. The first 50% of the remaining gain will be credited to the Experience Account up to the cap. Any funds existing after the cap plus the second 50% will be amortized over 5 years as an investment gain.

The historical geometric average rates of return on the actuarial value of assets, net of investment expenses, for plan years ending June 30 are as follows:

	Actuarial Rate of Return		Geometric Average
2010	2.21%	5 Year	7.97%
2011	5.45%	10 Year	7.80%
2012	5.20%	20 Year	7.49%
2013	14.05%	25 Year	7.89%
2014	13.45%	30 Year	8.34%

### **Demographic and Salary Experience**

Demographic assumptions include rates of retirement/DROP, rates at which members become disabled, turnover rates, mortality rates, and several other demographic assumptions. Salary assumptions anticipate future salary increases. During the 2013/14 plan year, the system incurred a \$61,187,556 experience gain from plan experience differing from that anticipated by the demographic and salary assumptions. The experience gain includes a reduction for administrative expenses, as described below.

### **Change in Actuarial Assumptions:**

In addition to experience gains or losses, changes in actuarial assumptions or methods can also impact contribution rates. A five year experience study was completed in January 2014 based on LASERS' experience through June 30, 2013. All demographic assumptions and salary assumptions wer reviewed relative to recent plan experience. As a result of this study, changes to the actuarial assumptions were recommended to the Board of Trustees and adopted. The Board of Trustees recently adopted a change in discount rate from 8.00% to 7.75%. All changes are described in Exhibit 6 of this report. The combined effect of all assumption changes increased the actuarial accred liability by \$725,253,130, which impacts the UAL by the same amount and will be amortized with 30 year level dollar payments.

**Change in Actuarial Cost Method:**

The change in cost method from projected unit credit to entry age normal shifted costs from future normal costs to actuarial accrued liability. The resulting increase in actuarial accrued liability of \$622,016,608 will be amortized with 30 year level dollar payments. The change resulted in an offsetting decrease in the aggregate present value of future normal costs.

**Funding of Administrative and Investment Expenses**

The employer contribution rate is determined in accordance with R.S. 11 Section 102, which by omission of language regarding the funding of administrative expenses precludes funding of these expenses by a direct allocation through the employer contribution rate. These expenses are instead funded through the employer rate with the 30 year amortization of the experience loss. Exhibit 6 provides further explanation regarding the impact of administrative expenses on plan assumptions/experience.

Investment manager fees are treated as a direct offset to investment income.

**Funding of Future Post Retirement Benefit Increases:**

The liability for previously granted benefit increases is included in the retiree reserve. Louisiana law pertaining to LASERS retiree benefit increases provides for the funding of future increases by requiring the automatic transfer of a portion of excess investment earning to the Experience Account. The law does not provide for automatic benefit increases. Many conditions must be met before an increase can be granted, as described in the Post Retirement Increases section of the Summary of Plan Provisions in Exhibit 5 of this report. The legislature and governor have the ultimate authority as to whether or not a future increase will be granted. Since a portion of investment earnings will be used to fund these benefits, which are not accrued benefits of the plan, the accrued benefits are discounted using a net discount rate. The net discount rate is determined as the gross expected long-term return less investment expenses and the expected return used to provide for future retiree benefit increases. The expected return used to determine the value of gain-sharing reflects LASERS' specific gain sharing provisions: 50% of investment gains, determined using the actuarial value of assets, above the statutory threshold of \$100 million, indexed to increases in the actuarial value of assets. Transfers to the Experience Account are limited based upon the maximum account balance of this fund, which has been significantly decreased by Act 399 of 2014. While the liabilities in this report do not explicitly include liabilities for future retiree benefit increases (not yet granted), the assumptions recognize that investment earnings will be diverted to fund benefits other than plan accrued benefits. Therefore, employer contributions include the value of LASERS provisions for future retiree benefit increases. This disclosure is provided in accordance with Actuarial Standards of Practice No. 4.

**Future Funding as a Percentage of Payroll**

The employer pays a percentage of the normal cost, plus a dollar amount sufficient to amortize the unfunded liability as a percentage of payroll. Per constitutional provisions, the employer contribution rate cannot drop below 12%, without regard to employer credits, and without a corresponding adjustment to the employee contribution rate. Per statutory provisions, the employer contribution rate cannot drop below 15.5%.

Future payments to amortize the Original Amortization Base (which includes the Initial Unfunded Accrued Liability) and Experience Account Amortization Base will increase as shown in the following table, as required by Act 497 of 2010. All other schedules will have level payments.

Fiscal Year	Original Amortization Base	Experience Account Amortization Base
2014/2015 – 2015/2016	5.5%	5.5%
2016/2017 – 2017/2018	5.0%	5.0%
2018/2019 +	2.0%	Level Payments

If aggregate payroll increases at the same rate as the increase in amortization payments, this would allow the employer contribution rate attributable to the amortization payments to maintain a level percentage of payroll. During the last 5 years the aggregate salaries from all sources has decreased annually. If this trend continues, the percentage of pay required to amortize the unfunded liability can be expected to continue to increase in the absence of offsetting experience gains.

**EXHIBIT 1**  
**DEVELOPMENT OF**  
**COSTS, LIABILITIES AND CONTRIBUTIONS**

June 30, 2014 normal costs and accrued liabilities are calculated in accordance with the entry age normal actuarial cost method. June 30, 2013 normal costs and accrued liabilities are calculated in accordance with the projected unit credit actuarial cost method. Both years costs were determined using the actuarial assumptions outlined in Exhibit 6 based on the Provisions of the Plan as summarized in Exhibit 5.

	<u>June 30, 2014</u>		<u>---- Prior Year ----</u> <u>June 30, 2013</u>	
	Dollar Amount	% of Salary	Dollar Amount	% of Salary
<b>I. Normal Costs</b>				
(to fund annual pension accruals)				
Active Members with Complete Data				
a) Retirement Benefits	142,045,642	7.83%	222,650,233	11.41%
b) Disability Benefits	4,587,265	0.25%	5,608,138	0.29%
c) Survivor Benefits	4,935,670	0.27%	5,901,387	0.30%
d) Voluntary Termination	57,330,236	3.16%	47,961,687	2.46%
TOTAL	<u>208,898,813</u>	<u>11.52%</u>	<u>282,121,445</u>	<u>14.45%</u>
<b>II. Actuarial Accrued Liability</b>				
a) Active Members				
1) Retirement Benefits	4,667,624,566		3,583,505,921	
2) Disability Benefits	66,074,407		74,591,294	
3) Survivor Benefits	66,565,953		73,463,663	
4) Voluntary Termination	4,922,258		469,360,271	
	<u>4,805,187,184</u>		<u>4,200,921,149</u>	
b) Retired and Inactive Members				
1) Regular Retirees	9,308,194,758		8,356,666,502	
2) Disability Benefits	287,953,540		281,953,712	
3) Survivors	701,858,171		646,869,392	
4) Vested Deferred	416,326,481		307,667,605	
5) Contributions Refunded	88,783,592		95,799,704	
6) DROP Deferred Benefits	1,281,242,533		1,348,248,971	
7) DROP Account Balances	981,748,480		938,035,164	
8) ORP Account Balances	6,450,206		6,032,442	
	<u>13,072,557,761</u>		<u>11,981,273,492</u>	
c) Total	17,877,744,945		16,182,194,641	

**Exhibit 1 (Continued)**  
**Costs, Liabilities & Contributions**

	<b>June 30, 2014</b>	<b>---- Prior Year ---- June 30, 2013</b>
II. Actuarial Accrued Liability	17,877,744,945	16,182,194,641
III. Valuation Assets	10,606,474,675	9,740,877,677
IV. Unfunded Actuarial Accrued Liability <sup>1</sup>	7,271,270,270	6,441,316,964
a) Change over prior year	829,953,306	(690,164,724)
b) Funded Percentage	59.3%	60.2%
V. Employer Contributions		
To Fund Current Plan Year <sup>1</sup>		
a) Employer Portion of Normal Cost	65,633,183	129,581,744
b) Amortization Payments	532,001,313	514,538,268
c) Prior Contribution Variance Amort. Pmt	96,827,836	69,488,010
TOTAL Required Contribution	<u>694,462,332</u>	<u>713,608,022</u>
Less Act 852 direct Normal Cost payment	55,421	-
Less direct UAL payments <sup>2</sup>	1,312,199	392,408
NET contribution required	<u>693,094,712</u>	<u>713,215,614</u>
	37.6%	36.0%
PERSAC Approved rate <sup>3</sup>	37.4%	31.7%
Projected Aggregate Employer Normal Cost Rate	3.5612%	6.5376%
Projected Rank and File Employer Normal Cost Rate	3.7451%	6.1428%
VI. Projected Employer Contributions		
To Fund Next Plan Year <sup>1</sup>		
a) Employer Portion of Normal Cost	67,158,874	132,773,370
b) Amortization Payments	551,843,084	533,892,910
c) Prior Contribution Variance Amort. Pmt	79,718,291	94,184,260
TOTAL Required Contribution	<u>698,720,249</u>	<u>760,850,540</u>
Less Act 852 direct Normal Cost payment	50,518	-
Less direct UAL payments <sup>2</sup>	1,107,417	392,408
NET contribution required	<u>697,562,314</u>	<u>760,458,132</u>
	37.0%	37.4%
VII. Current Payroll	1,813,759,357	1,951,987,750
Projected Payroll - Mid Year	1,841,425,720	1,981,968,160
Projected Payroll - Next Year	1,884,404,842	2,030,784,463

<sup>1</sup> Dollar Amounts reflect estimated payments due mid-year on January 1st per Act 81.

<sup>2</sup> Direct UAL payments for Act 414, 35, 740, and 852

<sup>3</sup> Constitutional Minimum is 12% without regard to Employer Credits.

**EXHIBIT 2**

**FINANCIAL SUMMARY  
STATEMENT OF REVENUES AND EXPENSES  
FOR FISCAL YEAR ENDING**

	<u>June 30, 2014</u>	<u>----- Prior Years <sup>1</sup> ----- June 30, 2013</u>	<u>June 30, 2012</u>
<b><u>OPERATING REVENUES:</u></b>			
1. Contribution Income			
Member	\$ 152,993,052	\$ 173,357,802	\$ 192,795,057
Employer	612,224,076	648,450,038	636,621,556
ORP	474,338	579,670	664,364
2. Other Income			
Legislative Appropriations	2,465,608	0	0
Transfers/Purchases	16,656,246	25,885,296	26,963,750
Miscellaneous	4,154,433	7,921,598	5,477,508
<b>TOTAL CONTRIBUTIONS</b>	<b>788,967,753</b>	<b>856,194,404</b>	<b>862,522,235</b>
3. Investment Income			
Investments	1,844,550,284	1,164,780,598	47,231,594
Less Investment Expenses	(74,028,903)	(58,285,725)	(56,842,062)
<b>NET INVESTMENT INCOME</b>	<b>1,770,521,381</b>	<b>1,106,494,873</b>	<b>(9,610,468)</b>
4. Total Revenues	2,559,489,134	1,962,689,277	852,911,767
<b><u>OPERATING EXPENSES:</u></b>			1,040,634,066
1. General Administration	14,810,539	15,907,599	15,500,163
Other Post Employment Benefits	1,103,488	982,754	999,650
Depreciation Expenses	1,724,101	2,041,894	1,941,249
2. Benefits Paid			
Pension Benefits	1,167,477,166	1,070,410,859	978,971,262
Return of Contributions	77,118,765	61,522,162	43,221,742
<b>TOTAL BENEFITS PAID</b>	<b>1,244,595,931</b>	<b>1,131,933,021</b>	<b>1,022,193,004</b>
3. Total Expenses	\$ 1,262,234,059	\$ 1,150,865,268	\$ 1,040,634,066
<b><u>NET INCOME:</u></b>	<b>\$ 1,297,255,075</b>	<b>\$ 811,824,009</b>	<b>\$ (187,722,299)</b>

<sup>1</sup> The audited Net Income for prior years includes a reclassification in Investment Expenses of investment administrative expenses of \$1,747,008 for 2013 and \$1,684,462 for 2012. These expenses were reported in General Administration expenses in prior years. For purposes of the valuation, the reclassification was considered immaterial and is not included in Investment Expenses for 2013 and 2012.

**EXHIBIT 2 (Continued)**  
**Financial Summary**

**FINANCIAL SUMMARY**  
**STATEMENT OF ASSETS**  
**FOR FISCAL YEAR ENDING**

ASSETS (Market Value)	----Prior Years---		
	June 30, 2014	June 30, 2013	June 30, 2012
1. Short-Term Assets			
Cash/Cash Equivalencies	\$ 77,729,832	\$ 62,005,498	\$ 76,484,826
Short-Term Investments	335,913,441	310,972,110	240,781,998
2. Bonds			
Domestic Issues	1,255,247,855	1,340,180,058	1,344,720,844
International Issues	323,150,997	313,875,045	451,373,593
3. Equities			
Domestic Stock	2,958,498,467	2,929,817,566	2,538,708,299
International Stock	3,361,787,006	2,430,091,727	2,112,485,553
4. Other Assets			
Fixed Assets	5,127,676	6,373,829	8,106,259
Real Estate & Alternative Assets	3,271,799,216	2,904,008,123	2,611,544,725
5. Receivables(-)Payables	38,325,176	38,344,357	141,076,794
6. Securities Lending Assets - Liabilities	(2,726,240)	(8,069,962)	(9,508,549)
<b>TOTAL ASSETS - Market Value</b>	<b>11,624,853,426</b>	<b>10,327,598,351</b>	<b>9,515,774,342</b>
Cost Value	9,199,432,394	8,984,583,245	8,791,278,752

**ACTUARIAL VALUE OF ASSETS**

The market value of assets is adjusted to gradually recognize investment gains and losses relative to the net assumed investment return, over a 5 year period in 20% increments. The adjusted asset value is subject to Corridor Limits of 80% to 120% of the Market Value of Assets.

Plan Year	Asset G/L	Deferred %	Deferred \$
2011	\$ 1,187,600,194	20%	\$ 237,520,039
2012	(802,801,828)	40%	(321,120,731)
2013	357,019,760	60%	214,211,856
2014	963,342,789	80%	770,674,231
			\$ 901,285,395
Market Value of Assets			\$ 11,624,853,426
Deferred Asset Gain/Loss			901,285,395
Preliminary Actuarial Value of Assets			\$ 10,723,568,031
<b>CORRIDOR LIMITS</b>			
Minimum = 80% of Market Value			\$ 9,299,882,741
Maximum = 120% of Market Value			13,949,824,111
Actuarial Value of Assets			\$ 10,723,568,031

**EXHIBIT 2 (Continued)**  
**Financial Summary**

**FINANCIAL SUMMARY  
STATEMENT OF ASSETS  
FOR FISCAL YEAR ENDING**

	---- Prior Years ----		
	<u>June 30, 2014</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
<b><u>EMPLOYER CREDIT ACCOUNT</u><sup>1</sup>:</b>			
Prior Year Ending Balance	\$ -	\$ -	\$ -
+ Current Year Allocation	-	-	-
- Current Year Disbursements	-	-	-
+ Accumulated Interest	-	-	-
Total Fund Balance - Year End	-	-	-
<b><u>INITIAL UAL AMORTIZATION FUND:</u></b>			
Prior Year Ending Balance	\$ -	\$ -	\$ -
+ Current Year Allocation	-	-	-
- Current Year Disbursements	-	-	-
+ Accumulated Interest	-	-	-
Total Fund Balance - Year End	-	-	-
<b><u>EXPERIENCE ACCOUNT FUND:</u></b>			
Prior Year Ending Balance	\$ 195,623,963	\$ -	\$ -
+ Experience Account Allocation	4,590,124	195,623,963	-
- Benefit Disbursements	(109,427,066)	-	-
+ Accumulated Interest	26,306,335	-	-
Fund Balance - Year End	117,093,356	195,623,963	-
<b><u>DEVELOPMENT OF VALUATION ASSETS:</u></b>			
Actuarial Value of Assets	\$10,723,568,031	\$ 9,936,501,640	\$ 9,026,415,878
- Employer Credit Account	-	-	-
- Initial UAL Fund	-	-	-
- Experience Account Fund	117,093,356	195,623,963	-
Valuation Assets	10,606,474,675	9,740,877,677	9,026,415,878

<sup>1</sup> The Employer Credit Account was created by ACT 588 of 2004.

**EXHIBIT 3A****GASB STATEMENTS NO. 25 and 27 FINANCIAL REPORTING**

The Governmental Accounting Standards Board Statement No. 25 establishes financial reporting standards for defined benefit pension plans for all state and local governmental entities. Statement No. 27 establishes financial reporting standards for employers regarding these plans. The required actuarial disclosures are illustrated below. Liabilities were developed using the Projected Unit Credit cost method for all years prior to 2014 and using the Entry Age Normal Cost Method for 2014.

**SCHEDULE OF FUNDING PROGRESS**

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets <sup>1</sup> (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) <sup>1</sup> (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Payroll ((b-a)/c)
2005	6,673,500	10,847,062	4,173,562	61.5%	2,100,043	198.7%
2006	7,430,784	11,548,680	4,117,896	64.3%	1,979,705	208.0%
2007	8,345,495	12,421,907	4,076,412	67.2%	2,175,367	187.4%
2008	9,167,170	13,562,214	4,395,044	67.6%	2,436,956	180.3%
2009	8,499,662	13,986,847	5,487,185	60.8%	2,562,576	214.1%
2010	8,512,403	14,764,015	6,251,612	57.7%	2,546,457	245.5%
2011	8,763,101	15,221,055	6,457,954	57.6%	2,408,840	268.1%
2012	9,026,416	16,157,898	7,131,482	55.9%	2,341,703	304.5%
2013	9,740,878	16,182,195	6,441,317	60.2%	1,951,988	330.0%
2014	10,606,475	17,877,745	7,271,270	59.3%	1,813,759	400.9%

The total actuarial accrued liability, determined using the Entry Age Normal cost method, increased by \$1,695,550,304 from June 30, 2013, to June 30, 2014. The change includes an increase in UAL of \$725,253,130 due to changes in plan assumptions, an increase of \$622,016,608 due to a change in cost method, a decrease of \$472,809,676 due to an investment experience gain and a decrease of \$61,187,556 due to an experience gain from sources other than investments. A portion of the increase in assets due to investment earnings was allocated to the Experience Account rather than to reduce the unfunded actuarial accrued liability. See page 4 for a complete allocation of the change in UAAL.

<sup>1</sup> UAAL differs from the UFAL for funding purposes when the IUAL Account or Employer Credit Account hold fund balances. UFAL for funding purposes excludes the IUAL Account and the Employer Credit Account.

**EXHIBIT 3A (Continued)**  
**Pension Accounting & Financial Disclosure**

**SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year	Actuarial Required Contribution (ARC)	Percentage of ARC Contributed	Annual Pension Cost (APC)	Actual Contribution	Interest Adjusted Actual Contribution	Percentage of APC Contributed	Net Pension Obligation
2005	411,727,561	99.2%	404,460,067	392,409,258	408,275,385	100.9%	31,552,169
2006	423,502,813	93.1%	415,185,175	378,792,624	394,108,196	94.9%	52,629,148
2007	434,796,738	97.0%	420,366,617	405,504,096	421,899,682	100.4%	51,096,083
2008	456,741,202	115.4%	440,894,520	506,484,759	526,963,256	119.5%	-34,972,651
2009	492,402,961	102.8%	491,379,499	486,590,324	506,264,437	103.0%	-49,857,589
2010	585,268,922	87.2%	590,821,448	490,701,310	510,541,641	86.4%	30,422,218
2011	678,123,319	85.5%	672,329,839	557,563,381	580,107,119	86.3%	122,644,938
2012	713,971,279	92.9%	698,486,059	637,285,920	663,053,048	94.9%	158,077,949
2013	752,809,646	89.6%	730,519,840	649,029,708	674,491,458	92.3%	214,106,330
2014	737,645,184	86.3%	682,559,633	612,698,414	636,734,870	93.3%	259,931,093

The Actuarial Required Contribution and the Annual Pension Cost are interest adjusted at the valuation rate to the end of the fiscal year. Calculations are in accordance with GASB's Statement No 27, paragraph 21. The difference between the Actuarial Required Contribution and the Annual Pension Cost is the amortization payment for the Net Pension Obligation. (See Exhibit A.)

Employers pay 100% of the required contribution based on a projected ARC and a projected percentage of pay, which is determined following statutory requirements. The percentage of ARC contributed provides a general indication of the funding progress for the liabilities of the LASERS. Since the actual amount paid is based upon a contribution rate, which is projected one year beyond the rate for which the actual ARC is determined, the resulting contribution variance between the ARC and the amount paid based on the required employer rate can be either a credit or deficit. If it is a deficit, the deficit is amortized with level dollar payments over a five year period and paid through future employer contributions. If it is a surplus, the surplus is used to reduce and reamortize the existing UAL schedules.

**DEVELOPMENT OF NET PENSION OBLIGATION:**

(1) Actuarial Required Contribution	737,645,184
(2) Interest on Net Pension Obligation	17,128,505
(3) Amortization of Net Pension Obligation	<u>72,214,058</u>
(4) Annual Pension Cost (1)+(2)-(3)	682,559,631
(5) Employer Contribution	636,734,870
(6) Increase (decrease) in Net Pension Obligation	45,824,761
(7) Net Pension Obligation Beginning of Year	214,106,330
(8) Net Pension Obligation End of Year (6)+(7)	259,931,091

**EXHIBIT 3A (Continued)**  
**Pension Accounting & Financial Disclosure**

**STATISTICAL DATA**

**COMPARATIVE SUMMARY OF REVENUES BY SOURCE  
AND EXPENSES BY TYPE**

<b>Revenues by Source</b>				
Fiscal Year	Members Contribution	Employer Contribution <sup>1</sup>	Investment Income <sup>4</sup>	Total
2005	169,143,849	429,233,725	650,345,828	1,248,723,402
2006	165,509,666	457,965,781	833,207,981	1,456,683,428
2007	167,957,870	428,614,645	1,472,840,599	2,069,413,114
2008	192,412,444	542,186,406	-357,912,195	376,686,655
2009	203,050,933	500,503,088	-1,739,762,198	-1,036,208,177
2010	205,328,033	503,391,304	1,139,301,483 <sup>3</sup>	1,848,020,820
2011	197,825,267	572,255,877	1,854,312,621	2,624,393,765 <sup>3</sup>
2012	192,795,057	669,727,178	-9,610,468	852,911,767
2013	173,357,802	682,836,602	1,106,494,873	1,962,689,277
2014	152,993,052	635,974,701	1,770,521,381	2,559,489,134

<b>Expenses by Type</b>				
Fiscal Year	Benefits	Refunds	Administrative Expenses <sup>2,4</sup>	Total
2005	581,665,143	30,357,552	18,634,313	630,657,008
2006	620,367,483	37,821,549	16,041,572	674,230,604
2007	673,617,033	38,030,600	15,125,457	726,773,090
2008	718,303,319	32,149,383	19,493,731	769,946,433
2009	771,408,255	30,314,007	19,623,966	821,346,228
2010	829,236,652	35,676,509	18,897,997	883,811,158
2011	915,840,721	41,553,896	18,181,272	975,575,889
2012	978,971,262	43,221,742	18,441,062	1,040,634,066
2013	1,070,410,859	61,522,162	18,932,247	1,150,865,268
2014	1,167,477,166	77,118,765	17,638,128	1,262,234,059

<sup>1</sup> Includes transfers and purchases and the annual employer contribution, and any legislative appropriations.

<sup>2</sup> Includes other expenses, not related to the administration of daily operation. Beginning in 2008, includes the net OPEB obligation.

<sup>3</sup> Amounts shown reflect values used in the 2010 actuarial valuation, rather than the restated 2010 Statement of Assets.

<sup>4</sup> Investment Income and Administrative Expenses do not tie to LASERS financial statements for 2005-2013 because Investment Administrative Expenses were transferred from Administrative Expenses to Investment Income per instructions from GASB.

**EXHIBIT 3B****GASB STATEMENT NO. 67 FINANCIAL REPORTING**

The Governmental Accounting Standards Board Statement No. 67, which will replace Statement 25, establishes financial reporting standards for state and local governmental pension plans that are administered through trusts or equivalent arrangements. The required actuarial disclosures are illustrated below. The Plan Fiduciary Net Position is the Market Value of Assets used for the funding valuation. The Total Pension Liability was developed using the Entry Age Normal cost method.

**SCHEDULE OF EMPLOYERS' NET PENSION LIABILITY**

	<u>June 30, 2014</u>	<u>June 30, 2013</u>
Total Pension Liability	\$ 17,877,744,945	\$ 17,612,223,257
Plan Fiduciary Net Position	\$ 11,624,853,426	\$ 10,327,598,351
<u>Net Pension Liability</u>	<u>\$ 6,252,891,519</u>	<u>\$ 7,284,624,906</u>
Plan Fiduciary Net Position as a percentage of Total Pension Liability	65.0%	58.6%
Covered Employee Payroll	\$ 1,813,759,357	\$ 1,951,987,750
Net Pension Liability as percentage of Covered Employee Payroll	344.7%	373.2%

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year	Actuarially Determined Contribution <sup>1</sup>	Contributions in Relation to Actuarially Determined Contribution <sup>1</sup>	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2005	395,727,277	392,409,258	3,318,019	2,100,043,094	18.7%
2006	407,044,927	411,907,909	(4,862,982)	1,979,705,391	20.8%
2007	417,899,955	417,059,370	840,585	2,175,366,607	19.2%
2008	438,991,628	506,484,759	(67,493,131)	2,436,955,566	20.8%
2009	473,267,523	487,353,901	(14,086,378)	2,562,575,942	19.0%
2010	562,524,589	491,237,641	71,286,948	2,546,456,790	19.3%
2011	651,770,540	558,183,107	93,587,433	2,408,839,604	23.2%
2012	687,019,184	637,285,920	49,733,264	2,341,703,286	27.2%
2013	724,391,420	649,029,708	75,361,712	1,951,987,750	33.2%
2014	709,799,409	612,698,414	97,100,995	1,813,759,357	33.8%

<sup>1</sup> Contributions shown are not interest adjusted. Actual contributions tie to financial statements.

**EXHIBIT 3B (Continued)**  
**Pension Accounting & Financial Disclosure**

**SCHEDULE OF CHANGES IN EMPLOYERS' NET PENSION LIABILITY**

	<u>2014</u>
<b>Total Pension Liability</b>	
Service Cost	228,140,255
Interest	1,334,400,080
Changes of Benefit Terms	114,705,590
Differences Between Expected and Actual Experience	(167,128,306)
Changes of Assumptions	-
Retirement Benefits	(1,167,477,166)
Refunds and Transfers of Member Contributions	(77,118,765)
<b>Net Change in Total Pension Liability</b>	<u>265,521,688</u>
<b>Total Pension Liability - Beginning</b>	17,612,223,257
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 17,877,744,945</u>
<b>Plan Fiduciary Net Position</b>	
Employer Contributions	615,164,022
Employee Contributions	152,993,052
Net Investment Income	1,770,521,381
Other Income	20,810,679
Retirement Benefits	(1,167,477,166)
Refunds and Transfers of Member Contributions	(77,118,765)
Administrative Expense	(14,810,539)
Other Postemployment Benefit Expenses	(1,103,488)
Depreciation and Amortization Expenses	(1,724,101)
<b>Net Change in Plan Fiduciary Net Position</b>	<u>1,297,255,075</u>
<b>Plan Fiduciary Net Position - Beginning</b>	10,327,598,351
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 11,624,853,426</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	<u>\$ 6,252,891,519</u>
<b>Plan Fiduciary Net Position as a the Total Pension Liability</b>	<b>Percentage of 65.0%</b>
<b>Covered Employee Payroll</b>	<b>\$ 1,813,759,357</b>
<b>Net Pension Liability as a Covered Employee Payroll</b>	<b>Percentage of 344.7%</b>

**EXHIBIT 3B (Continued)**  
**Pension Accounting & Financial Disclosure**

**Actuarial Assumptions:**

All assumptions used for purposes of GASB Statement 67 reporting requirements are described in Exhibit 6, except for administrative expenses and the discount rate. Administrative expenses will be directly reflected in the employer pension expense in the year incurred in the Statement 67 reporting. Please see below for a description of the discount rate used for GASB Statement 67 reporting.

**Discount Rate:**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 3.0 percent and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rates of return are 8.78 percent for 2014 and 8.67 percent for 2013. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2014 and 2013 are summarized in the following table:

**Expected Long Term Real Rates of Return**

<u>Asset Class</u>	<u>2014</u>	<u>2013</u>
Cash	0.50%	-0.25%
Domestic Equity	4.69%	4.95%
International Equity	5.83%	5.86%
Domestic Fixed Income	2.34%	1.65%
International Fixed Income	4.00%	3.00%
Alternative Investments	8.09%	7.98%
Global Asset Allocation	3.42%	2.31%
Total Fund	5.78%	5.67%

The discount rate used to measure the total pension liability was 7.75 percent.

The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

	1% Decrease	Current Discount Rate	1% Increase
	6.75%	7.75%	8.75%
2013 Employers' Net Pension Liability	\$9,060,540,966	\$7,284,624,906	\$5,779,347,023
2014 Employers' Net Pension Liability	\$8,019,840,047	\$6,252,891,519	\$4,755,150,938

**EXHIBIT 4**  
**CENSUS DATA**

LASERS provides the data for individual members of the system as of the valuation date. The validity of the results of any actuarial valuation is dependent upon the accuracy of the data base. Our review of submitted data is limited to validation of reasonableness and consistency in several areas, such as age, service, salary, and current benefits. In order to minimize coverage errors (i.e., missing or duplicated individual records) the records are checked for duplicates, and a comparison of the current year's records to those submitted in prior years is made. Records identified as containing suspicious data were assumed to possess the same characteristics of "good data" in the same cohort. Suspicious data are not necessarily errors, but data which fall outside the parameters of the editing process for further checking. The assigned values are based on information from similar records or based on historical averages for similarly situated members. Notwithstanding our efforts to review both census and financial data for apparent errors, we must rely upon the system's administrative staff and accountants to provide accurate information.

The data contained in this valuation is summarized on the following pages with exceptions noted below. The profile depicted in the cellular graphs represents "error-free data," which serves as the basis for determining costs and liabilities. Active members are allocated to cells based upon attained age and years of service. Retirees and survivors are allocated to cells based upon attained age and years elapsed since retirement or commencement of benefits.

Salary data contained in the profiles and valuation report exceed the amount reported by internal audit due to salary annualization. In the valuation process, membership data with fractional service in the first year of employment annualizes the salary.

Disability retirees who have reached normal retirement eligibility requirements are considered regular retirees by LASERS but are classified as disability retirees for purposes of the actuarial valuation. Liabilities are calculated accordingly.

**ACTIVE MEMBERS BY PLAN**

	<b>2014</b>	<b>2013</b>	<b>2012</b>
Rank and File, Appellate Law Clerks	33,397	37,114	44,733
Legislators	12	12	12
Judges, Prior to 2011	273	298	308
Judges, Post 2011	30	22	12
Wildlife	180	190	204
Corrections Primary	306	375	460
Corrections Secondary	2,314	2,574	3,106
Peace Officers	67	79	84
Alcohol Tobacco Control	16	19	28
Bridge Police	7	7	11
Hazardous Duty Plan	1,969	1,596	1,258
Post DROP	1,750	1,825	2,136
<b>Total Active Members</b>	<b>40,321</b>	<b>44,111</b>	<b>52,352</b>

**EXHIBIT 4 (Continued)**  
**Census Data**

**TOTAL MEMBERS**

	<b>2014</b>	<b>2013</b>	<b>2012</b>
Active Members	40,321	44,111	52,352
DROP Participants	1,838	2,092	2,577
Regular Retirees	38,675	37,145	34,513
Disability Retirees	2,506	2,554	2,544
Survivors	5,759	5,726	5,665
Terminated Vested & Reciprocal	4,558	4,162	2,222
<b>Subtotal</b>	<b>93,657</b>	<b>95,790</b>	<b>99,873</b>
Terminated, Due Refund	52,042	52,385	50,590
<b>Total Members</b>	<b>145,699</b>	<b>148,175</b>	<b>150,463</b>

**MEMBER RECONCILIATION**

	<b>Active Pre-DROP</b>	<b>Active after DROP</b>	<b>Terminated Vested</b>	<b>In DROP</b>	<b>Retired, Disabled, Survivors</b>	<b>Total</b>
<b>June 30, 2013</b>	42,286	1,825	4,162	2,092	45,425	95,790
<b>Additions to Census</b>						
Initial Membership	4,552		97			4,649
Data Revisions				1	49	50
<b>Change in Status</b>						0
Active to Terminated Vested	(1,597)		1,597			0
Active to In DROP	(630)			630		0
Active to Retired	(1,507)				1,507	0
Disabled to Active	1				(1)	0
Terminated Vested to Active	235		(235)			0
Terminated Vested to Retiree			(216)		216	0
In DROP to Active after DROP		355		(355)		0
In DROP to Retiree				(535)	535	0
Active After DROP to Retiree		(446)			446	0
Data Revisions	(7)	20	(8)	8	(13)	0
<b>Eliminated from Census</b>						
Refunded	(3,052)		(724)			(3,776)
Terminated, Due Refund	(1,637)					(1,637)
Deceased	(41)		(13)	(3)	(1,170)	(1,227)
Data Revisions	(32)	(4)	(102)		(54)	(192)
<b>June 30, 2014</b>	<b>38,571</b>	<b>1,750</b>	<b>4,558</b>	<b>1,838</b>	<b>46,940</b>	<b>93,657</b>

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
REGULAR MEMBERS BEFORE 7/06

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[ 20 - 24):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[ 25 - 29):	2	4	61	19	0	0	0	0	0	86
:	28655	88598	1981852	668323	0	0	0	0	0	2767428
[ 30 - 34):	0	23	471	441	31	1	0	0	0	967
:	0	663173	20477960	18490653	1326586	62572	0	0	0	41020944
[ 35 - 39):	3	25	440	1069	387	19	0	0	0	1943
:	44125	631777	18859297	50405103	17683825	1030983	0	0	0	88655110
[ 40 - 44):	5	26	338	921	949	360	14	0	0	2613
:	119369	1015661	14463716	44529899	48764854	19047730	991699	0	0	128932928
[ 45 - 49):	5	19	317	803	967	1022	386	8	0	3527
:	155880	594677	12434846	36916189	49040156	57063959	21799412	468275	0	178473394
[ 50 - 54):	2	16	358	840	881	1033	804	133	9	4076
:	44270	607656	15259844	36347330	40554080	55583382	47793092	7858866	467667	204516187
[ 55 - 59):	1	15	326	821	830	884	194	110	50	3231
:	70255	555509	14321578	34521864	39257405	46608826	11907618	7574872	2931559	157749486
[ 60 - 64):	0	5	181	324	329	213	105	76	51	1284
:	0	173581	8020851	14937019	16209972	12384995	6518766	5560690	4369539	68175413
[ 65 - 69):	0	3	56	130	153	106	49	28	21	546
:	0	133340	2470339	5898313	7394361	5936444	2904415	1699264	1499090	27935566
[ 70 - 74):	0	1	15	34	31	43	25	7	8	164
:	0	38010	715989	1570157	1607300	2363755	1301311	361787	487041	8445350
Total :	18	137	2563	5402	4558	3681	1577	362	139	18437
Total :	462555	4501982	109006272	244284850	221838539	200082646	93216313	23523754	9754896	906671807

AVERAGES --- Attained Age 49.65  
Service Years 16.90  
Active Salary 49,177

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
REGULAR MEMBERS AFTER 7/06

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	67	10	0	0	0	0	0	0	0	77
:	1125249	207604	0	0	0	0	0	0	0	1332853
[ 20 - 24):	538	422	12	0	0	0	0	0	0	972
:	11768913	10733866	304333	0	0	0	0	0	0	22807112
[ 25 - 29):	744	1385	410	1	0	0	0	0	0	2540
:	19564779	46136878	14331728	71742	0	0	0	0	0	80105127
[ 30 - 34):	559	1182	1068	2	0	0	0	0	0	2811
:	16474017	43880608	44568214	86202	0	0	0	0	0	105009041
[ 35 - 39):	378	817	797	7	3	0	0	0	0	2002
:	11260805	31626357	34059089	344258	104131	0	0	0	0	77394640
[ 40 - 44):	316	703	667	12	2	1	0	0	0	1701
:	9438052	27747782	29367357	668993	132138	48057	0	0	0	67402379
[ 45 - 49):	292	618	596	4	1	4	0	0	0	1515
:	8659863	23899368	24794452	215769	38335	186084	0	0	0	57793871
[ 50 - 54):	229	566	610	8	3	3	0	1	0	1420
:	6658493	21929704	24728237	465167	167914	244756	0	56160	0	54250431
[ 55 - 59):	130	410	561	9	4	4	1	1	0	1120
:	4727583	15816024	22627726	652607	147300	231618	51527	65000	0	44319385
[ 60 - 64):	46	162	285	3	1	1	0	0	0	498
:	1769035	6950152	12771135	195924	63150	78478	0	0	0	21827874
[ 65 - 69):	14	38	61	3	1	0	0	0	0	117
:	437976	2054635	2988669	181995	188649	0	0	0	0	5851924
[ 70 - 74):	7	8	12	0	0	0	0	0	0	27
:	317409	289290	606076	0	0	0	0	0	0	1212775
Total :	3320	6321	5079	49	15	13	1	2	0	14800
Total :	92202176	231272268	211147016	2882657	841617	788993	51527	121160	0	539307414

AVERAGES --- Attained Age 39.44  
Service Years 3.56  
Active Salary 36,440

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
APPELLATE LAW CLERKS

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	2	0	0	0	0	0	0	0	2
[25 - 29):	0	105581	0	0	0	0	0	0	0	105581
[30 - 34):	0	6	3	0	0	0	0	0	0	9
[30 - 34):	0	289988	176432	0	0	0	0	0	0	466420
[35 - 39):	0	0	13	6	1	0	0	0	0	20
[35 - 39):	0	0	807903	382709	62854	0	0	0	0	1253466
[40 - 44):	0	1	7	8	6	0	0	0	0	22
[40 - 44):	0	58797	442529	522284	419971	0	0	0	0	1443581
[45 - 49):	0	1	5	9	10	8	1	0	0	34
[45 - 49):	0	67288	344861	632123	821621	616942	79002	0	0	2561837
[50 - 54):	0	1	4	8	6	6	9	1	0	35
[50 - 54):	0	62826	295981	626543	420758	495347	832404	106802	0	2840661
[55 - 59):	0	0	3	9	4	3	2	5	0	26
[55 - 59):	0	0	186360	657659	311642	246917	177176	486861	0	2066615
[60 - 64):	0	0	1	1	1	1	1	3	0	8
[60 - 64):	0	0	61885	66731	76982	85047	94057	270919	0	655621
[65 - 69):	0	0	1	1	1	0	1	0	0	4
[65 - 69):	0	0	70394	63856	73403	0	90817	0	0	298470
[70 - 74):	0	0	0	0	0	0	0	0	0	0
[70 - 74):	0	0	0	0	0	0	0	0	0	0
Total :	0	11	37	42	29	18	14	9	0	160
Total :	0	584480	2386345	2951905	2187231	1444253	1273456	864582	0	11692252

AVERAGES --- Attained Age 48.35  
Service Years 15.03  
Active Salary 73,077

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
PARTICIPATING LEGISLATORS

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	0	0	0	0	0	0	0	0	0
[30 - 34):	0	0	0	0	0	0	0	0	0	0
[35 - 39):	0	0	0	0	0	0	0	0	0	0
[40 - 44):	0	0	1	0	0	0	0	0	0	1
[45 - 49):	0	0	0	0	0	1	0	0	0	1
[50 - 54):	0	0	0	0	0	1	0	0	0	1
[55 - 59):	0	0	0	0	0	1	0	0	0	1
[60 - 64):	0	0	0	0	0	1	2	1	0	4
[65 - 69):	0	0	0	2	0	0	0	1	0	3
[70 - 74):	0	0	0	0	0	0	1	0	0	1
Total :	0	0	1	2	0	4	3	2	0	12
Total :	0	0	130000	122327	0	300136	201687	265591	0	1019741

AVERAGES --- Attained Age 60.52  
Service Years 22.54  
Active Salary 84,978

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
ACTIVE JUDGES Pre 2011

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[ 20 - 24):	0	0	0	0	0	0	0	0	0	0
[ 25 - 29):	0	0	0	0	0	0	0	0	0	0
[ 30 - 34):	0	1	0	0	0	0	0	0	0	1
[ 35 - 39):	0	2	0	0	0	0	0	0	0	2
[ 40 - 44):	0	4	10	1	0	0	0	0	0	15
[ 45 - 49):	0	3	8	12	5	1	0	0	0	29
[ 50 - 54):	0	0	22	13	17	5	1	0	0	58
[ 55 - 59):	0	2	12	15	22	8	4	1	0	64
[ 60 - 64):	0	0	4	8	16	17	3	1	0	49
[ 65 - 69):	0	0	6	8	10	8	4	2	3	41
[ 70 - 74):	0	0	2	1	5	3	1	1	1	14
Total :	0	12	64	58	75	42	13	5	4	273
Total :	0	1388878	8721364	7934980	10553912	5759295	1805001	727683	566600	37457713

AVERAGES --- Attained Age 57.44  
Service Years 14.97  
Active Salary 137,208

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
ACTIVE JUDGES Post 2011

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	0	0	0	0	0	0	0	0	0
[30 - 34):	0	0	0	0	0	0	0	0	0	0
[35 - 39):	0	1	0	0	0	0	0	0	0	1
[40 - 44):	4	4	0	0	0	0	0	0	0	8
[45 - 49):	2	5	0	0	0	0	0	0	0	7
[50 - 54):	2	4	0	0	0	0	0	0	0	6
[55 - 59):	0	5	0	0	0	0	0	0	0	5
[60 - 64):	0	3	0	0	0	0	0	0	0	3
[65 - 69):	0	0	0	0	0	0	0	0	0	0
[70 - 74):	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>8</b>	<b>22</b>	<b>0</b>	<b>30</b>						
<b>Total</b>	<b>932198</b>	<b>3162984</b>	<b>0</b>	<b>4095182</b>						

AVERAGES --- Attained Age 50.04  
Service Years 1.75  
Active Salary 136,506

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
ACTIVE HAZARDOUS DUTY

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	43	7	0	0	0	0	0	0	0	50
:	865812	191843	0	0	0	0	0	0	0	1057655
[20 - 24):	225	146	0	0	0	0	0	0	0	371
:	5688265	4137222	0	0	0	0	0	0	0	9825487
[25 - 29):	165	215	6	0	0	0	0	0	0	386
:	4380843	6552010	218228	0	0	0	0	0	0	11151081
[30 - 34):	97	144	33	15	1	0	0	0	0	290
:	2834770	4766780	1256035	678828	61366	0	0	0	0	9597779
[35 - 39):	67	90	20	22	12	0	0	0	0	211
:	1892814	2961095	826191	1033813	658435	0	0	0	0	7372348
[40 - 44):	62	93	25	21	23	8	0	0	0	232
:	1755194	3258751	1022453	971919	1081585	463164	0	0	0	8553066
[45 - 49):	39	81	17	14	20	16	1	0	0	188
:	1055934	2801764	718200	638902	945034	1004576	99545	0	0	7263955
[50 - 54):	39	53	14	13	10	8	1	0	0	138
:	1224326	1911054	577938	583308	470794	426710	53541	0	0	5247671
[55 - 59):	14	33	6	11	4	6	1	0	0	75
:	407921	1294390	300487	525235	181453	301135	67740	0	0	3078361
[60 - 64):	5	14	2	2	0	0	0	0	0	23
:	194724	488823	74561	77952	0	0	0	0	0	836060
[65 - 69):	0	3	1	1	0	0	0	0	0	5
:	0	157931	30168	44512	0	0	0	0	0	232611
[70 - 74):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
Total :	756	879	124	99	70	38	3	0	0	1969
Total :	20300605	28521663	5024261	4554469	3398667	2195585	220826	0	0	64216076

AVERAGES --- Attained Age 35.17  
Service Years 3.28  
Active Salary 32,614

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
CORRECTIONS PRIMARY

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[ 20 - 24):	0	0	0	0	0	0	0	0	0	0
[ 25 - 29):	0	0	0	0	0	0	0	0	0	0
[ 30 - 34):	0	0	0	0	1	0	0	0	0	1
[ 35 - 39):	0	0	0	8	9	0	0	0	0	17
[ 40 - 44):	0	0	1	11	20	7	0	0	0	39
[ 45 - 49):	0	0	0	8	23	11	3	0	0	45
[ 50 - 54):	0	0	0	22	49	24	4	0	0	99
[ 55 - 59):	0	0	0	22	36	12	4	1	0	75
[ 60 - 64):	0	0	0	4	13	4	2	1	0	24
[ 65 - 69):	0	0	0	1	2	0	1	0	0	4
[ 70 - 74):	0	0	0	0	0	1	0	1	0	2
Total :	0	0	1	76	153	59	14	3	0	306
Total :	0	0	42598	3259314	7403530	3254698	932431	153262	0	15045833

AVERAGES --- Attained Age 52.07  
Service Years 17.90  
Active Salary 49,169

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
CORRECTIONS Secondary

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[ 20 - 24):	1	12	8	0	0	0	0	0	0	21
[ 25 - 29):	2	46	108	3	0	0	0	0	0	159
[ 30 - 34):	2	49	163	89	8	0	0	0	0	311
[ 35 - 39):	1	22	107	136	73	4	0	0	0	343
[ 40 - 44):	0	19	92	101	149	71	0	0	0	432
[ 45 - 49):	0	20	87	95	82	143	27	1	0	455
[ 50 - 54):	0	17	76	77	45	60	22	5	0	302
[ 55 - 59):	0	13	54	43	38	17	7	3	1	176
[ 60 - 64):	0	5	29	23	15	6	3	2	1	84
[ 65 - 69):	0	0	8	6	5	2	3	0	0	24
[ 70 - 74):	0	1	3	1	1	0	0	0	1	7
Total :	6	204	735	574	416	303	62	11	3	2314
Total :	305147	6698223	26771263	25157437	21146694	18402648	4161064	779351	208186	103630013

AVERAGES --- Attained Age 43.68  
Service Years 12.72  
Active Salary 44,784

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
WILDLIFE

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	8	7	0	0	0	0	0	0	15
[30 - 34):	0	5	31	4	1	0	0	0	0	41
[35 - 39):	0	1	10	20	9	1	0	0	0	41
[40 - 44):	0	0	5	15	21	2	1	0	0	44
[45 - 49):	0	0	2	2	14	7	0	0	0	25
[50 - 54):	0	0	2	2	1	4	1	1	0	11
[55 - 59):	0	0	0	0	0	1	0	0	0	1
[60 - 64):	0	0	0	0	2	0	0	0	0	2
[65 - 69):	0	0	0	0	0	0	0	0	0	0
[70 - 74):	0	0	0	0	0	0	0	0	0	0
Total :	0	14	57	43	48	15	2	1	0	180
Total :	0	527282	2618565	2466935	3076495	1114142	178524	102594	0	10084537

AVERAGES --- Attained Age 39.48  
Service Years 12.72  
Active Salary 56,025

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
PEACE OFFICERS

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	0	3	0	0	0	0	0	0	3
[30 - 34):	0	0	3	2	1	0	0	0	0	6
[35 - 39):	0	0	5	1	5	1	0	0	0	12
[40 - 44):	0	1	2	3	2	2	0	0	0	10
[45 - 49):	0	0	2	1	2	11	2	0	0	18
[50 - 54):	0	0	0	0	0	4	2	0	0	6
[55 - 59):	0	0	1	1	1	2	2	0	0	7
[60 - 64):	0	0	1	1	1	0	0	0	0	3
[65 - 69):	0	1	0	0	0	0	0	0	0	1
[70 - 74):	0	0	1	0	0	0	0	0	0	1
Total :	0	2	18	9	12	20	6	0	0	67
Total :	0	95846	810760	439409	607344	1199644	390356	0	0	3543359

AVERAGES --- Attained Age 45.62  
Service Years 16.29  
Active Salary 52,886

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
ALCOHOL TOBACCO CONTROL

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	0	0	0	0	0	0	0	0	0
[30 - 34):	0	0	3	0	0	0	0	0	0	3
[35 - 39):	0	0	1	3	0	0	0	0	0	4
[40 - 44):	0	0	0	1	0	1	0	0	0	2
[45 - 49):	0	0	0	0	0	3	0	0	0	3
[50 - 54):	0	0	0	0	1	2	0	0	0	3
[55 - 59):	0	0	0	0	0	0	0	0	0	0
[60 - 64):	0	1	0	0	0	0	0	0	0	1
[65 - 69):	0	0	0	0	0	0	0	0	0	0
[70 - 74):	0	0	0	0	0	0	0	0	0	0
Total :	0	1	4	4	1	6	0	0	0	16
Total :	0	46307	171516	175738	5166	358857	0	0	0	757584

AVERAGES --- Attained Age 43.92  
Service Years 14.37  
Active Salary 47,349

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
BRIDGE POLICE

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	0	0	0	0	0	0	0	0	0
[30 - 34):	0	1	1	0	0	0	0	0	0	2
	0	43196	45824	0	0	0	0	0	0	89020
[35 - 39):	0	1	0	2	0	0	0	0	0	3
	0	39269	0	100672	0	0	0	0	0	139941
[40 - 44):	0	0	0	0	0	0	0	0	0	0
[45 - 49):	0	0	0	0	0	0	1	0	0	1
	0	0	0	0	0	0	86267	0	0	86267
[50 - 54):	0	0	0	0	0	0	1	0	0	1
	0	0	0	0	0	0	60716	0	0	60716
[55 - 59):	0	0	0	0	0	0	0	0	0	0
[60 - 64):	0	0	0	0	0	0	0	0	0	0
[65 - 69):	0	0	0	0	0	0	0	0	0	0
[70 - 74):	0	0	0	0	0	0	0	0	0	0
Total :	0	2	1	2	0	0	2	0	0	7
Total :	0	82465	45824	100672	0	0	146983	0	0	375944

AVERAGES --- Attained Age 39.07  
Service Years 13.83  
Active Salary 53,706

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM  
DROP PARTICIPANTS

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[40 - 44):	1	0	0	0	0	0	0	0	0	1
:	35292	0	0	0	0	0	0	0	0	35292
:	:	:	:	:	:	:	:	:	:	:
[45 - 49):	17	16	5	0	0	0	0	0	0	38
:	664140	643788	200724	0	0	0	0	0	0	1508652
:	:	:	:	:	:	:	:	:	:	:
[50 - 54):	146	149	156	1	0	0	0	0	0	452
:	6149232	6637032	6417324	32952	0	0	0	0	0	19236540
:	:	:	:	:	:	:	:	:	:	:
[55 - 59):	194	187	271	1	0	0	0	0	0	653
:	7082124	7187064	10915632	28968	0	0	0	0	0	25213788
:	:	:	:	:	:	:	:	:	:	:
[60 - 64):	241	203	197	0	0	0	0	0	0	641
:	5454252	4619280	4729176	0	0	0	0	0	0	14802708
:	:	:	:	:	:	:	:	:	:	:
[65 - 69):	14	14	21	0	0	0	0	0	0	49
:	171852	147120	341508	0	0	0	0	0	0	660480
:	:	:	:	:	:	:	:	:	:	:
[70 - 74):	0	2	2	0	0	0	0	0	0	4
:	0	17160	13764	0	0	0	0	0	0	30924
:	:	:	:	:	:	:	:	:	:	:
[75 - 79):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[80 - 84):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[85 - 89):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[90 - 99):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
Total :	613	571	652	2	0	0	0	0	0	1838
Total :	19556892	19251444	22618128	61920	0	0	0	0	0	61488384

AVERAGES --- Attained Age 57.62  
Years Retired 1.53  
Annual Benefit 33,454

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
ACTIVE AFTER DROP

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY  
DROP BENEFITS

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 34):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[35 - 39):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[40 - 44):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[45 - 49):	1	1	1	0	0	3	0	0	0	6
:	61073	50586	67000	0	0	244936	0	0	0	423595
:	36516	31812	35184	0	0	71100	0	0	0	174612
[50 - 54):	75	54	24	8	4	19	1	0	0	185
:	3848387	3060831	1450779	489438	239884	1381920	65738	0	0	10536977
:	2824440	1935744	858528	263724	112860	395700	12756	0	0	6403752
[55 - 59):	176	110	73	59	36	55	17	0	0	526
:	10480769	6539317	4621624	3646462	1932048	3241518	1328530	0	0	31790268
:	7074060	4050348	2688156	2050308	1055832	1495560	305136	0	0	18719400
[60 - 64):	100	93	64	57	51	139	21	2	0	527
:	6430456	4696665	4026160	3827168	3064277	9495266	1365804	185929	0	33091725
:	2274456	2101524	2212788	2019552	1522740	4499076	468072	34848	0	15133056
[65 - 69):	7	10	54	51	49	135	44	2	0	352
:	345289	428874	2753017	2697094	2525973	9487505	3413364	114347	0	21765463
:	198168	115656	974316	882924	879264	3584304	1315080	48420	0	7998132
[70 - 74):	2	1	2	3	7	73	56	10	0	154
:	87888	48862	138807	112083	574251	4054053	3656189	647610	0	9319743
:	18192	13572	31608	20520	158676	1100976	1068984	217116	0	2629644
Total :	361	269	218	178	147	424	139	14	0	1750
Total :	21253861	14825135	13057387	10772245	8336433	27905198	9829625	947886	0	106927770
Total :	12425832	8248656	6800580	5237028	3729372	11146716	3170028	300384	0	51058596

AVERAGES --- Attained Age 61.90  
Post Drop Years 4.18  
Active Salary 61,102  
Annual Benefit 29,176

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
POST RETIREMENT SERVICE

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
[20 - 24):	0	0	0	0	0	0	0	0	0	0
[25 - 29):	0	0	0	0	0	0	0	0	0	0
[30 - 34):	0	0	0	0	0	0	0	0	0	0
[35 - 39):	0	0	0	0	0	0	0	0	0	0
[40 - 44):	1 70822	0	0	0	0	0	0	0	0	1 70822
[45 - 49):	1 127500	3 150615	0	0	0	0	0	0	0	4 278115
[50 - 54):	16 457503	10 506320	5 257488	2 118444	0	0	0	0	0	33 1339755
[55 - 59):	9 369920	17 921129	8 356246	6 353238	0	0	0	0	0	40 2000533
[60 - 64):	21 629866	20 1367616	6 290127	4 236070	0	0	0	0	0	51 2523679
[65 - 69):	11 354400	17 724242	11 632224	3 215519	0	0	0	0	0	42 1926385
[70 - 74):	24 840223	22 828236	14 529107	6 374407	0	0	0	0	0	66 2571973
Total :	83	89	44	21	0	0	0	0	0	237
Total :	2850234	4498158	2065192	1297678	0	0	0	0	0	10711262

AVERAGES --- Attained Age 63.49  
Service Years 3.47  
Active Salary 45,195

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM  
REGULAR RETIREES

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	2	3	0	0	0	0	0	0	0	5
:	18312	29748	0	0	0	0	0	0	0	48060
[40 - 44):	39	68	2	0	1	1	0	0	0	111
:	526152	1040124	59664	0	31920	9312	0	0	0	1667172
[45 - 49):	164	188	56	25	14	31	2	0	0	480
:	4230180	4074264	1529352	475488	221388	586584	30744	0	0	11148000
[50 - 54):	439	573	302	203	103	248	127	12	0	2007
:	14157960	18436248	10615080	6128220	3120396	5362068	1990812	147420	0	59958204
[55 - 59):	524	912	603	615	473	1169	356	119	4	4775
:	18765876	32435172	23024052	22473048	16500732	32646120	5395932	1528548	58104	152827584
[60 - 64):	752	996	755	831	643	2948	988	248	16	8177
:	15601476	25023456	21444828	25441716	20342316	94245348	24857592	4116804	268908	231342444
[65 - 69):	161	306	399	519	534	3214	2104	630	60	7927
:	3235092	6965988	8764212	11825028	11557536	78703128	59526672	14817216	1249464	196644336
[70 - 74):	43	83	66	105	87	1278	2235	1262	303	5462
:	1064748	2282844	1840488	2234676	1854492	23185968	47160288	33026736	6879504	119529744
[75 - 79):	9	15	19	29	24	221	1101	1630	1150	4198
:	157764	289092	392760	654516	646164	4480500	19694484	33615384	25159812	85090476
[80 - 84):	1	6	2	10	6	42	237	955	1607	2866
:	15120	228336	56100	376104	232740	811848	5188740	17091000	28186884	52186872
[85 - 89):	0	1	1	2	1	5	49	216	1539	1814
:	0	18516	10068	31320	24024	122556	852048	4944840	24364284	30367656
[90 - 99):	0	0	0	0	0	1	12	22	818	853
:	0	0	0	0	0	52896	158208	486048	11618760	12315912
Total :	2134	3151	2205	2339	1886	9158	7211	5094	5497	38675
Total :	57772680	90823788	67736604	69640116	54531708	240206328	164855520	109773996	97785720	953126460

AVERAGES --- Attained Age 68.54  
Years Retired 10.90  
Annual Benefit 24,645

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM  
DISABILITY RETIREES

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	4	1	3	1	0	0	1	0	0	10
:	58956	20340	44088	8388	0	0	10344	0	0	142116
[40 - 44):	4	4	5	5	3	9	0	0	0	30
:	41340	41952	96900	146880	41664	121632	0	0	0	490368
[45 - 49):	6	19	16	18	8	40	10	0	0	117
:	139656	303804	318180	306816	105384	580356	99636	0	0	1853832
[50 - 54):	21	30	22	25	20	51	60	8	5	242
:	358392	673872	434640	508884	411528	817548	766224	59784	33756	4064628
[55 - 59):	20	34	36	29	32	146	109	54	16	476
:	387984	788472	635772	577536	642060	2490780	1578516	628332	105660	7835112
[60 - 64):	0	7	13	21	18	136	152	109	66	522
:	0	156276	229428	274620	311580	2154744	2287896	1343964	638388	7396896
[65 - 69):	0	0	0	0	1	51	139	110	112	413
:	0	0	0	0	66060	717648	1984020	1559928	1117488	5445144
[70 - 74):	0	0	0	0	0	2	42	92	164	300
:	0	0	0	0	0	17484	447888	1105644	1676760	3247776
[75 - 79):	0	0	0	0	0	1	0	43	167	211
:	0	0	0	0	0	57228	0	441636	1600032	2098896
[80 - 84):	0	0	0	0	0	0	1	0	116	117
:	0	0	0	0	0	0	51828	0	1169148	1220976
[85 - 89):	0	0	0	0	0	0	0	0	47	47
:	0	0	0	0	0	0	0	0	428736	428736
[90 - 99):	0	0	0	0	0	0	0	0	21	21
:	0	0	0	0	0	0	0	0	206952	206952
Total :	55	95	95	99	82	436	514	416	714	2506
Total :	986328	1984716	1759008	1823124	1578276	6957420	7226352	5139288	6976920	34431432

AVERAGES --- Attained Age 64.55  
Years Retired 14.84  
Annual Benefit 13,740

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

STATE EMPLOYEES' SYSTEM  
SURVIVOR BENEFITS

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	12	24	25	28	17	120	106	95	106	533
:	237048	582672	692196	875280	364428	2784288	2001300	1531512	1395096	10463820
[40 - 44):	1	4	2	3	2	22	8	8	22	72
:	23916	75408	54768	35964	31092	370140	88320	87876	342684	1110168
[45 - 49):	11	4	3	5	2	16	8	9	24	82
:	228960	98772	54060	172992	10320	231552	144012	131100	362400	1434168
[50 - 54):	10	10	6	8	10	42	30	16	19	151
:	240264	208176	96420	140160	237312	606168	388152	180036	223788	2320476
[55 - 59):	14	13	14	15	16	67	40	25	29	233
:	325104	333120	305448	442404	359784	1227708	553260	388932	297012	4232772
[60 - 64):	13	21	26	18	32	119	79	48	68	424
:	382788	522132	635196	337944	670572	2359656	1384848	671412	694884	7659432
[65 - 69):	28	29	17	21	17	130	111	68	166	587
:	738468	605160	312204	422148	425064	2632800	2256720	975588	1906884	10275036
[70 - 74):	25	29	34	18	27	112	90	115	301	751
:	445728	558204	629196	358896	603300	2066868	1440348	1978200	3965700	12046440
[75 - 79):	15	18	18	23	19	73	67	95	580	908
:	298068	351900	394680	442908	430236	1215348	1159164	1151232	7232244	12675780
[80 - 84):	9	8	5	9	10	45	36	85	653	860
:	207384	198552	72816	178308	188520	751776	565056	1012200	7765836	10940448
[85 - 89):	4	3	4	3	3	9	8	18	663	715
:	180132	58764	129876	77136	44856	192264	119088	352104	7586160	8740380
[90 - 99):	0	0	0	0	1	1	4	2	435	443
:	0	0	0	0	41976	21792	45780	26340	4766280	4902168
Total :	142	163	154	151	156	756	587	584	3066	5759
Total :	3307860	3592860	3376860	3484140	3407460	14460360	10146048	8486532	36538968	86801088

AVERAGES --- Attained Age 70.95  
Years Retired 20.22  
Annual Benefit 15,072

Foster & Foster, Actuaries and Consultants

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

STATE EMPLOYEES' SYSTEM  
TERM-VESTED/RECIPROCAL

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2014

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[20 - 24):	2	0	0	0	0	0	0	0	0	2
:	1896	0	0	0	0	0	0	0	0	1896
:	:	:	:	:	:	:	:	:	:	:
[25 - 29):	7	1	61	0	0	0	0	0	0	69
:	19128	1476	302992	0	0	0	0	0	0	323596
:	:	:	:	:	:	:	:	:	:	:
[30 - 34):	13	7	192	75	2	0	0	0	0	289
:	49116	14148	1167042	925596	57156	0	0	0	0	2213058
:	:	:	:	:	:	:	:	:	:	:
[35 - 39):	19	0	122	255	35	2	0	0	0	433
:	154608	0	805519	3855812	698916	59328	0	0	0	5574183
:	:	:	:	:	:	:	:	:	:	:
[40 - 44):	13	1	103	350	165	24	2	0	0	658
:	165636	2364	802078	5553767	3675080	864169	51900	0	0	11114994
:	:	:	:	:	:	:	:	:	:	:
[45 - 49):	16	2	111	386	203	91	21	1	0	831
:	94692	4692	772350	6114514	4669424	3188604	788112	26952	0	15659340
:	:	:	:	:	:	:	:	:	:	:
[50 - 54):	18	1	102	435	250	94	55	7	0	962
:	172284	6468	708003	6594376	5237631	3067022	2304468	309420	0	18399672
:	:	:	:	:	:	:	:	:	:	:
[55 - 59):	17	2	104	484	309	93	11	7	3	1030
:	74496	19284	751068	6537646	6145185	2956250	375612	517824	251184	17628549
:	:	:	:	:	:	:	:	:	:	:
[60 - 64):	11	0	21	92	40	14	8	4	3	193
:	27876	0	197797	1025016	578076	409467	300348	294480	239604	3072664
:	:	:	:	:	:	:	:	:	:	:
[65 - 69):	2	2	2	32	13	2	2	0	1	56
:	1908	17068	15287	255069	184128	30804	35652	0	100920	640836
:	:	:	:	:	:	:	:	:	:	:
[70 - 74):	0	0	0	21	7	2	3	2	0	35
:	0	0	0	78420	22296	2748	10404	45492	0	159360
:	:	:	:	:	:	:	:	:	:	:
Total :	118	16	818	2130	1024	322	102	21	7	4558
Total :	761640	65500	5522136	30940216	21267892	10578392	3866496	1194168	591708	74788148

AVERAGES --- Attained Age 49.07  
Service Years 13.01  
Annual Benefit 16,408

**EXHIBIT 5**

**SUMMARY OF PLAN PROVISIONS**

**EFFECTIVE DATE:**

July 1, 1947

**EMPLOYEE:**

Any person legally occupying a position in state service.

**EMPLOYER:**

The State of Louisiana or any of its boards, commissions, departments, agencies and courts which are contributing members and those approved for membership by the legislature from which any employee receives his compensation.

**ELIGIBILITY FOR PARTICIPATION:**

Condition of employment in state service except the following: elected or appointed officials or employees who are contributing members of any other state system; public officials and state employees who receive a per diem in lieu of compensation; persons employed prior to January 1, 1973, who work on a part-time basis and elect not to participate; patient or inmate help in state charitable, penal or correctional institutions; part-time students, interns and resident physicians; independent contractors; employees who are age 60 or older at time of employment; retirees of the retirement system who return to work under certain conditions; judges who failed to elect membership prior to October 2, 1976; civilian employees who on November 1, 1981, were within five years of retirement eligibility in the Federal Civil Service Retirement and Disability Fund; teachers employed after September 10, 1982; nurses employed from employment pools at state charity hospitals; temporary, seasonal, part-time employees of DOTC, or as defined in federal law.

**SERVICE:**

Service as an "Employee," defined above.

**CREDITABLE SERVICE:**

For service prior to January 1, 1973: 1/4 year granted for each 89 day interval of service, not to exceed one credit per fiscal year. Minimum 15 days required for 1st Quarter credit.

For service on or after January 1, 1973, a member shall receive credit based on the ratio of actual pay to the annual base per calendar year. Fractional service shall be rounded to the next highest 1/10th, not to exceed 100 percent per year.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

**ADDITIONAL CREDITABLE SERVICE:**

1. Credit for service canceled by withdrawal of accumulated contributions may be restored by member by paying into system the amount withdrawn plus interest at the Actuarial Valuation rate.
2. Maximum of four years of credit for military service may be obtained for each member with at least two years service, contingent on payment of Actuarial Cost.
3. Credit for service which was classified as a job appointment or emergency appointment where the intended duration of employment exceeds two years service.
4. At retirement, all accumulated unused sick and annual leave shall be credited based on the following schedule:

1 - 26 Days	10% of a Year
27 - 52 Days	20% of a Year
53 - 78 Days	30% of a Year
79 - 104 Days	40% of a Year
105 - 130 Days	50% of a Year
131 - 156 Days	60% of a Year
157 - 182 Days	70% of a Year
183 - 208 Days	80% of a Year
209 - 234 Days	90% of a Year
235 - 260 Days	100% of a Year

Service credit for unused leave can be used for computation purpose only, not for eligibility. An actuarial equivalent lump sum is available after August 15, 1993.

**EARNABLE COMPENSATION:**

The base pay earned by an employee for a given pay period as reported by the employing agency. This includes the full amount earned by an employee, overtime, and per diem earned by an employee of the House of Representatives, the Senate, or an agency of the legislature, and expense allowances and per diem paid to members of the legislature, the clerk, or sergeant at arms of the House of Representatives and president and secretary or sergeant at arms of the Senate.

**AVERAGE FINAL COMPENSATION  
FOR BENEFIT PURPOSES:**

The average annual earned compensation for the 36 highest months of successive employment, or the highest 36 successive joined months where interruption of service occurred; part-time employees use the base pay the part-time employee would have received had employment been full-time. Per Act 75 of 2005, average final compensation for Regular members, Bridge Police, and Appellate Law Clerks hired on or after July, 1, 2006, is determined as the 60 highest months of successive employment. Per Act 992 of 2010, average final compensation for Judges hired on or after January 1, 2011 and all members of the Hazardous Duty Plan is based on the highest 60 months. Compensation is limited by the 401a(17) compensation limit of the Internal Revenue Code for certain members.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

**ACCUMULATED CONTRIBUTIONS:**

The sum of all amounts deducted from the earned compensation of a member and credited to the individual account in the employee's savings account, together with regular interest credited prior to July 1971.

**EMPLOYEE CONTRIBUTIONS:**

<u>Plan</u>	<u>Current Contribution</u>
Regular Employees and Appellate Law Clerks	
Pre Act 75 (hired before 7/1/2006)	7.5%
Post Act 75 (hired after 6/30/2006)	8.0%
Legislators	11.5%
Judges hired before 1/1/2011	11.5%
Judges hired after 12/31/2010	13%
Corrections Primary and Secondary	9.0%
Wildlife and Fisheries	9.5%
Peace Officers/Alcohol Tobacco Control	9.0%
Bridge Police	8.5%
Hazardous Duty	9.5%
Special Legislative Employees	9.5%
(Sergeant at Arms in the Senate and House, Secretary of Senate, Clerk of the House)	

**EMPLOYER CONTRIBUTIONS:**

Act 81 of 1988 requires the employer rate to be actuarially determined and set annually, based on the Public Retirement Systems' Actuarial Committee's recommendation to the Legislature. Act 1026 of the 2010 Legislative Session further requires that the employer contribution rate be determined separately by plan. The normal cost portion of each plan's employer contribution rate varies based upon that plan's benefits, member demographics, and the rate contributed by employees. The shared UAL contribution rate is determined in aggregate for all plans. The UAL established due to a specific plan or group of plans due to legislation will be allocated entirely to the applicable plan(s).

**RETIREMENT BENEFIT:**

**NORMAL RETIREMENT:**

**Eligibility and Benefit:**

Members whose first employment which makes them eligible for membership in a Louisiana state retirement system occurs on or after January 1, 2011:

1. Regular Plan: Eligible with 5 years at age 60. Benefit accrual rate is 2.5%.
2. Judges: Eligible with 5 years at age 60. Benefit accrual is 3.5%, plus regular plan benefits for prior service.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

3. Hazardous Duty Plan: Eligible with 12 years at age 55 or 25 years at any age. Benefit accrual rate is 3.33% for service earned in the Hazardous Duty Plan if the last 10 years of service was earned in a hazardous duty position; otherwise, the accrual rate is 2.5%.

Members whose first employment which makes them eligible for membership in a Louisiana state retirement system occurs prior to January 1, 2011:

1. Regular members hired prior to July 1, 2006: Eligible with 10 years at age 60, or 25 years at age 55, or 30 years at any age. Regular members hired on or after July 1, 2006 are eligible with 5 years at age 60. Benefit accrual rate is 2.5% for all years of service.
2. Judges, Court Officers, and Appellate Law Clerks: Eligible with 18 years at any age, 10 years at age 65, 20 total years with at least 12 years as a judge or court officer at age 50, 12 years at age 55, or age 70 regardless of service. Judges and Court Officers earn 3.5% for year of service, plus regular plan benefits for prior service. Appellate Law Clerks earn 2.5% for all years of service.
3. Members of the legislature, governor, lieutenant governor and state treasurer: Eligible with 16 years of service at any age, 20 total years with at least 12 years as a member of this class at age 50, or 12 years at age 55. Members earn 3.5% per year of service, plus regular plan benefits for prior service.
4. Plans for certain employees of the Department of Public Safety and Corrections:
  - a. Corrections Primary, hired before 8/15/1986: Eligible with 10 years at age 60 or 20 years at any age. Benefit accrual rate is 2.5%.
  - b. Corrections Primary, hired between 8/15/1986 and 12/31/2001: Eligible with 10 years at age 60 or 20 years at age 50. Benefit accrual rate is 2.5%.
  - c. Corrections Primary, hired prior to 12/31/2001, and employed as a probation and parole officers in the office of adult services of the Department of Corrections: Eligible as stated above. Benefit accrual rate is 3.0% for service earned prior to 6/1/2014 and 3.33% for service earned after 6/30/2014.
  - d. Corrections Secondary Plan, hired after 1/1/2002, or transferred from Corrections Primary Plan: Eligible with 10 years at age 60 or 25 years at any age. Benefit accrual rate is 3.33%.
5. Wildlife and Fisheries:
  - a. Members hired before July 1, 2003: 10 years at age 55, or 20 years at any age. Benefit accrual is 3.0% for service earned prior to July 1, 2003 and 3.33% for service earned after July 1, 2003.
  - b. Members hired on or after July 1, 2003: 10 years at age 60, or 25 years at any age. Benefit accrual is 3.33%.
6. Peace Officers: Eligible with 10 years of service and age 60 or at 25 years at age 55, or 30 years at any age. Benefit accrual is 3.33%.
7. Alcohol Tobacco Control: Eligible with 10 years of service and age 60 or at 25 years of service at any age. Benefit accrual is 3.33%.
8. Bridge Police: Eligible with 10 years at age 60, or 25 years at any age. Benefit accrual is 2.5%

**NOTES:**

- A. Benefit is limited to 100% of average compensation.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

- B. Retirees who return to work will continue to receive unreduced benefits if compensation does not exceed 50% of the annual benefit during the fiscal year. Earnings above this limit will result in a corresponding reduction to benefits. Retirees who return to work may choose to suspend their retirement benefits and resume making contributions in the system. Upon subsequent retirement, benefit will resume. If post-retirement employment is at least 36 months, a supplemental benefit will be calculated. Otherwise, employee contributions will be refunded.
- C. A \$300 annual supplemental benefit is provided to persons who become members of the retirement system prior to July 1, 1986 (Act 608 of 1986).
- D. For members employed after January 1, 1990, the annual pension paid from the trust cannot exceed the maximum benefit provided under Section 415(b) of the Internal Revenue Service Code, and related Section 415 regulations, as adjusted for inflation and form of benefit other than life annuity or qualified joint and survivor annuity for retirement ages as follows:

<u>Age</u>	<u>Maximum</u>	<u>Age</u>	<u>Maximum</u>	<u>Age</u>	<u>Maximum</u>
48	\$ 60,333	56	\$ 120,801	64	\$ 210,000
49	65,658	57	132,176	65	210,000
50	71,493	58	144,742	66	210,000
51	77,894	59	158,642	67	210,000
52	84,917	60	174,032	68	210,000
53	92,636	61	191,088	69	210,000
54	101,129	62	210,000	70	210,000
55	110,487	63	210,000		

**ACTUARIALLY REDUCED RETIREMENT:**

Members with 20 years of service credit at any age are eligible for an actuarially reduced benefit from the earliest date member would be eligible if employment had continued, to the earliest normal retirement date, based on service earned to date. This does not apply to the correctional secondary plan members or wildlife agents hired on or after July 1, 2003.

**POST RETIREMENT INCREASES:**

The provisions regarding future Permanent Benefit Increases (PBIs) were substantially changed by Act 399 of 2014. PBIs may be granted, if requested by the Board and approved with a two-thirds vote of both houses of legislature, provided there are sufficient funds in the Experience Account to fully fund the increase on an actuarial basis.

Experience Account Credits/Debits: After allocation of the first \$100,000,000 to the Unfunded Accrued Liability, the Experience Account is credited with up to 50% of the remaining excess investment income, up to the cost to fund one PBI. The \$100,000,000 threshold is indexed based upon the increase in the actuarial value of assets. Excess investment income is investment income for the prior valuation in excess of the expected income based on the actuarial valuation rate for that fiscal year. Balances in the experience account accrue interest at the actuarial rate of return during the prior year. All credits are limited as follows:

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

If the system's funded ratio is less than 80%, the Experience Account is limited to the reserve necessary to grant one PBI. If the funded ratio is at least 80%, the Experience Account is limited to the reserve necessary to fund two PBI's. The Experience Account is debited for the increase in actuarial accrued liability resulting from the increases.

Permanent Benefit Increases: No increase can be granted if the legislature granted an increase in the preceding fiscal year, unless the system is 85% funded or greater. Additionally, PBI's are limited to the lesser of the increase in the CPI-U for the twelve month period ending on the system's valuation date, or an amount determined by the system's funded ratio:

Funded Ratio	PBI Increase Limit
< 55%	0%
55% to <65%	1.5%
65% to <75%	2.0%
75% to <80%	2.5%
80% +	3.0%

Beginning July 1, 2015, any increase is limited to the first \$60,000 of a retiree's annual benefit, increased annually by the CPI-U for the 12 month period ending in June. If the actuarial rate of return for the prior plan year is less than 8.25%, regardless of the discount rate, the increase is limited to the lesser of 2% or the amount described above.

Eligibility Requirements: Benefits are restricted to those retirees who have attained age 60 and have been retired for at least one year. The age 60 requirement does not apply to disability retirees.

**MINIMUM BENEFITS:**

Effective September 1, 2001, retirees and beneficiaries receiving retirement benefits shall be entitled to a minimum benefit which is not less than \$30.00 per month for each year of creditable service. The minimum benefit is adjusted for the option elected at retirement.

**DISABILITY RETIREMENT:**

Eligibility:

Ten years of creditable service and certification of disability by medical board. (Medical examination may be required once per year for the first five years of disability retirement, and once every three years thereafter, until age 60.)

Benefit:

- 1) The disability retirement annuity shall be equivalent to the regular retirement formula without reduction by reason of age for all classes of membership.
- 2) For judges and court officers, the benefit in (1) but not less than 50% of current salary.
- 3) Members of the Corrections Primary Plan with disabilities incurred in the line of duty may retire with 60% of their final average compensation, regardless of years of service. Disabilities incurred not in the line of duty paid according to (1) above.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

- 4) Members of the Corrections Secondary Plan with disabilities incurred in the line of duty may retire with 40% of their final average compensation regardless of service. If the member has 10 or more years of service, the benefit will be the greater of 40% of final average compensation or the benefit determined by (1) above. Disabilities incurred not in the line of duty determined according to (1) above.
- 5) For certain Wildlife agents; partial disabilities not eligible for (1) above receive 75% of the benefit in (1); members totally disabled while in the line of duty receive 60% of average compensation.
- 6) Members of the Hazardous Duty Plan with disabilities incurred in the line of duty may retire with 75% of their final average compensation, regardless of years of service. Disabilities incurred not in the line of duty paid according to (1) above.

**SURVIVOR'S BENEFITS:**

Members whose first employment which makes them eligible for membership in a Louisiana state retirement system occurs on or after January 1, 2011, or members of the Hazardous Duty Plan regardless of when hired:

**Eligibility and Benefit:**

1. Regular Members and Judges
  - a. Surviving spouse with minor children of a deceased member with five years of service credit, two of which were earned immediately prior to death, or 20 years of service will receive 50% of the retirement benefit that would have been due the member, or \$600 per month if greater. Each qualifying child will receive 50% of the spouses benefit, up to 2 children. The total paid to the spouse and children subject to a minimum based on the Option 2A equivalent for the surviving spouse.
  - b. Surviving spouse, legally married one year prior to death, of a deceased member with 10 years of service credit, two of which were earned immediately prior to death, or 20 years of service regardless of date earned will receive the Option 2A equivalent of the retirement benefit that would have been due the member, or \$600 per month if greater.
  - c. Surviving minor children will each (up to two) receive 50% of the benefit paid to a surviving spouse with children. This amount will be divided equally among all eligible children.
  - d. Surviving handicapped or mentally retarded children continue to receive a minor child's benefit described above in (1a) or (1c) whichever is applicable.
2. Hazardous duty members:
  - a. Surviving spouse and children of members who did not die in the line of duty receive benefits described for non-Hazardous Duty members
  - b. Surviving spouse and children of members who died in the line of duty receive 80% of the member's final average compensation. The benefit is shared equally.
  - c. Surviving spouse of a retired member will receive 75% of members' monthly benefit. If no spouse, then surviving children receive (1c) above.
3. If no one eligible to receive a survivor benefit, then the named beneficiary will receive the member's accumulated contributions.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

Members whose first employment which makes them eligible for membership in a Louisiana state retirement system occurs prior to January 1, 2011:

Eligibility and Benefit:

1. Regular members:
  - a. Surviving spouse, legally married one year prior to death, of a deceased member with 10 years of service credit, two of which were earned immediately prior to death, or 20 years of service regardless of date earned, receive the greater of 50% of member's average compensation or \$200 per month.
  - b. If member with no spouse has surviving minor child, and 5 years of service credit, two of which were earned immediately prior to death, or 20 years of service regardless of date earned, minor children receive the greater of 75% of member's average compensation or \$300 per month.
  - c. For surviving spouse with minor children, the spouse must be eligible per (a) above and the children per (b) above to receive these benefits. If either one is ineligible, then the criteria in (a) or (b) would apply accordingly.
  - d. Surviving handicapped or mentally retarded children continue to receive a minor child's benefit described above in (1a) or (1c) whichever is applicable.
2. Surviving spouse of a judge or court officer receive survivor's benefit described in (1a) or (1b), but not less than the greater of 1/3 the member's current compensation, 50% of the retirement pay which such member was entitled or receiving prior to death, or 50% of the members final average compensation (if the provisions of R.S. 11:471 are met). Benefit limited to 75% of average compensation.
3. Corrections
  - a. In the line of duty:
    - i. Surviving spouse with no minor children: 60% of average compensation if member had less than 25 years of service, or 75% of average compensation if member had 25 or more years of service.
    - ii. Minor children or disabled children and no spouse: 60% of average compensation if member had less than 5 years of service (25 years for Secondary Plan), or 75% of average compensation if member had 5 or more years of service (25 years for Secondary Plan).
    - iii. Surviving spouse with minor children: 60% of average compensation if member had less than 5 years of service (25 years for secondary plan) and benefit divided 1/3 to spouse and 2/3 to minor children equally. 75% of average compensation if member had 5 or more years of service (25 years for Secondary Plan) and benefit divided 1/3 to spouse and 2/3 to minor children equally.
  - b. Not in the line of duty surviving spouse of receives benefits in accordance with the provisions for regular members.
4. Wildlife agents
  - a. In line of duty:
    - i. Surviving spouse receives 75% of average compensation if member has 25 or more years of service, otherwise, spouse receives 60% of compensation. Benefits cease upon remarriage.

**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions**

- ii. Children under age 18: one child – 30% of average compensation, 2 children – 40%, 3 children – 50%, 4 or more children – 60%, divided equally among children.
  - b. Not in the line of duty benefit to surviving spouse and children: Surviving spouse receives a benefit as if the member retired on the date of death, until remarried. If member dies prior to age 55 with at least 15 years of service, benefit computed based on years of service without regard to age.
  - c. Survivors of retired wildlife agents will receive 75% of the retiree benefit in priority order: surviving spouse (until remarriage), children under age 18, parents who derive main support from retired agent.
5. If no one is eligible to receive a survivor benefit, then the named beneficiary will receive the member's accumulated contributions.

**OPTIONAL FORMS OF BENEFIT:**

In lieu of receiving normal retirement benefit, member may elect to receive actuarial equivalent of retirement allowance in a reduced form as follows:

Option 1 - If a member dies before receiving present value of annuity in monthly payments, balance paid to designated beneficiary.

Option 2 - 100% of reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

Option 3 - 50% of reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

Option 4 - Other benefits of equal actuarial value may be elected with approval of board.

- A. 90% of the maximum retirement allowance to member; when member dies, 55% of the maximum retirement allowance continued to beneficiary.
- B. Reduced retirement allowance to member; if member dies, 55% of the maximum retirement allowance continues to beneficiary, adjusted based on the age and relationship of the beneficiary to the member.
- C. Special reversionary annuities to Options 2, 3, and 4. Member's reduced benefit reverts to the maximum if the beneficiary predeceases the annuitant.

If divorced after retirement, optional benefit can revert to maximum benefit with actuarial adjustment.

Automatic COLA Option – An increasing annuity option permits the member to make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually. The increases begin on the first retirement anniversary date, but not before the retiree attains age 55 or would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options.

Initial Benefit Option - Maximum benefit actuarially reduced for partial lump sum equal to not more than 36 months of maximum monthly pension.

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**EXHIBIT 5 (Continued)**  
**Summary of Plan Provisions****REFUND OF CONTRIBUTIONS:**

If a member ceases to be a member, except by death or retirement, he shall be paid in full or partially at his option, the amount of the accumulated contributions credited to his individual account in annuity savings fund plus any accumulated interest thereon as of June 30, 1971; if member of legislature, no interest. No interest credited after June 30, 1971. Death prior to retirement - accumulated contributions credited to individual account in annuity savings fund are returnable to a designated beneficiary or to member's estate.

**DEFERRED RETIREMENT OPTION PLAN:**

Instead of terminating employment and accepting a service retirement allowance, any member who has met the normal eligibility requirements may participate in the Deferred Retirement Option Plan (DROP).

Normal Eligibility:

Any member who is eligible for unreduced service retirement allowance may begin participation on the first retirement eligibility date for a period not to exceed the third anniversary of retirement eligibility.

Benefit:

Upon termination of employment, a participant will receive, at his option:

- (1) Lump sum payment (equal to the payments to the account);
- (2) A true annuity based upon his account; or
- (3) Other methods of payment approved by the Board of Trustees.

If a participant dies during the period of participation in the program, his account balance shall be paid to the beneficiary, or if none, to his estate in any form approved by the Board of Trustees.

If employment is not terminated at the end of DROP participation, then:

- (1) Payment into account shall cease;
- (2) Payment from account only upon termination of employment; and
- (3) The participant shall resume active contributing membership.

Then, upon termination of employment, the benefit payments indicated above shall be paid. The participant shall receive an additional retirement benefit based on additional service rendered since termination of participation in the fund, usually the normal method of computation of benefit subject to the following:

- (1) If additional service was less than the period used to determine the average compensation, then the average compensation figure used to calculate the additional benefit shall be based on compensation used to determine the initial benefit.
- (2) If additional service was greater than the period used to determine the average compensation, the average compensation figure used to calculate the additional benefit shall be based on compensation earned during the period of additional service.

DROP accounts for members who become eligible for retirement prior to January 1, 2004, and participate in DROP shall earn interest, following termination of DROP, at a rate of 0.5% below the actuarial rate of the System's investment portfolio.

Members eligible for retirement on or after January 1, 2004, must invest their DROP accounts in self-directed accounts approved by the Board of Trustees.

**EXHIBIT 6****ACTUARIAL COST METHODS AND ASSUMPTIONS****COST METHOD:**

Louisiana Statutes, R. S. 11:22, specifies the cost method to be used for funding valuation purposes. Act 571 of 2014 changed the actuarial cost method from projected unit credit to entry age normal. Under the projected unit credit cost method, the actuarial present value of projected benefits of each individual included in the valuation is accumulated from the participant's attained age to the anticipated retirement dates. That portion of the actuarial present value attributable to current year benefit accruals is called the Normal Cost. The actuarial present value of future benefits in proportion to service accrued on the date of valuation is called the actuarial accrued liability. Under the EAN cost method, each member's service costs are level as a percentage of the member's projected pay. Service costs are attributed from the first period in which a member accrues benefits through all assumed exit ages until retirement.

**ASSET VALUATION:**

The market value of assets is adjusted to gradually recognize investment gains and losses relative to the discount rate, over a 5 year period in 20% increments. The adjusted asset value is subject to Corridor Limits of 80% to 120% of the Market Value of Assets.

**ACCOUNTING DISCLOSURE:**

The statement of assets provided by the accounting staff was the final draft prior to publication. Should the statement of assets received differ from the final audit report, a revised actuarial statement will be issued, but only to the extent that any difference in reporting affects the employer's contribution rate or the yield to the Actuarial Value of Assets.

**ADMINISTRATIVE EXPENSES:**

Administrative expenses are not explicitly assumed but rather funded in accordance with R.S. 11 Section 102, which by omission of language regarding the funding of administrative expenses precludes funding of these expenses by a direct allocation through the employer contribution rate. These expenses are instead funded through the employer rate as an experience loss which is amortized over a 30-year period. While this approach would not have been our original recommendation, further use of this practice will continue to produce stable contribution rates.

**ACTUARIAL ASSUMPTIONS:**

Demographic and Salary assumptions used in the valuation were adopted by the Board of Trustees following the most recent experience study. The Retirement System is required to conduct an experience study every five years, but the scope of such a study is not necessarily limited to a five year period. An experience study was recently completed for the observation period of 2009-2013. The recommended rates were adopted by the Board, effective July 1, 2014. The rates are projected separately for Regular Members, Judges, Corrections/Hazardous Duty, and Wildlife. The prior and recently adopted rate tables are illustrated at the end of this exhibit.

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**EXHIBIT 6 (Continued)**  
**Cost Methods & Assumptions****MORTALITY ASSUMPTIONS:**

The mortality table for non-disabled retirees is based upon the RP-2000 table with mortality improvement projected through 2015 using scale AA. This table was determined to be appropriate relative to actual experience and adopted by the Board following the most recent experience study. The prior table was based upon the RP-2000 table with no projection for mortality improvement.

Mortality assumptions for disability benefits are based upon the RP-2000 disability table with no projection of mortality improvement. This table did not change as a result of the most recent Experience Study.

**DISABILITY ASSUMPTION:**

Rates of total and permanent disability are projected in accordance with the most recent experience study. The rates are based upon attained age.

**RETIREMENT/DROP ASSUMPTION:**

Eligibility for normal retirement benefits and DROP participation is based on age and service requirements that vary by plan. Previously, retirement and DROP rates were each determined for all plans and were age based. The most recent experience study developed the Retirement and DROP rates in combination and added a service component to the assumptions. Prior and recently adopted tables are shown at the end of this exhibit.

**TERMINATION ASSUMPTIONS:**

Voluntary termination or withdrawal rates are based on the most recent experience study. Rates for Regular members and Corrections/Hazardous Duty members are based on a combination of age and service. Rates for Judges and Wildlife are based on service. For members terminating with vested benefits, it is assumed that 80% will not withdraw their accumulated employee contribution, and will receive a benefit beginning at age 60.

**SALARY GROWTH:**

The rates of annual salary growth are based upon the member's years of service. Rates were recently revised, in accordance with the recent experience study. Salary assumptions include a 3% inflation component. Current salaries and projected future salaries are limited to the Section 401(a)(17) limits of the Internal Revenue Service Code, with future indexed increases.

**EXHIBIT 6 (Continued)**  
**Cost Methods & Assumptions**

**FAMILY STATISTICS:**

The composition of the family is based upon Current Population Reports published by the United States Census Bureau. Seventy-five percent of the membership is assumed to be married. The wife is assumed to be three years younger than the husband. Sample rates for the assumed number of minor children are as follows:

Age of Member	Number of Minor Children	Years for Youngest Child to Attain Majority
25	1.2	17
30	1.4	15
35	1.7	13
40	1.7	10
45	1.4	8
50	1.1	4

**INVESTMENT EARNINGS:**

The Board of Trustees adopted a discount rate of 7.75%, effective June 30, 2014. The discount rate is net of investment expenses and net of investment gains expected to be deferred to the experience account and represents a reasonable estimate of the expected return on investments to be used to fund regular plan benefits. Based on historical investment earnings and the new statutory provisions regarding transfers to the experience account, it is expected that a long-term average of approximately 25 basis points will be transferred to this account. The analysis was based upon the expected long-term real rate of return on system assets, using capital market assumptions provided by the Board's investment consultant, plus 3.0% for inflation.

**CONVERTED LEAVE:**

Leave credit is accrued throughout a member's career and converted to service credit or paid as a lump sum. Converted leave rates below represent the percentage increase in a retiree's accrued benefit upon conversion of the leave to benefits. The rates were revised based on the most recent experience study. Prior and new assumptions are shown below. New rates for regular retirement are applicable regardless of DROP participation.

	Prior Rates			Effective June 30, 2014	
	Regular Retirement	Retire After DROP	Disability	Regular Retirement	Disability
Regular Members	3.0%	2.0%	1.5%	3.5%	1.5%
Judicial Members	1.0%	1.0%	1.0%	1.0%	1.0%
Corrections	4.5%	2.5%	2.5%	5.0%	3.0%
Wildlife	6.0%	5.0%	3.0%	6.0%	3.0%

**Actuarial Assumptions, effective July 1, 2014**  
**Regular Members**

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES								
	MALE	FEMALE		< 1 YEAR	1 YEAR	2-3 YEARS	4-5 YEARS	6 YEARS	7 YEARS	8 YEARS	9 YEARS	10+ YEARS
18	0.00024	0.00015	0.0000	0.450	0.300	0.220	0.140	0.100	0.080	0.070	0.060	0.050
19	0.00025	0.00015	0.0000	0.450	0.300	0.220	0.140	0.100	0.080	0.070	0.060	0.050
20	0.00026	0.00015	0.0000	0.450	0.300	0.220	0.140	0.100	0.080	0.070	0.060	0.050
21	0.00027	0.00015	0.0000	0.400	0.300	0.220	0.140	0.100	0.080	0.070	0.060	0.050
22	0.00028	0.00015	0.0000	0.350	0.250	0.220	0.140	0.100	0.080	0.070	0.060	0.050
23	0.00030	0.00016	0.0000	0.290	0.250	0.220	0.130	0.100	0.080	0.070	0.060	0.050
24	0.00031	0.00016	0.0000	0.290	0.210	0.210	0.120	0.100	0.080	0.070	0.060	0.050
25	0.00032	0.00017	0.0000	0.290	0.207	0.200	0.118	0.100	0.080	0.070	0.060	0.050
26	0.00035	0.00018	0.0000	0.290	0.204	0.200	0.116	0.100	0.080	0.070	0.060	0.050
27	0.00035	0.00019	0.0000	0.290	0.201	0.190	0.114	0.100	0.080	0.070	0.060	0.050
28	0.00037	0.00020	0.0000	0.290	0.198	0.180	0.112	0.100	0.080	0.070	0.060	0.050
29	0.00038	0.00021	0.0001	0.290	0.195	0.170	0.110	0.100	0.080	0.070	0.060	0.050
30	0.00041	0.00023	0.0001	0.290	0.192	0.170	0.108	0.100	0.080	0.070	0.060	0.050
31	0.00046	0.00027	0.0001	0.290	0.189	0.160	0.106	0.100	0.080	0.070	0.060	0.050
32	0.00052	0.00031	0.0001	0.290	0.186	0.150	0.104	0.100	0.080	0.070	0.060	0.050
33	0.00059	0.00034	0.0001	0.290	0.183	0.130	0.102	0.100	0.080	0.070	0.060	0.050
34	0.00065	0.00037	0.0001	0.290	0.180	0.130	0.100	0.100	0.080	0.070	0.060	0.050
35	0.00072	0.00040	0.0004	0.290	0.177	0.130	0.098	0.100	0.080	0.070	0.060	0.050
36	0.00078	0.00043	0.0004	0.285	0.174	0.130	0.096	0.100	0.080	0.070	0.060	0.050
37	0.00084	0.00046	0.0004	0.280	0.171	0.120	0.094	0.100	0.080	0.070	0.060	0.050
38	0.00088	0.00048	0.0004	0.275	0.168	0.120	0.092	0.100	0.080	0.070	0.060	0.050
39	0.00092	0.00052	0.0004	0.270	0.165	0.120	0.090	0.100	0.080	0.070	0.060	0.050
40	0.00096	0.00056	0.0004	0.265	0.162	0.110	0.088	0.100	0.080	0.070	0.060	0.050
41	0.00100	0.00062	0.0014	0.260	0.159	0.110	0.086	0.100	0.080	0.070	0.060	0.050
42	0.00105	0.00068	0.0014	0.255	0.156	0.110	0.084	0.100	0.080	0.070	0.060	0.050
43	0.00110	0.00075	0.0014	0.250	0.153	0.080	0.082	0.080	0.070	0.060	0.050	0.040
44	0.00117	0.00082	0.0014	0.245	0.150	0.080	0.080	0.080	0.070	0.060	0.050	0.040
45	0.00124	0.00088	0.0022	0.240	0.147	0.080	0.078	0.080	0.070	0.060	0.050	0.040
46	0.00131	0.00095	0.0022	0.235	0.144	0.080	0.076	0.080	0.070	0.060	0.050	0.040
47	0.00138	0.00101	0.0022	0.230	0.141	0.080	0.074	0.080	0.070	0.060	0.050	0.040
48	0.00146	0.00109	0.0028	0.225	0.138	0.080	0.072	0.080	0.070	0.060	0.050	0.040
49	0.00154	0.00118	0.0028	0.220	0.135	0.080	0.070	0.080	0.070	0.060	0.050	0.040
50	0.00163	0.00130	0.0028	0.215	0.132	0.080	0.068	0.080	0.070	0.060	0.050	0.040
51	0.00184	0.00145	0.0028	0.210	0.129	0.080	0.066	0.080	0.070	0.060	0.050	0.040
52	0.00197	0.00163	0.0036	0.205	0.126	0.080	0.064	0.080	0.070	0.060	0.050	0.040
53	0.00215	0.00184	0.0036	0.200	0.123	0.080	0.062	0.080	0.070	0.060	0.050	0.040
54	0.00236	0.00209	0.0036	0.195	0.120	0.080	0.060	0.080	0.070	0.060	0.050	0.040
55	0.00272	0.00241	0.0036	0.190	0.117	0.080	0.058	0.080	0.070	0.060	0.050	0.040
56	0.00320	0.00282	0.0036	0.185	0.114	0.080	0.056	0.080	0.070	0.060	0.050	0.040
57	0.00363	0.00323	0.0048	0.180	0.111	0.080	0.054	0.080	0.070	0.060	0.050	0.040
58	0.00414	0.00364	0.0048	0.175	0.108	0.080	0.052	0.080	0.070	0.060	0.050	0.040
59	0.00467	0.00412	0.0040	0.170	0.105	0.080	0.050	0.080	0.070	0.060	0.050	0.040
60	0.00530	0.00469	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
61	0.00612	0.00539	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
62	0.00698	0.00618	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
63	0.00810	0.00709	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
64	0.00913	0.00800	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
65	0.01031	0.00900	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
66	0.01184	0.01016	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
67	0.01321	0.01128	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
68	0.01446	0.01247	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
69	0.01603	0.01378	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
70	0.01770	0.01553	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
71	0.01959	0.01698	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
72	0.02175	0.01888	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
73	0.02422	0.02067	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040
74	0.02702	0.02291	0.0000	0.165	0.102	0.080	0.048	0.080	0.070	0.060	0.050	0.040

**Actuarial Assumptions, effective July 1, 2014**  
**Regular Members**

AGE	RETIREMENT/DROP RATES					DUR	SALARY INCREASE
	< 10 YOS	10-19 YOS	20-24 YOS	25-29 YOS	30+ YOS		
18	0.000	0.000	0.020	0.030	0.000	0	0.1300
19	0.000	0.000	0.020	0.030	0.000	1	0.0800
20	0.000	0.000	0.020	0.030	0.000	2	0.0700
21	0.000	0.000	0.020	0.030	0.000	3	0.0650
22	0.000	0.000	0.020	0.030	0.000	4	0.0600
23	0.000	0.000	0.020	0.030	0.000	5	0.0575
24	0.000	0.000	0.020	0.030	0.000	6	0.0555
25	0.000	0.000	0.020	0.030	0.000	7	0.0540
26	0.000	0.000	0.020	0.030	0.000	8	0.0530
27	0.000	0.000	0.020	0.030	0.000	9	0.0520
28	0.000	0.000	0.020	0.030	0.000	10	0.0510
29	0.000	0.000	0.020	0.030	0.000	11	0.0500
30	0.000	0.000	0.020	0.030	0.000	12	0.0490
31	0.000	0.000	0.020	0.030	0.000	13	0.0480
32	0.000	0.000	0.020	0.030	0.000	14	0.0470
33	0.000	0.000	0.020	0.030	0.000	15	0.0460
34	0.000	0.000	0.020	0.030	0.000	16	0.0450
35	0.000	0.000	0.020	0.030	0.000	17	0.0440
36	0.000	0.000	0.020	0.030	0.000	18	0.0430
37	0.000	0.000	0.020	0.030	0.000	19	0.0420
38	0.000	0.000	0.020	0.030	0.000	20	0.0410
39	0.000	0.000	0.020	0.030	0.000	21	0.0400
40	0.000	0.000	0.020	0.030	0.000	22	0.0400
41	0.000	0.000	0.020	0.030	0.000	23	0.0400
42	0.000	0.000	0.020	0.030	0.000	24	0.0400
43	0.000	0.000	0.020	0.030	0.000	25	0.0400
44	0.000	0.000	0.020	0.030	0.000	26	0.0400
45	0.000	0.000	0.020	0.030	0.030	27	0.0400
46	0.000	0.000	0.020	0.030	0.030	28	0.0400
47	0.000	0.000	0.020	0.030	0.500	29	0.0400
48	0.000	0.000	0.020	0.060	0.500	30	0.0400
49	0.000	0.000	0.020	0.070	0.500	31	0.0400
50	0.000	0.000	0.030	0.070	0.430	32	0.0400
51	0.000	0.000	0.030	0.070	0.400	33	0.0400
52	0.000	0.000	0.030	0.080	0.470	34	0.0400
53	0.000	0.000	0.030	0.120	0.440	35	0.0400
54	0.000	0.000	0.060	0.280	0.470	36	0.0400
55	0.000	0.000	0.080	0.550	0.300	37	0.0400
56	0.000	0.000	0.080	0.320	0.250	38	0.0400
57	0.000	0.000	0.080	0.300	0.220	39	0.0400
58	0.000	0.000	0.080	0.280	0.200	40	0.0400
59	0.000	0.000	0.250	0.350	0.180	41	0.0400
60	0.100	0.330	0.550	0.300	0.240	42	0.0400
61	0.250	0.180	0.210	0.180	0.220	43	0.0400
62	0.250	0.160	0.200	0.180	0.250	44	0.0400
63	0.250	0.160	0.150	0.250	0.250	45	0.0400
64	0.250	0.170	0.150	0.180	0.250	46	0.0400
65	0.250	0.240	0.250	0.250	0.250	47	0.0400
66	0.250	0.160	0.250	0.200	0.300	48	0.0400
67	0.250	0.230	0.300	0.180	0.350	49	0.0400
68	0.250	0.230	0.100	0.180	0.200	50	0.0400
69	0.250	0.230	0.250	0.400	0.200	51	0.0400
70	0.750	0.230	0.250	0.350	0.250	52	0.0400
71	0.750	0.230	0.250	0.350	0.250	53	0.0400
72	0.750	0.230	0.250	0.350	0.250	54	0.0400
73	0.750	0.230	0.250	0.350	0.250	55	0.0400
74	0.750	0.230	0.250	0.350	0.250	56	0.0400

**Actuarial Assumptions, effective July 1, 2014**  
**Judges**

AGE	DEATH RATES		DISABILITY RATES	RETIREMENT/DROP			DUR	TERMINATION RATES	SALARY INCREASE
	MALE	FEMALE		< 15 YOS	15-19 YOS	20+ YOS			
18	0.00024	0.00015	0.0000	0.000	0.000	0.000	0	0.000	0.055
19	0.00025	0.00015	0.0000	0.000	0.000	0.000	1	0.030	0.030
20	0.00026	0.00015	0.0000	0.000	0.000	0.000	2	0.040	0.030
21	0.00027	0.00015	0.0000	0.000	0.000	0.000	3	0.030	0.030
22	0.00028	0.00015	0.0000	0.000	0.000	0.000	4	0.020	0.030
23	0.00030	0.00016	0.0000	0.000	0.000	0.000	5	0.010	0.030
24	0.00031	0.00016	0.0000	0.000	0.000	0.000	6	0.010	0.030
25	0.00032	0.00017	0.0000	0.000	0.000	0.000	7	0.010	0.030
26	0.00035	0.00018	0.0000	0.000	0.000	0.000	8	0.010	0.030
27	0.00035	0.00019	0.0000	0.000	0.000	0.000	9	0.010	0.030
28	0.00037	0.00020	0.0000	0.000	0.000	0.000	10	0.010	0.030
29	0.00038	0.00021	0.0000	0.000	0.000	0.000	11	0.010	0.030
30	0.00041	0.00023	0.0000	0.000	0.000	0.000	12	0.010	0.030
31	0.00046	0.00027	0.0000	0.000	0.000	0.000	13	0.010	0.030
32	0.00052	0.00031	0.0000	0.000	0.000	0.000	14	0.010	0.030
33	0.00059	0.00034	0.0000	0.000	0.000	0.000	15	0.010	0.030
34	0.00065	0.00037	0.0000	0.000	0.000	0.000	16	0.010	0.030
35	0.00072	0.00040	0.0000	0.000	0.000	0.000	17	0.010	0.030
36	0.00078	0.00043	0.0000	0.000	0.000	0.000	18	0.010	0.030
37	0.00084	0.00046	0.0000	0.000	0.000	0.000	19	0.010	0.030
38	0.00088	0.00048	0.0000	0.000	0.000	0.000	20	0.010	0.030
39	0.00092	0.00052	0.0000	0.000	0.000	0.000	21	0.010	0.030
40	0.00096	0.00056	0.0000	0.000	0.000	0.000	22	0.010	0.030
41	0.00100	0.00062	0.0000	0.000	0.000	0.000	23	0.010	0.030
42	0.00105	0.00068	0.0000	0.000	0.000	0.000	24	0.010	0.030
43	0.00110	0.00075	0.0000	0.000	0.000	0.000	25	0.010	0.030
44	0.00117	0.00082	0.0000	0.000	0.000	0.000	26	0.010	0.030
45	0.00124	0.00088	0.0000	0.000	0.000	0.000	27	0.010	0.030
46	0.00131	0.00095	0.0002	0.000	0.200	0.000	28	0.010	0.030
47	0.00138	0.00101	0.0002	0.000	0.200	0.000	29	0.010	0.030
48	0.00146	0.00109	0.0002	0.000	0.200	0.000	30	0.010	0.030
49	0.00154	0.00118	0.0002	0.000	0.200	0.050	31	0.010	0.030
50	0.00163	0.00130	0.0002	0.000	0.200	0.050	32	0.010	0.030
51	0.00184	0.00145	0.0002	0.000	0.100	0.050	33	0.010	0.030
52	0.00197	0.00163	0.0002	0.000	0.100	0.050	34	0.010	0.030
53	0.00215	0.00184	0.0002	0.000	0.100	0.050	35	0.010	0.030
54	0.00236	0.00209	0.0002	0.000	0.200	0.050	36	0.010	0.030
55	0.00272	0.00241	0.0002	0.050	0.200	0.100	37	0.010	0.030
56	0.00320	0.00282	0.0002	0.050	0.100	0.060	38	0.010	0.030
57	0.00363	0.00323	0.0002	0.100	0.020	0.060	39	0.010	0.030
58	0.00414	0.00364	0.0002	0.050	0.020	0.060	40	0.010	0.030
59	0.00467	0.00412	0.0002	0.050	0.020	0.080	41	0.010	0.030
60	0.00530	0.00469	0.0002	0.100	0.020	0.080	42	0.010	0.030
61	0.00612	0.00539	0.0002	0.100	0.020	0.120	43	0.010	0.030
62	0.00698	0.00618	0.0002	0.200	0.020	0.120	44	0.010	0.030
63	0.00810	0.00709	0.0002	0.200	0.020	0.060	45	0.010	0.030
64	0.00913	0.00800	0.0002	0.150	0.100	0.060	46	0.010	0.030
65	0.01031	0.00900	0.0002	0.500	0.100	0.060	47	0.010	0.030
66	0.01184	0.01016	0.0002	0.100	0.100	0.110	48	0.010	0.030
67	0.01321	0.01128	0.0002	0.100	0.100	0.100	49	0.010	0.030
68	0.01446	0.01247	0.0002	0.100	0.100	0.100	50	0.010	0.030
69	0.01603	0.01378	0.0002	0.100	0.100	0.100	51	0.010	0.030
70	0.01770	0.01553	0.0000	0.100	0.100	0.100	52	0.010	0.030
71	0.01959	0.01698	0.0000	0.050	0.400	0.400	53	0.010	0.030
72	0.02175	0.01888	0.0000	0.050	0.400	0.400	54	0.010	0.030
73	0.02422	0.02067	0.0000	0.050	0.400	0.400	55	0.010	0.030
74	0.02702	0.02291	0.0000	0.050	0.400	0.400	56	0.010	0.030

**Actuarial Assumptions, effective July 1, 2014**  
**Corrections/Hazardous Duty**

AGE	DEATH RATES		DISABILITY RATES	RETIREMENT/DROP RATES	
	MALE	FEMALE		< 25 YOS	>= 25 YOS
18	0.00024	0.00015	0.0000	0.200	0.250
19	0.00025	0.00015	0.0000	0.200	0.250
20	0.00026	0.00015	0.0000	0.200	0.250
21	0.00027	0.00015	0.0000	0.200	0.250
22	0.00028	0.00015	0.0000	0.200	0.250
23	0.00030	0.00016	0.0000	0.200	0.250
24	0.00031	0.00016	0.0000	0.200	0.250
25	0.00032	0.00017	0.0000	0.200	0.250
26	0.00035	0.00018	0.0000	0.200	0.250
27	0.00035	0.00019	0.0000	0.200	0.250
28	0.00037	0.00020	0.0000	0.200	0.250
29	0.00038	0.00021	0.0000	0.200	0.250
30	0.00041	0.00023	0.0000	0.200	0.250
31	0.00046	0.00027	0.0000	0.200	0.250
32	0.00052	0.00031	0.0000	0.200	0.250
33	0.00059	0.00034	0.0000	0.200	0.250
34	0.00065	0.00037	0.0000	0.200	0.250
35	0.00072	0.00040	0.0020	0.200	0.250
36	0.00078	0.00043	0.0020	0.200	0.250
37	0.00084	0.00046	0.0020	0.200	0.250
38	0.00088	0.00048	0.0020	0.200	0.250
39	0.00092	0.00052	0.0020	0.200	0.250
40	0.00096	0.00056	0.0025	0.200	0.250
41	0.00100	0.00062	0.0025	0.200	0.250
42	0.00105	0.00068	0.0025	0.200	0.250
43	0.00110	0.00075	0.0025	0.200	0.250
44	0.00117	0.00082	0.0025	0.200	0.250
45	0.00124	0.00088	0.0025	0.200	0.250
46	0.00131	0.00095	0.0025	0.200	0.250
47	0.00138	0.00101	0.0025	0.200	0.250
48	0.00146	0.00109	0.0025	0.200	0.250
49	0.00154	0.00118	0.0030	0.200	0.250
50	0.00163	0.00130	0.0030	0.350	0.200
51	0.00184	0.00145	0.0030	0.100	0.250
52	0.00197	0.00163	0.0050	0.250	0.350
53	0.00215	0.00184	0.0050	0.250	0.350
54	0.00236	0.00209	0.0050	0.300	0.350
55	0.00272	0.00241	0.0075	0.300	0.350
56	0.00320	0.00282	0.0075	0.300	0.350
57	0.00363	0.00323	0.0075	0.300	0.350
58	0.00414	0.00364	0.0075	0.300	0.350
59	0.00467	0.00412	0.0075	0.300	0.350
60	0.00530	0.00469	0.0000	0.450	0.500
61	0.00612	0.00539	0.0000	0.400	0.500
62	0.00698	0.00618	0.0000	0.400	0.500
63	0.00810	0.00709	0.0000	0.400	0.500
64	0.00913	0.00800	0.0000	0.400	0.500
65	0.01031	0.00900	0.0000	0.350	0.500
66	0.01184	0.01016	0.0000	0.350	0.500
67	0.01321	0.01128	0.0000	0.350	0.500
68	0.01446	0.01247	0.0000	0.350	0.500
69	0.01603	0.01378	0.0000	0.350	0.500
70	0.01770	0.01553	0.0000	0.500	0.500
71	0.01959	0.01698	0.0000	0.500	0.500
72	0.02175	0.01888	0.0000	0.500	0.500
73	0.02422	0.02067	0.0000	0.500	0.500
74	0.02702	0.02291	0.0000	0.500	0.500

DUR	TERMINATION RATES		SALARY INCREASE
	< 10	>10	
0	0.50	0.00	0.1450
1	0.50	0.00	0.0835
2	0.50	0.00	0.0700
3	0.50	0.00	0.0690
4	0.50	0.00	0.0640
5	0.50	0.00	0.0630
6	0.50	0.00	0.0625
7	0.50	0.00	0.0620
8	0.50	0.00	0.0615
9	0.50	0.00	0.0610
10	0.50	0.00	0.0605
11	0.50	0.00	0.0600
12	0.50	0.00	0.0595
13	0.50	0.00	0.0590
14	0.50	0.00	0.0585
15	0.50	0.00	0.0580
16	0.50	0.00	0.0575
17	0.50	0.00	0.0570
18	0.50	0.00	0.0565
19	0.50	0.00	0.0560
20	0.46	0.00	0.0555
21	0.42	0.00	0.0550
22	0.38	0.00	0.0550
23	0.35	0.10	0.0545
24	0.32	0.10	0.0545
25	0.29	0.10	0.0550
26	0.27	0.10	0.0550
27	0.25	0.10	0.0460
28	0.23	0.10	0.0460
29	0.21	0.10	0.0455
30	0.20	0.10	0.0360
31	0.20	0.10	0.0360
32	0.20	0.10	0.0360
33	0.20	0.08	0.0360
34	0.20	0.08	0.0360
35	0.20	0.08	0.0360
36	0.18	0.06	0.0360
37	0.18	0.06	0.0360
38	0.18	0.06	0.0360
39	0.18	0.06	0.0360
40	0.18	0.05	0.0360
41	0.18	0.05	0.0360
42	0.18	0.05	0.0360
43	0.18	0.05	0.0360
44	0.18	0.06	0.0360
45	0.17	0.06	0.0360
46	0.17	0.06	0.0360
47	0.17	0.06	0.0360
48	0.17	0.06	0.0360
49	0.17	0.07	0.0360
50	0.13	0.07	0.0360
51	0.13	0.07	0.0360
52	0.13	0.07	0.0360
53	0.13	0.07	0.0360
54	0.13	0.10	0.0360
55	0.13	0.10	0.0360
56	0.13	0.10	0.0360

**Actuarial Assumptions, effective July 1, 2014**  
**Wildlife**

AGE	DEATH RATES		DISABILITY RATES	RETIREMENT/DROP RATES	
	MALE	FEMALE		< 25 YOS	>= 25 YOS
18	0.00024	0.00015	0.0000	0.200	0.250
19	0.00025	0.00015	0.0000	0.200	0.250
20	0.00026	0.00015	0.0000	0.200	0.250
21	0.00027	0.00015	0.0000	0.200	0.250
22	0.00028	0.00015	0.0000	0.200	0.250
23	0.00030	0.00016	0.0000	0.200	0.250
24	0.00031	0.00016	0.0000	0.200	0.250
25	0.00032	0.00017	0.0000	0.200	0.250
26	0.00035	0.00018	0.0000	0.200	0.250
27	0.00035	0.00019	0.0000	0.200	0.250
28	0.00037	0.00020	0.0000	0.200	0.250
29	0.00038	0.00021	0.0000	0.200	0.250
30	0.00041	0.00023	0.0000	0.200	0.250
31	0.00046	0.00027	0.0000	0.200	0.250
32	0.00052	0.00031	0.0000	0.200	0.250
33	0.00059	0.00034	0.0000	0.200	0.250
34	0.00065	0.00037	0.0000	0.200	0.250
35	0.00072	0.00040	0.0020	0.200	0.250
36	0.00078	0.00043	0.0020	0.200	0.250
37	0.00084	0.00046	0.0020	0.200	0.250
38	0.00088	0.00048	0.0020	0.200	0.250
39	0.00092	0.00052	0.0020	0.200	0.250
40	0.00096	0.00056	0.0025	0.200	0.250
41	0.00100	0.00062	0.0025	0.200	0.250
42	0.00105	0.00068	0.0025	0.200	0.250
43	0.00110	0.00075	0.0025	0.200	0.250
44	0.00117	0.00082	0.0025	0.200	0.250
45	0.00124	0.00088	0.0025	0.200	0.250
46	0.00131	0.00095	0.0025	0.200	0.250
47	0.00138	0.00101	0.0025	0.200	0.250
48	0.00146	0.00109	0.0025	0.200	0.250
49	0.00154	0.00118	0.0030	0.200	0.250
50	0.00163	0.00130	0.0030	0.350	0.200
51	0.00184	0.00145	0.0030	0.100	0.250
52	0.00197	0.00163	0.0050	0.250	0.350
53	0.00215	0.00184	0.0050	0.250	0.350
54	0.00236	0.00209	0.0050	0.300	0.350
55	0.00272	0.00241	0.0075	0.300	0.350
56	0.00320	0.00282	0.0075	0.300	0.350
57	0.00363	0.00323	0.0075	0.300	0.350
58	0.00414	0.00364	0.0075	0.300	0.350
59	0.00467	0.00412	0.0075	0.300	0.350
60	0.00530	0.00469	0.0000	0.450	0.500
61	0.00612	0.00539	0.0000	0.400	0.500
62	0.00698	0.00618	0.0000	0.400	0.500
63	0.00810	0.00709	0.0000	0.400	0.500
64	0.00913	0.00800	0.0000	0.400	0.500
65	0.01031	0.00900	0.0000	0.350	0.500
66	0.01184	0.01016	0.0000	0.350	0.500
67	0.01321	0.01128	0.0000	0.350	0.500
68	0.01446	0.01247	0.0000	0.350	0.500
69	0.01603	0.01378	0.0000	0.350	0.500
70	0.01770	0.01553	0.0000	0.500	0.500
71	0.01959	0.01698	0.0000	0.500	0.500
72	0.02175	0.01888	0.0000	0.500	0.500
73	0.02422	0.02067	0.0000	0.500	0.500
74	0.02702	0.02291	0.0000	0.500	0.500

DUR	TERMINATION RATES	SALARY INCREASE
0	0.080	0.1450
1	0.080	0.0835
2	0.080	0.0700
3	0.080	0.0690
4	0.050	0.0640
5	0.050	0.0630
6	0.030	0.0625
7	0.030	0.0620
8	0.030	0.0615
9	0.030	0.0610
10	0.030	0.0605
11	0.030	0.0600
12	0.030	0.0595
13	0.030	0.0590
14	0.030	0.0585
15	0.030	0.0580
16	0.030	0.0575
17	0.030	0.0570
18	0.030	0.0565
19	0.030	0.0560
20	0.030	0.0555
21	0.030	0.0550
22	0.030	0.0550
23	0.030	0.0545
24	0.030	0.0545
25	0.030	0.0550
26	0.030	0.0550
27	0.030	0.0460
28	0.030	0.0460
29	0.030	0.0455
30	0.030	0.0360
31	0.030	0.0360
32	0.030	0.0360
33	0.030	0.0360
34	0.030	0.0360
35	0.030	0.0360
36	0.030	0.0360
37	0.030	0.0360
38	0.030	0.0360
39	0.030	0.0360
40	0.030	0.0360
41	0.030	0.0360
42	0.030	0.0360
43	0.030	0.0360
44	0.030	0.0360
45	0.030	0.0360
46	0.030	0.0360
47	0.030	0.0360
48	0.030	0.0360
49	0.030	0.0360
50	0.030	0.0360
51	0.030	0.0360
52	0.030	0.0360
53	0.030	0.0360
54	0.030	0.0360
55	0.030	0.0360
56	0.030	0.0360

REGULAR MEMBERS – Assumptions prior to 7/1/2014  
 ACTUARIAL TABLES AND RATES  
 \* HIRED PRIOR TO 7/1/06, \*\* HIRED ON OR AFTER TO 7/1/06

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES*		DROP RATES**		DUR	SALARY SCALE
	MALE	FEMALE			RATES*	RATES**	RATES*	RATES**		
18	0.00032	0.00019	0.0000	0.060	0.00	0.00	0.00	0.00	1	1.140
19	0.00033	0.00019	0.0000	0.180	0.00	0.00	0.00	0.00	2	1.090
20	0.00034	0.00019	0.0000	0.300	0.00	0.00	0.00	0.00	3	1.075
21	0.00036	0.00019	0.0000	0.270	0.00	0.00	0.00	0.00	4	1.070
22	0.00037	0.00019	0.0000	0.200	0.00	0.00	0.00	0.00	5	1.065
23	0.00037	0.00020	0.0000	0.200	0.00	0.00	0.00	0.00	6	1.060
24	0.00038	0.00020	0.0000	0.200	0.00	0.00	0.00	0.00	7	1.060
25	0.00038	0.00021	0.0000	0.200	0.00	0.00	0.00	0.00	8	1.060
26	0.00038	0.00021	0.0000	0.200	0.00	0.00	0.00	0.00	9	1.060
27	0.00038	0.00022	0.0000	0.180	0.00	0.00	0.00	0.00	10	1.055
28	0.00039	0.00024	0.0000	0.170	0.00	0.00	0.00	0.00	11	1.050
29	0.00041	0.00025	0.0000	0.160	0.00	0.00	0.00	0.00	12	1.050
30	0.00044	0.00026	0.0001	0.150	0.00	0.00	0.00	0.00	13	1.050
31	0.00050	0.00031	0.0001	0.150	0.00	0.00	0.00	0.00	14	1.050
32	0.00056	0.00035	0.0001	0.130	0.00	0.00	0.00	0.00	15	1.050
33	0.00063	0.00039	0.0001	0.120	0.00	0.00	0.00	0.00	16	1.045
34	0.00070	0.00043	0.0001	0.110	0.00	0.00	0.00	0.00	17	1.045
35	0.00077	0.00047	0.0002	0.140	0.00	0.00	0.00	0.00	18	1.045
36	0.00084	0.00051	0.0002	0.110	0.00	0.00	0.00	0.00	19	1.045
37	0.00090	0.00055	0.0007	0.100	0.00	0.00	0.00	0.00	20	1.045
38	0.00096	0.00060	0.0007	0.100	0.00	0.00	0.00	0.00	21	1.045
39	0.00102	0.00065	0.0008	0.100	0.00	0.00	0.00	0.00	22	1.043
40	0.00108	0.00071	0.0013	0.080	0.25	0.00	0.30	0.00	23	1.043
41	0.00114	0.00077	0.0020	0.080	0.25	0.00	0.30	0.00	24	1.043
42	0.00121	0.00085	0.0015	0.070	0.25	0.00	0.30	0.00	25	1.043
43	0.00130	0.00094	0.0020	0.060	0.25	0.00	0.30	0.00	26	1.043
44	0.00140	0.00103	0.0022	0.060	0.25	0.00	0.30	0.00	27	1.043
45	0.00151	0.00112	0.0022	0.050	0.25	0.00	0.30	0.00	28	1.043
46	0.00162	0.00122	0.0021	0.050	0.25	0.00	0.30	0.00	29	1.043
47	0.00173	0.00133	0.0030	0.050	0.25	0.00	0.30	0.00	30	1.043
48	0.00186	0.00143	0.0025	0.050	0.26	0.00	0.55	0.00	31	1.050
49	0.00200	0.00155	0.0032	0.050	0.21	0.00	0.50	0.00	32	1.050
50	0.00214	0.00168	0.0041	0.040	0.26	0.00	0.33	0.00	33	1.060
51	0.00245	0.00185	0.0052	0.040	0.30	0.00	0.28	0.00	34	1.060
52	0.00267	0.00202	0.0031	0.040	0.35	0.00	0.28	0.00	35	1.060
53	0.00292	0.00221	0.0045	0.040	0.34	0.00	0.28	0.00	36	1.060
54	0.00320	0.00242	0.0050	0.040	0.30	0.00	0.19	0.00	37	1.050
55	0.00362	0.00272	0.0040	0.040	0.26	0.00	0.45	0.00	38	1.050
56	0.00420	0.00309	0.0053	0.040	0.33	0.00	0.10	0.00	39	1.050
57	0.00469	0.00348	0.0045	0.040	0.31	0.00	0.05	0.00	40	1.050
58	0.00527	0.00392	0.0040	0.030	0.60	0.00	0.05	0.00	41	1.050
59	0.00594	0.00444	0.0001	0.030	0.30	0.00	0.05	0.00	42	1.050
60	0.00675	0.00505	0.0000	0.030	0.26	0.50	0.25	0.30	43	1.050
61	0.00768	0.00581	0.0000	0.030	0.24	0.15	0.04	0.40	44	1.050
62	0.00876	0.00666	0.0000	0.030	0.27	0.15	0.01	0.50	45	1.050
63	0.01001	0.00765	0.0000	0.030	0.51	0.50	0.01	0.50	46	1.050
64	0.01128	0.00862	0.0000	0.020	0.28	0.33	0.01	0.50	47	1.050
65	0.01274	0.00971	0.0000	0.020	0.30	0.33	0.01	0.50	48	1.050
66	0.01441	0.01095	0.0000	0.020	0.31	0.33	0.01	0.50	49	1.050
67	0.01607	0.01216	0.0000	0.020	0.23	0.33	0.01	0.50	50	1.050
68	0.01787	0.01345	0.0000	0.020	0.23	0.33	0.01	0.50	51	1.050
69	0.01980	0.01486	0.0000	0.020	0.25	0.33	0.01	0.50	52	1.050
70	0.02221	0.01674	0.0000	0.020	0.25	0.33	0.01	0.50	53	1.050
71	0.02457	0.01858	0.0000	0.020	0.25	0.33	0.01	0.50	54	1.050
72	0.02728	0.02067	0.0000	0.020	0.40	0.33	0.00	0.50	55	1.050
73	0.03039	0.02297	0.0000	0.020	0.50	0.33	0.00	0.50	56	1.050
74	0.03390	0.02546	0.0000	0.020	0.99	0.33	0.00	0.50	57	1.050

JUDGES – Assumptions prior to 7/1/2014  
 ACTUARIAL TABLES AND RATES  
 \* HIRED PRIOR TO 1/1/11, \*\* HIRED ON OR AFTER TO 1/1/11

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT		DROP		DUR	SALARY SCALE
	MALE	FEMALE			RATES*	RATES**	RATES*	RATES**		
18	0.00032	0.00019	0.0000	0.000	0.00	0.00	0.00	0.00	1	1.055
19	0.00033	0.00019	0.0000	0.000	0.00	0.00	0.00	0.00	2	1.025
20	0.00034	0.00019	0.0000	0.000	0.00	0.00	0.00	0.00	3	1.030
21	0.00036	0.00019	0.0000	0.000	0.00	0.00	0.00	0.00	4	1.040
22	0.00037	0.00019	0.0000	0.000	0.00	0.00	0.00	0.00	5	1.030
23	0.00037	0.00020	0.0000	0.000	0.00	0.00	0.00	0.00	6	1.030
24	0.00038	0.00020	0.0000	0.000	0.00	0.00	0.00	0.00	7	1.040
25	0.00038	0.00021	0.0000	0.000	0.00	0.00	0.00	0.00	8	1.030
26	0.00038	0.00021	0.0000	0.000	0.00	0.00	0.00	0.00	9	1.030
27	0.00038	0.00022	0.0000	0.000	0.00	0.00	0.00	0.00	10	1.030
28	0.00039	0.00024	0.0000	0.000	0.00	0.00	0.00	0.00	11	1.035
29	0.00041	0.00025	0.0000	0.000	0.00	0.00	0.00	0.00	12	1.035
30	0.00044	0.00026	0.0002	0.005	0.00	0.00	0.00	0.00	13	1.035
31	0.00050	0.00031	0.0002	0.005	0.00	0.00	0.00	0.00	14	1.030
32	0.00056	0.00035	0.0002	0.005	0.00	0.00	0.00	0.00	15	1.030
33	0.00063	0.00039	0.0002	0.005	0.00	0.00	0.00	0.00	16	1.030
34	0.00070	0.00043	0.0002	0.005	0.00	0.00	0.00	0.00	17	1.030
35	0.00077	0.00047	0.0002	0.005	0.00	0.00	0.00	0.00	18	1.030
36	0.00084	0.00051	0.0002	0.005	0.00	0.00	0.00	0.00	19	1.030
37	0.00090	0.00055	0.0002	0.005	0.00	0.00	0.00	0.00	20	1.030
38	0.00096	0.00060	0.0002	0.005	0.00	0.00	0.00	0.00	21	1.030
39	0.00102	0.00065	0.0002	0.005	0.00	0.00	0.00	0.00	22	1.030
40	0.00108	0.00071	0.0002	0.005	0.00	0.00	0.00	0.00	23	1.030
41	0.00114	0.00077	0.0002	0.005	0.00	0.00	0.00	0.00	24	1.030
42	0.00121	0.00085	0.0002	0.009	0.00	0.00	0.00	0.00	25	1.030
43	0.00130	0.00094	0.0002	0.009	0.00	0.00	0.00	0.00	26	1.030
44	0.00140	0.00103	0.0002	0.009	0.00	0.00	0.00	0.00	27	1.030
45	0.00151	0.00112	0.0002	0.009	0.00	0.00	0.00	0.00	28	1.030
46	0.00162	0.00122	0.0002	0.009	0.00	0.00	0.00	0.00	29	1.030
47	0.00173	0.00133	0.0002	0.009	0.00	0.00	0.00	0.00	30	1.030
48	0.00186	0.00143	0.0002	0.009	0.00	0.00	0.00	0.00	31	1.030
49	0.00200	0.00155	0.0002	0.009	0.50	0.00	0.00	0.00	32	1.030
50	0.00214	0.00168	0.0002	0.009	0.50	0.00	0.00	0.00	33	1.030
51	0.00245	0.00185	0.0002	0.009	0.50	0.00	0.00	0.00	34	1.030
52	0.00267	0.00202	0.0002	0.009	0.50	0.00	0.50	0.00	35	1.030
53	0.00292	0.00221	0.0002	0.009	0.50	0.00	0.50	0.00	36	1.030
54	0.00320	0.00242	0.0002	0.009	0.35	0.00	0.50	0.00	37	1.030
55	0.00362	0.00272	0.0002	0.009	0.35	0.00	0.50	0.00	38	1.030
56	0.00420	0.00309	0.0002	0.009	0.35	0.00	0.20	0.00	39	1.030
57	0.00469	0.00348	0.0002	0.009	0.10	0.00	0.20	0.00	40	1.030
58	0.00527	0.00392	0.0002	0.005	0.10	0.00	0.20	0.00	41	1.030
59	0.00594	0.00444	0.0002	0.005	0.10	0.00	0.10	0.00	42	1.030
60	0.00675	0.00505	0.0002	0.005	0.10	0.50	0.07	0.30	43	1.030
61	0.00768	0.00581	0.0002	0.005	0.10	0.15	0.05	0.40	44	1.030
62	0.00876	0.00666	0.0002	0.000	0.10	0.15	0.05	0.50	45	1.030
63	0.01001	0.00765	0.0002	0.000	0.10	0.50	0.10	0.50	46	1.030
64	0.01128	0.00862	0.0002	0.000	0.10	0.33	0.10	0.50	47	1.030
65	0.01274	0.00971	0.0002	0.000	0.10	0.33	0.05	0.50	48	1.030
66	0.01441	0.01095	0.0002	0.000	0.10	0.33	0.05	0.50	49	1.030
67	0.01607	0.01216	0.0002	0.000	0.10	0.33	0.05	0.50	50	1.030
68	0.01787	0.01345	0.0002	0.000	0.10	0.33	0.05	0.50	51	1.030
69	0.01980	0.01486	0.0002	0.000	0.50	0.33	0.00	0.50	52	1.030
70	0.02221	0.01674	0.0000	0.000	0.99	0.33	0.00	0.50	53	1.030
71	0.02457	0.01858	0.0000	0.000	0.99	0.33	0.00	0.50	54	1.030
72	0.02728	0.02067	0.0000	0.000	0.99	0.33	0.00	0.50	55	1.030
73	0.03039	0.02297	0.0000	0.000	0.99	0.33	0.00	0.50	56	1.030
74	0.03390	0.02546	0.0000	0.000	0.99	0.33	0.00	0.50	57	1.030

CORRECTIONS AND HAZARDOUS DUTY PLAN – Assumptions prior to 7/1/2014  
ACTUARIAL TABLES AND RATES

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES	DROP RATES	DUR	SALARY SCALE
	MALE	FEMALE						
18	0.00032	0.00019	0.0000	0.100	0.00	0.00	1	1.150
19	0.00033	0.00019	0.0000	0.250	0.00	0.00	2	1.085
20	0.00034	0.00019	0.0000	0.290	0.00	0.00	3	1.070
21	0.00036	0.00019	0.0000	0.360	0.00	0.00	4	1.070
22	0.00037	0.00019	0.0000	0.310	0.00	0.00	5	1.065
23	0.00037	0.00020	0.0000	0.260	0.00	0.00	6	1.065
24	0.00038	0.00020	0.0000	0.250	0.00	0.00	7	1.065
25	0.00038	0.00021	0.0000	0.260	0.00	0.00	8	1.065
26	0.00038	0.00021	0.0000	0.250	0.00	0.00	9	1.065
27	0.00038	0.00022	0.0000	0.250	0.00	0.00	10	1.070
28	0.00039	0.00024	0.0000	0.180	0.00	0.00	11	1.070
29	0.00041	0.00025	0.0000	0.180	0.00	0.00	12	1.070
30	0.00044	0.00026	0.0002	0.180	0.00	0.00	13	1.070
31	0.00050	0.00031	0.0002	0.140	0.00	0.00	14	1.070
32	0.00056	0.00035	0.0003	0.140	0.00	0.00	15	1.065
33	0.00063	0.00039	0.0003	0.140	0.00	0.00	16	1.065
34	0.00070	0.00043	0.0004	0.140	0.00	0.00	17	1.065
35	0.00077	0.00047	0.0005	0.180	0.00	0.00	18	1.060
36	0.00084	0.00051	0.0006	0.100	0.00	0.00	19	1.060
37	0.00090	0.00055	0.0008	0.100	0.00	0.00	20	1.060
38	0.00096	0.00060	0.0010	0.100	0.00	0.00	21	1.060
39	0.00102	0.00065	0.0012	0.100	0.00	0.00	22	1.060
40	0.00108	0.00071	0.0013	0.090	0.60	0.00	23	1.060
41	0.00114	0.00077	0.0014	0.070	0.60	0.00	24	1.060
42	0.00121	0.00085	0.0015	0.070	0.60	0.00	25	1.060
43	0.00130	0.00094	0.0017	0.070	0.60	0.00	26	1.060
44	0.00140	0.00103	0.0017	0.070	0.60	0.00	27	1.060
45	0.00151	0.00112	0.0017	0.070	0.60	0.00	28	1.050
46	0.00162	0.00122	0.0030	0.070	0.60	0.00	29	1.050
47	0.00173	0.00133	0.0030	0.070	0.75	0.90	30	1.050
48	0.00186	0.00143	0.0030	0.070	0.75	0.50	31	1.040
49	0.00200	0.00155	0.0020	0.070	0.70	0.50	32	1.040
50	0.00214	0.00168	0.0020	0.070	0.70	0.50	33	1.040
51	0.00245	0.00185	0.0020	0.060	0.70	0.20	34	1.040
52	0.00267	0.00202	0.0020	0.060	0.70	0.15	35	1.040
53	0.00292	0.00221	0.0040	0.060	0.75	0.10	36	1.040
54	0.00320	0.00242	0.0070	0.060	0.75	0.07	37	1.040
55	0.00362	0.00272	0.0070	0.060	0.88	0.03	38	1.040
56	0.00420	0.00309	0.0070	0.060	0.70	0.05	39	1.040
57	0.00469	0.00348	0.0090	0.060	0.60	0.10	40	1.040
58	0.00527	0.00392	0.0070	0.060	0.70	0.05	41	1.040
59	0.00594	0.00444	0.0070	0.060	0.70	0.03	42	1.040
60	0.00675	0.00505	0.0000	0.060	0.25	0.03	43	1.040
61	0.00768	0.00581	0.0000	0.060	0.25	0.01	44	1.040
62	0.00876	0.00666	0.0000	0.060	0.25	0.01	45	1.040
63	0.01001	0.00765	0.0000	0.060	0.25	0.01	46	1.040
64	0.01128	0.00862	0.0000	0.060	0.25	0.01	47	1.040
65	0.01274	0.00971	0.0000	0.060	0.25	0.01	48	1.040
66	0.01441	0.01095	0.0000	0.060	0.25	0.01	49	1.040
67	0.01607	0.01216	0.0000	0.060	0.25	0.01	50	1.040
68	0.01787	0.01345	0.0000	0.060	0.25	0.00	51	1.040
69	0.01980	0.01486	0.0000	0.060	0.50	0.00	52	1.040
70	0.02221	0.01674	0.0000	0.000	0.99	0.00	53	1.040
71	0.02457	0.01858	0.0000	0.000	0.99	0.00	54	1.040
72	0.02728	0.02067	0.0000	0.000	0.99	0.00	55	1.040
73	0.03039	0.02297	0.0000	0.000	0.99	0.00	56	1.040
74	0.03390	0.02546	0.0000	0.000	0.99	0.00	57	1.040

WILDLIFE – Assumptions prior to 7/1/2014  
ACTUARIAL TABLES AND RATES

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES	DROP RATES	DUR	SALARY SCALE
	MALE	FEMALE						
18	0.00032	0.00019	0.0000	0.100	0.00	0.00	1	1.150
19	0.00033	0.00019	0.0000	0.100	0.00	0.00	2	1.170
20	0.00034	0.00019	0.0000	0.100	0.00	0.00	3	1.150
21	0.00036	0.00019	0.0000	0.100	0.00	0.00	4	1.120
22	0.00037	0.00019	0.0000	0.100	0.00	0.00	5	1.110
23	0.00037	0.00020	0.0000	0.100	0.00	0.00	6	1.100
24	0.00038	0.00020	0.0000	0.100	0.00	0.00	7	1.095
25	0.00038	0.00021	0.0000	0.070	0.00	0.00	8	1.095
26	0.00038	0.00021	0.0000	0.070	0.00	0.00	9	1.090
27	0.00038	0.00022	0.0000	0.070	0.00	0.00	10	1.090
28	0.00039	0.00024	0.0000	0.070	0.00	0.00	11	1.085
29	0.00041	0.00025	0.0000	0.070	0.00	0.00	12	1.085
30	0.00044	0.00026	0.0001	0.090	0.00	0.00	13	1.075
31	0.00050	0.00031	0.0010	0.090	0.00	0.00	14	1.065
32	0.00056	0.00035	0.0015	0.090	0.00	0.00	15	1.065
33	0.00063	0.00039	0.0020	0.090	0.00	0.00	16	1.065
34	0.00070	0.00043	0.0025	0.050	0.00	0.00	17	1.065
35	0.00077	0.00047	0.0030	0.030	0.00	0.00	18	1.065
36	0.00084	0.00051	0.0035	0.060	0.00	0.00	19	1.065
37	0.00090	0.00055	0.0040	0.060	0.00	0.00	20	1.065
38	0.00096	0.00060	0.0045	0.060	0.00	0.00	21	1.065
39	0.00102	0.00065	0.0050	0.030	0.00	0.00	22	1.065
40	0.00108	0.00071	0.0050	0.060	0.00	0.00	23	1.060
41	0.00114	0.00077	0.0050	0.060	0.00	0.00	24	1.060
42	0.00121	0.00085	0.0050	0.010	0.00	0.00	25	1.060
43	0.00130	0.00094	0.0050	0.010	0.00	0.00	26	1.060
44	0.00140	0.00103	0.0050	0.010	0.00	0.00	27	1.060
45	0.00151	0.00112	0.0050	0.010	0.00	0.00	28	1.060
46	0.00162	0.00122	0.0050	0.010	0.00	0.00	29	1.060
47	0.00173	0.00133	0.0050	0.010	0.50	0.00	30	1.060
48	0.00186	0.00143	0.0050	0.010	0.50	0.10	31	1.060
49	0.00200	0.00155	0.0050	0.010	0.50	0.10	32	1.060
50	0.00214	0.00168	0.0050	0.010	0.50	0.10	33	1.060
51	0.00245	0.00185	0.0050	0.010	0.50	0.10	34	1.060
52	0.00267	0.00202	0.0050	0.010	0.50	0.10	35	1.060
53	0.00292	0.00221	0.0050	0.010	0.50	0.10	36	1.060
54	0.00320	0.00242	0.0050	0.010	0.50	0.10	37	1.060
55	0.00362	0.00272	0.0050	0.010	0.50	0.10	38	1.060
56	0.00420	0.00309	0.0050	0.000	0.50	0.10	39	1.060
57	0.00469	0.00348	0.0050	0.000	0.50	0.10	40	1.060
58	0.00527	0.00392	0.0050	0.000	0.50	0.10	41	1.060
59	0.00594	0.00444	0.0050	0.000	0.50	0.10	42	1.060
60	0.00675	0.00505	0.0000	0.000	0.50	0.10	43	1.060
61	0.00768	0.00581	0.0000	0.000	0.50	0.10	44	1.060
62	0.00876	0.00666	0.0000	0.000	0.50	0.10	45	1.060
63	0.01001	0.00765	0.0000	0.000	0.50	0.10	46	1.060
64	0.01128	0.00862	0.0000	0.000	0.50	0.10	47	1.060
65	0.01274	0.00971	0.0000	0.000	0.99	0.00	48	1.060
66	0.01441	0.01095	0.0000	0.000	0.99	0.00	49	1.060
67	0.01607	0.01216	0.0000	0.000	0.99	0.00	50	1.060
68	0.01787	0.01345	0.0000	0.000	0.99	0.00	51	1.060
69	0.01980	0.01486	0.0000	0.000	0.99	0.00	52	1.060
70	0.02221	0.01674	0.0000	0.000	0.99	0.00	53	1.060
71	0.02457	0.01858	0.0000	0.000	0.99	0.00	54	1.060
72	0.02728	0.02067	0.0000	0.000	0.99	0.00	55	1.060
73	0.03039	0.02297	0.0000	0.000	0.99	0.00	56	1.060
74	0.03390	0.02546	0.0000	0.000	0.99	0.00	57	1.060

## Exhibit 7-A

## AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY

June 30, 2014

Date	Description	Amtz. Method	Amtz. Period	Initial Liability	Years Remain	Remaining Balance	Mid-Year Payment
2014	OAB (2013 Reamortization)	Note 1	15	1,837,878,911	15	1,837,878,911	170,837,248
2014	EAAB (2013 Reamortization)	Note 2	26	2,500,529,447	26	2,500,529,447	193,645,529
2014	2009 Change in Assumptions	L	25	(210,247,288)	25	(210,247,288)	(18,570,638)
2014	2009 Change in Liability	L	25	1,311,211,080	25	1,311,211,080	115,816,125
2014	2010 Change in Liability	L	26	605,996,175	26	605,996,175	52,830,615
2014	2011 Change in Liability	L	27	84,524,828	27	84,524,828	7,281,045
2014	Change in Lia (Assumed Rate)	L	28	351,078,877	28	351,078,877	29,911,445
2014	Chg in Lia (Experience)	L	28	267,736,011	28	267,736,011	22,810,746
2014	Change in Asset Val Method	L	29	(84,353,887)	29	(84,353,887)	(7,114,611)
2014	Change in Lia (Experience)	L	29	(535,064,013)	29	(535,064,013)	(45,128,597)
2014	2014 Inv Gain	L	5	(418,219,552)	5	(418,219,552)	(100,244,534)
2014	2014 Assumption Change*	L	30	725,253,130	30	725,253,130	60,604,358
2014	2014 Method Change	L	30	622,016,608	30	622,016,608	51,977,600
2014	2014 Other Experience	L	30	(61,187,556)	30	(61,187,556)	(5,113,018)
				Plan Specific UAL			
2014	Act 414 - Chg in Lia	L	23	3,352,622	23	3,352,622	305,122
2014	Act 262 - Chg in Lia	L	4	990,515	4	990,515	286,500
2014	Act 740 - Chg in Lia	L	4	279,993	4	279,993	80,986
2014	Act 992 - 2010 Chg in Lia - Note 3	L	6	3,476,288	6	3,476,288	718,942
2014	Act 992 - 2011 Chg in Lia - Note 4	L	7	351,163	7	351,163	64,423
2014	Act 992 - 2012 Chg in Lia - Note 5	L	8	457,303	8	457,303	75,936
2014	Act 852 - 2014 Chg in Lia - Note 6	L	10	5,278,524	10	5,278,524	926,091
<b>Total Outstanding Balance</b>						<b>\$ 7,011,339,179</b>	<b>\$ 532,001,313</b>
<b>Employers Credit Balance</b>							
2014	Contribution Variance (2010)	L	1	17,365,511	1	17,365,511	18,025,869
2014	Contribution Variance (2011)	L	2	43,821,718	2	43,821,718	23,592,517
2014	Contribution Variance (2012)	L	3	32,865,201	3	32,865,201	12,230,234
2014	Contribution Variance (2013)	L	4	64,968,347	4	64,968,347	18,791,664
2014	Contribution Variance (2014)	L	5	100,910,314	5	100,910,314	24,187,552
<b>Total Credit Balance</b>						<b>\$ 259,931,091</b>	<b>\$ 96,827,836</b>
<b>Total Unfunded Actuarial Accrued Liability</b>						<b>\$ 7,271,270,270</b>	<b>\$ 628,829,149</b>

See exhibit 7-D for notes and explanations.

## Exhibit 7-B

## AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY

June 30, 2015 - Projected

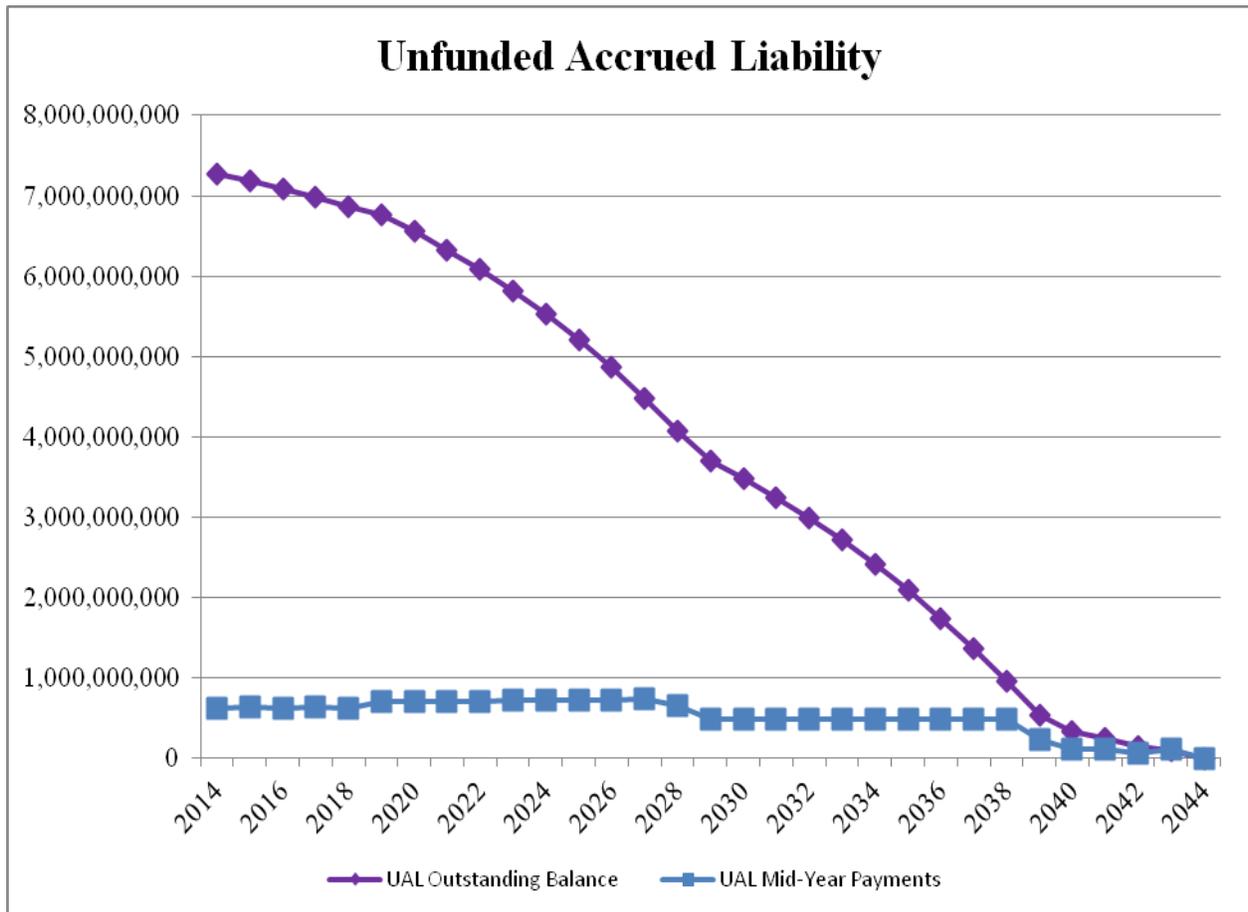
Date	Description	Amtz. Method	Amtz. Period	Initial Liability	Years Remain	Remaining Balance	Mid-Year Payment
2014	OAB (2013 Reamortization)	Note 1	15	1,837,878,911	14	1,802,980,855	180,233,296
2014	EAAB (2013 Reamortization)	Note 2	26	2,500,529,447	25	2,493,311,196	204,296,033
2014	2009 Change in Assumptions	L	25	(210,247,288)	24	(207,264,630)	(18,570,638)
2014	2009 Change in Liability	L	25	1,311,211,080	24	1,292,609,677	115,816,125
2014	2010 Change in Liability	L	26	605,996,175	25	598,121,275	52,830,615
2014	2011 Change in Liability	L	27	84,524,828	26	83,517,581	7,281,045
2014	Change in Lia (Assumed Rate)	L	28	351,078,877	27	347,238,603	29,911,445
2014	Chg in Lia (Experience)	L	28	267,736,011	27	264,807,382	22,810,746
2014	Change in Asset Val Method	L	29	(84,353,887)	28	(83,506,155)	(7,114,611)
2014	Change in Lia (Experience)	L	29	(535,064,013)	28	(529,686,773)	(45,128,597)
2014	2014 Inv Gain	L	5	(418,219,552)	4	(346,575,037)	(100,244,534)
2014	2014 Assumption Change*	L	30	725,253,130	29	718,551,289	60,604,358
2014	2014 Method Change	L	30	622,016,608	29	616,268,744	51,977,600
2014	2014 Other Experience	L	30	(61,187,556)	29	(60,622,140)	(5,113,018)
Plan Specific UAL							
2014	Act 414 - Chg in Lia	L	23	3,352,622	22	3,295,725	305,122
2014	Act 262 - Chg in Lia	L	4	990,515	3	769,885	286,500
2014	Act 740 - Chg in Lia	L	4	279,993	3	217,627	80,986
2014	Act 992 - 2010 Chg in Lia - Note 3	L	6	3,476,288	5	2,999,420	718,942
2014	Act 992 - 2011 Chg in Lia - Note 4	L	7	351,163	6	311,505	64,423
2014	Act 992 - 2012 Chg in Lia - Note 5	L	8	457,303	7	413,920	75,936
2014	Act 852 - 2014 Chg in Lia - Note 6	L	9	4,726,302	9	4,726,302	721,309
<b>Total Outstanding Balance</b>						<b>\$ 7,002,486,251</b>	<b>\$ 551,843,083</b>
<b>Employers Credit Balance</b>							
2014	Contribution Variance (2011)	L	2	43,821,718	1	22,728,232	23,592,517
2014	Contribution Variance (2012)	L	3	32,865,201	2	22,716,942	12,230,234
2014	Contribution Variance (2013)	L	4	64,968,347	3	50,497,140	18,791,664
2014	Contribution Variance (2014)	L	5	100,910,314	4	83,623,531	24,187,552
2015	Contribution Variance (2015)	L	5	3,822,899	5	3,822,899	916,324
<b>Total Credit Balance</b>						<b>\$ 183,388,744</b>	<b>\$ 79,718,291</b>
<b>Total Unfunded Actuarial Accrued Liability</b>						<b>\$ 7,185,874,995</b>	<b>\$ 631,561,374</b>

See exhibit 7-D for notes and explanations.

Exhibit 7-C

**UAL Outstanding Balance and Payment Schedule  
Based on June 30, 2014 UAL Schedules**

FY Beginning	UAL Balance (Millions)	UAL Mid-Year Payments (Millions)	Pmt % Change	FY Beginning	UAL Balance (Millions)	UAL Mid-Year Payments (Millions)	Pmt % Change
2014	7,271	629		2029	3,708	491	-25.3%
2015	7,186	632	0.4%	2030	3,486	491	0.0%
2016	7,087	627	-0.7%	2031	3,247	491	0.0%
2017	6,985	635	1.3%	2032	2,989	491	0.0%
2018	6,867	620	-2.4%	2033	2,711	491	0.0%
2019	6,756	700	12.9%	2034	2,412	491	0.0%
2020	6,553	703	0.4%	2035	2,089	491	0.0%
2021	6,332	707	0.6%	2036	1,742	491	0.0%
2022	6,089	711	0.6%	2037	1,367	491	-0.1%
2023	5,823	715	0.6%	2038	964	491	0.0%
2024	5,531	719	0.5%	2039	529	226	-54.0%
2025	5,214	724	0.6%	2040	336	115	-48.9%
2026	4,866	728	0.6%	2041	243	108	-6.3%
2027	4,488	733	0.7%	2042	149	55	-48.8%
2028	4,074	657	-10.4%	2043	104	107	94.6%



**Exhibit 7-D****Amortization Schedule Notes**

Act 497 of 2009 consolidated all LASERS amortization schedules established on or before July 1, 2008, except those established due to benefit changes for a specific plan, into two schedules: the Original Amortization Base (OAB) and the Experience Account Amortization Base (EAAB). The OAB consists of the outstanding balance of the Initial Unfunded Accrued Liability (IUAL) and other schedules with negative outstanding balances, and was credited with the balance of funds from the IUAL fund. The EAAB consists of the 2004 schedule and all other remaining schedules. The outstanding balance of this schedule was credited with funds from the IUAL subaccount, which were originally transferred from the Employee Experience Account on June 30, 2009.

Act 497 revised the amortization of contribution variances resulting in a credit. The act specifies that any overpayment through fiscal year 2016/2017 will be credited to the OAB. The OAB will then be reamortized according to the new payment schedule. Similarly, any overpayment resulting from the statutory minimum contribution of 15.5% exceeding the actuarially calculated contribution through 2016/2017 will be credited to the EAAB and the EAAB will be re-amortized.

Act 399 changed the allocation of investment earnings to the UAL and experience account and eliminates all provisions allowing for reamortization of the OAB and EAAB until the System's is 85% funded.

All schedules were reamortized, effective July, 1, 2014, using a rate of 7.75%.

**Note 1:** The Original Amortization Base includes the following bases that existed prior to Act 197 of 2009: 1993 (Initial Liability) 1993 (Change in Liability), 1994, 1995, 1997, 1998, 2005, 2006, and 2007 (excluding schedules established to amortize liability resulting from Acts 414, 262, and 740). The new combined balance was credited with funds from IUAL Account. The OAB was reduced by \$50 Million on June 30, 2013 and re-amortized. Future payments will increase by 6.5% for 1 year, 5.5% for 4 years, 5% for two years, and thereafter at 2% until paid off in 2029.

**Note 2:** The Experience Account Amortization Base includes the following bases that existed prior to Act 197 of 2009: 1996, 1999 – 2003, 2004 (the liability resulting from Act 588 of 2004 which zeroed out the experience account), and 2008. The new combined balance was credited with funds from the sub-account of the IUAL Fund, which were transferred from the Experience Account on June 30, 2009. The EAAB was reduced by \$50 Million on June 30, 2013 and re-amortized. Future payments will increase by 6.5% for 1 year, 5.5% for 4 years, 5% for two years, and level thereafter until paid off in 2040.

**Note 3:** Act 992 - 2010 Increase in Accrued Liability - Change in retirement eligibility for Act 75 members

**Note 4:** Act 992 - 2011 Increase in Accrued Liability - Change in normal form of benefit for prior members joining the Hazardous Duty Plan prospectively between January 1, 2011 and June 30, 2011.

**Note 5:** Act 992 - 2012 Increase in Accrued Liability - Change in normal form of benefits for prior members joining the Hazardous Duty Plan prospectively between July 1, 2011 and June 30, 2012.

**Note 6:** Act 852 of 2014 Increase in Accrued Liability - Change in benefits for certain probation and parole officers employed by the office of adult services of the Department of Public Safety and Corrections prior to December 31, 2001.

**Exhibit 7-E****Components of Original Amortization Base  
(Dollar amounts in millions)**

	Annual Outstanding Balance					Annual Payments				
	IUAL	IUAL Acct	Net IUAL	Other Schedules	Total OAB	IUAL	IUAL Acct	Net IUAL	Other Schedules	Total OAB
2014	2,883.5	-90.4	2,793.0	-955.2	1,837.9	268.0	-8.0	260.0	-89.0	171.0
2015	2,828.7	-88.7	2,740.0	-937.0	1,803.0	283.0	-9.0	274.0	-94.0	180.0
2016	2,754.4	-86.4	2,668.0	-912.4	1,755.6	297.0	-9.0	288.0	-98.0	189.0
2017	2,659.7	-83.4	2,576.3	-881.0	1,695.2	312.0	-10.0	302.0	-103.0	199.0
2018	2,542.2	-79.7	2,462.5	-842.1	1,620.4	318.0	-10.0	308.0	-105.0	203.0
2019	2,409.2	-75.6	2,333.6	-798.0	1,535.6	324.0	-10.0	314.0	-107.0	207.0
2020	2,259.2	-70.9	2,188.3	-748.4	1,440.0	331.0	-10.0	320.0	-110.0	211.0
2021	2,090.8	-65.6	2,025.3	-692.6	1,332.7	337.0	-11.0	327.0	-112.0	215.0
2022	1,902.6	-59.7	1,842.9	-630.2	1,212.7	344.0	-11.0	333.0	-114.0	219.0
2023	1,692.8	-53.1	1,639.7	-560.7	1,078.9	351.0	-11.0	340.0	-116.0	224.0
2024	1,459.5	-45.8	1,413.7	-483.5	930.3	358.0	-11.0	347.0	-119.0	228.0
2025	1,200.9	-37.7	1,163.2	-397.8	765.4	365.0	-11.0	354.0	-121.0	233.0
2026	914.8	-28.7	886.1	-303.0	583.1	373.0	-12.0	361.0	-123.0	237.0
2027	599.0	-18.8	580.2	-198.4	381.8	380.0	-12.0	368.0	-126.0	242.0
2028	250.9	-7.9	243.0	-83.1	159.9	260.0	-8.0	252.0	-86.0	166.0
2029	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

This table has changed from previously published tables due to the \$25,000,000 investment gains and \$2,465,608 legislative appropriation applied to this base on June 30, 2014, and due to the change in discount rate to 7.75%.

## GLOSSARY

**Accrued Benefit** – The pension benefit that an individual has earned as of a specific date based on the provisions of the plan and the individual's age, service, and salary as of that date.

**Actuarial Accrued Liability** – Computed differently under different funding methods, the actuarial accrued liability generally represents the portion of the actuarial present value of benefits attributable to service credit earned (or accrued) as of the valuation date.

**Actuarial Present Value of Benefits** – Amount which, together with future interest, is expected to be sufficient to pay all benefits to be paid in the future, regardless of when earned, as determined by the application of a particular set of actuarial assumptions; equivalent to the actuarial accrued liability plus the present value of future normal costs attributable to the members.

**Actuarial Assumptions** – Assumptions as to the occurrence of future events affecting pension costs. These assumptions include rates of investment earnings, changes in compensation, rates of mortality, withdrawal, disablement, and retirement as well as statistics related to marriage and family composition.

**Actuarial Cost Method** – A method of determining the portion of the cost of a pension plan to be allocated to each year; sometimes referred to as the "actuarial funding method." Each cost method allocates a certain portion of the actuarial present value of benefits between the actuarial accrued liability and future normal costs.

**Actuarial Equivalence** – Series of payments with equal actuarial present values on a given date when valued using the same set of actuarial assumptions.

**Actuarial Present Value** - The amount of funds required as of a specified date to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payments between the specified date and the expected date of payment.

**Actuarial Value of Assets** – The value of cash, investments, and other property belonging to the pension plan as used by the actuary for the purpose of the actuarial valuation. This may correspond to market value of assets, or some modification using an asset valuation method to reduce the volatility of asset values.

**Actuarially Reduced** – The method of adjusting a benefit received at an early date, or paid in a form other than the lifetime of the member so that the expected total cost to the retirement system is equivalent to the cost if the benefit did not begin until later, or was paid for the lifetime of the member.

**Asset Gain (Loss)** – That portion of the actuarial gain attributable to investment performance above (below) the expected rate of return in the actuarial assumptions.

**Amortization** – Paying off an interest-discounted amount with periodic payments of interest and (generally) principal, as opposed to paying off with a lump sum payment.

**Amortization Payment** – That portion of the pension plan contribution designated to pay interest and reduce the outstanding principal balance of unfunded actuarial accrued liability. If the amortization payment is less than the accrued interest on the unfunded actuarial accrued liability the outstanding principal balance will increase.

**Contribution Variance** – The difference between actuarially required contribution and the actual amount received based upon a projected contribution rate. Results in an increase or decrease to future required contributions.

**Discount Rate** – The interest rate used in developing present values to reflect the time value of money.

**Decrements** – Events which result in the termination of membership in the system such as retirement, disability, withdrawal, or death.

**Employer Normal Cost** – Portion of the normal cost, excluding administrative expenses, not paid by employee contributions.

**Entry Age Normal (EAN) Funding Method** – A standard actuarial funding method whereby each member's normal costs (service costs) are generally level as a percentage of pay from entry age until retirement. The annual cost of benefits is comprised of the normal cost plus an amortization payment to reduce the UAL.

**Experience Gain (Loss)** – The difference between actual unfunded actuarial accrued liabilities and anticipated unfunded actuarial accrued liabilities during the period between two valuation dates. It is a measurement of the difference between actual and expected experience, and may be related to investment earnings above (or below) those expected or changes in the liability due to fewer (or greater) than expected numbers of retirements, deaths, disabilities, or withdrawals, or variances in pay increases relative to assumed pay increases. The effect of such gains (or losses) is to decrease (or increase) future costs.

**Funded Ratio** – A measure of the ratio of the actuarial value of assets to liabilities of the system. Typically the assets used in the measure are the actuarial value of assets as determined by the asset valuation method adopted by the Board of Trustees; the liabilities are determined using the actuarial funding method specified by Louisiana statute. Thus the funded ratio depends not only on the financial strength of the plan but also on the asset valuation method used to determine the assets and on the funding method used to determine the liabilities.

**Governmental Accounting Standards Board (GASB)** – Governmental agency that sets the accounting standards for state and local government operations.

**Market Value of Assets (MVA)** – The value of assets as they would trade on an open market.

**Normal Cost** – Computed differently under different funding methods, generally that portion of the actuarial present value of benefits allocated to the current plan year.

**Projected Benefits** – The benefits expected to be paid in the future based on the provisions of the plan and the actuarial assumptions. The projected values are based on anticipated future advancement in age and accrual of service as well as increases in salary paid to the participant.

**Projected Unit Credit (PUC) Funding Method** – A standard actuarial funding method whereby the actuarial present value of projected benefits of each individual is accumulated from the participant's attained age to anticipated retirement. The portion attributable to current year benefit accruals is called the normal cost. The actuarial present value of future benefits in proportion to service accrued on the date of valuation is called the actuarial accrued liability. The annual cost of benefits is comprised of the normal cost plus an amortization payment to reduce the unfunded actuarial accrued liability.

**Side-Fund Assets** – Assets held in the trust for purposes other than for paying the accrued benefits or administrative expenses of the plan.

**Unfunded Actuarial Accrued Liability (UAAL or UAL)** – The excess of the actuarial accrued liability over the valuation assets; sometimes referred to as "unfunded past service liability". UAL increases each time an actuarial loss occurs and when new benefits are added without being fully funded initially and decreases when actuarial gains occur.

**Valuation Assets** – The actuarial value of assets less side-fund assets; represents the portion of the actuarial value of assets available to pay the accrued benefits of the plan.

**Vested Benefit** – Benefits that the members are entitled to regardless of employment status.