

**LOUISIANA STATE EMPLOYEES'
RETIREMENT SYSTEM**

JUNE 30, 2016

ACTUARIAL VALUATION

September 23, 2016

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

Ladies and Gentlemen:

This report is prepared for the Louisiana State Employees' Retirement System Board of Trustees to present the results of the actuarial valuation of assets and liabilities, as well as funding requirements, as of June 30, 2016. The primary purpose of the report is to determine the actuarially required contribution for fiscal year ending 2017 and the projected actuarially required contribution rate for fiscal year ending 2018. The valuation measures the liability and funding levels and provides other information for financial reporting. Results should not be relied upon for other purposes.

In preparing this valuation, we have relied upon the information provided by the System 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 and Statement of Revenue and Expenses as audited by Duplantier, Hrapmann, Hogan & Maher 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 estimated 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 reasonable and appropriate for the purposes of this valuation. 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.

Exhibit 3 provides disclosures of the Fiduciary Net Position and Net Pension Liabilities required by the Governmental Accounting Standards Board Statements 67/68. 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

TABLE OF CONTENTS

	<u>Page</u>
LETTER OF CERTIFICATION	
ACTUARIAL VALUATION RESULTS	
Summary of Valuation Results	2
Projected Contribution Rates by Plan	3
Funding Requirements Specific to Individual Sub-plans	3
Changes in UAL and Funding Requirements	4
Funding Policy	5
Accelerated Reduction of OAB and EAAB	7
Funded Status	7
Legislative/Plan Changes	7
Actuarial Assets/Valuation Assets	8
Plan Experience	8
Funding of Investment and Administrative Expenses	9
Funding of Future Post Retirement Benefit Increases	10
EXHIBIT 1 DEVELOPMENT OF COSTS, LIABILITIES & CONTRIBUTIONS	11 - 12
Provides detail by benefit type of the cost to accrue annual pension benefits, liabilities accrued to date, and funding requirements	
EXHIBIT 2 FINANCIAL SUMMARY	13 - 16
Contains the statement of revenue and expenses as well as assets available to pay pension benefits	
EXHIBIT 3 FINANCIAL REPORTING FOR PENSION PLANS	17- 20
GASB Statement No. 67/68 Reporting	
EXHIBIT 4 CENSUS DATA	21 - 43
Describes the employee data, data processing for valuation purposes, member reconciliation, and depicts employee profiles by classification, age and service	
EXHIBIT 5 SUMMARY OF PLAN PROVISIONS	44 - 53
Restates in summary outline form the basic plan provisions which were incorporated in the projected retirement pension benefit	
EXHIBIT 6 ACTUARIAL COST METHODS AND ASSUMPTIONS	54 - 61
Discloses rates of mortality, disability, retirement termination and other assumptions which are presumed to reflect the experience of the retirement system in aggregate	
EXHIBIT 7 AMORTIZATION SCHEDULE	62 - 66
Exhibit 7-A – June 30, 2016	
Exhibit 7-B – June 30, 2017 – Projected	
Exhibit 7-C – UAL Outstanding Balance and Payment Schedule	
Exhibit 7-D – Amortization Schedule Notes	
Exhibit 7-E – Components of Original Amortization Base	
GLOSSARY	67 - 69

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:

	June 30, 2016	----- Prior Years -----	
		June 30, 2015	June 30, 2014
I. Membership Census			
1) Retirees	48,201	47,643	46,940
2) Actives	39,284	40,194	40,321
3) DROP	1,609	1,682	1,838
4) Terminated Vested	3,865	3,953	4,558
II. Annual Benefits	\$1,217,858,640	\$1,170,269,160	\$1,074,358,980
III. Total Payroll	1,842,286,184	1,856,735,292	1,813,759,357
IV. Valuation Assets	11,630,816,397	11,318,433,014	10,606,474,675
V. Experience Account	9,714,942	123,579,684	117,093,356
VI. Investment Yield			
Market Value (Total Assets)	-2.64%	1.34%	17.55%
Market Value (Excl. Self Directed, ORP)	-2.86%	1.30%	18.19%
Actuarial Value	5.43%	10.64%	13.45%
DROP	4.93%	10.14%	12.95%
VII. Total Normal Cost	219,475,741	222,225,784	208,898,813
Total Normal Cost (% of Payroll)	11.91%	11.97%	11.52%
Employer Normal Cost (% of Payroll)	3.93%	4.00%	3.56%
VIII. Unfunded Actuarial Accrued Liability	6,945,450,226	6,898,227,442	7,271,270,270
IX. Funded Percentage	62.6%	62.1%	59.3%
X. Funding Requirements (Mid-year payment)			
1) Employee Contribution	149,440,502	150,093,960	146,448,588
Avg. Employee Contribution Rate	7.980%	7.970%	7.953%
2) Employer Contribution	700,058,533	691,893,177	693,094,712
Aggregate Rate (Current Year) ¹	37.4%	36.7%	37.6%
3) Projected Employer Contribution	724,363,377	689,209,421	697,562,314
Proj. Aggregate Rate (Next Year) ¹	37.8%	35.8%	37.0%

The above funding requirements measure the cost of benefits that were in effect on June 30, 2016, and Acts of the 2016 Regular Legislative Session.

¹ Aggregate employer rate for all plans, net of special sub-plan appropriations.

PROJECTED CONTRIBUTION RATES BY PLAN:

The aggregate funding requirements for LASERS are shown in Exhibit 1. Act 1026 of the 2010 Legislative Session requires the employer contribution rate to be determined separately for each plan as 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 the Public Retirement Systems’ Actuarial Committee (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.

Projected Cost for Fiscal Year 2017/2018							
Plan	Plan Status on July 1, 2017	Normal Cost (excl Admin) % (A)	Employee NC % (B)	Employer NC % (A)-(B)	Shared UAL %	Plan Specific UAL %	Total Employer Contribution %
Judges and Court Officers	Closed	17.8%	11.5%	6.3%	33.8%	0.0%	40.1%
Legislators	Closed	19.4%	11.5%	7.9%	33.8%	0.0%	41.7%
Special Legislative	Closed	19.4%	9.5%	9.9%	33.8%	0.0%	43.7%
Corrections - Primary	Closed	8.4%	9.0%	-0.6%	33.8%	0.0%	33.2%
Corrections - Secondary	Closed	12.8%	9.0%	3.8%	33.8%	0.0%	37.6%
Wildlife	Closed	22.3%	9.5%	12.8%	33.8%	0.0%	46.6%
Peace Officers	Closed	11.9%	9.0%	2.9%	33.8%	0.0%	36.7%
Alcohol Tobacco Control	Closed	7.9%	9.0%	-1.1%	33.8%	0.0%	32.7%
Bridge Police	Closed	11.0%	8.3%	2.7%	33.8%	0.0%	36.5%
Judges (Act 992)	Open	18.8%	13.0%	5.8%	33.8%	0.0%	39.6%
Hazardous Duty (Act 992)	Open	13.9%	9.5%	4.4%	33.8%	0.100%	38.3%
Harbor Police Plan	Closed	13.6%	9.0%	4.6%	1.5%	0.0%	6.1%
Aggregate LASERS Plans		12.0%	8.0%	4.0%	33.8%	0.0%	37.8%

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 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 UAL increase is funded with annual payments over 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 of the Corrections Primary sub-plan. The increase in UAL and annual normal costs are funded by appropriations from the Adult Probation and Parole Officer Retirement Fund (APPOR Fund). The first payment in the amount of \$1 million, as required by the Act, paid the first year increase in normal cost and the remaining balance was applied to the UAL created by the Act. The remaining UAL balance will be paid over nine years with level payments, so that the total increase will be paid off within 10 years. Beginning April 1, 2016 and annually thereafter, funds will be allocated to LASERS to fund the increase in normal cost and UAL according to the amount established in the actuarial valuation for the prior fiscal year. In addition, 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	\$53,563
UAL Payment, mid-year	\$721,309
Total mid-year	\$774,872
Interest adjusted to April 1, 2017	\$789,376

Harbor Police Plan – 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 established the terms of the transfer. Effective July 1, 2014, new hires of the Harbor Police Department of the Port of New Orleans are enrolled in the Hazardous Duty Plan. Existing retirees and active members of the HPRS were transferred to LASERS, effective July 1, 2015, and retained current benefits. Members of the Harbor Police sub-plan that have not participated in the Deferred Retirement Option Program (DROP) may apply to transfer to the Hazardous Duty Plan. The employer contribution rate established for members of the Harbor Police sub-plan 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.

CHANGES IN UAL AND FUNDING REQUIREMENTS

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 increase in contribution requirements and the plan’s unfunded accrued liability (UAL) is due mainly to an investment experience loss relative to the discount rate. The loss was partially offset by an experience gain from other actuarial assumptions.

The aggregate employer contribution rate established by the Public Retirement Systems' Actuarial Committee for the 2016/17 plan year was 35.8%. The restated employer contribution rate determined by this valuation for the 2016/17 plan year is 37.4%. Therefore, an employer contribution deficit of 1.6% of payroll is expected next year.

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 Fiscal Year 16/17 to Fiscal Year 17/18

Normal Cost (demographic shift)	-0.06%
Normal Cost (discount rate change)	0.11%
UAL Payment	
Investment Experience Loss	1.09%
Other Experience Gain	-0.31%
Statutory UAL Payment Increase	1.05%
Contribution Variance Payment Change	-0.25%
Discount Rate Change	0.31%
Payroll Change	0.18%
Total	2.12%
Actual Contribution Rate Change	2.10%

Change in Unfunded Actuarial Accrued Liability

Unfunded Liability - June 30, 2015		\$ 6,898,227,442
Interest on Unfunded Liability	\$ 534,612,627	
Amortization Payments	(644,434,960)	
Investment Experience Loss	249,797,072	
Other Experience Gain	(80,839,358)	
2016 COLA	120,572,581	
Experience Account Disbursement	(120,572,581)	
Employer Contribution Surplus	(15,271,071)	
Harbor Police	3,358,474	
Total Change		47,222,784
Unfunded Liability - June 30, 2016		\$ 6,945,450,226

FUNDING POLICY

LASERS' funding policy is established by Sections 102 and 102.1 of Title 11 of the Louisiana Revised Statutes. LASERS is funded by employee and employer contributions, as a percentage of payroll, plus investment earnings. The basic elements of the annual required contribution are the normal cost, which is the cost of benefits earned by current active employees that is allocated to the current year, plus amortization of the unfunded accrued liability (UAL). 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 are used to reduce the Original Amortization Base (OAB), which includes the Initial Unfunded Accrued Liability (IUAL).

Per State 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% until the UAL that existed on June 30, 2004 is fully funded. Amounts paid to the system due to the minimum will be accumulated in the employer credit account to be used exclusively to reduce any UAL created before July 1, 2004.

Employee contributions are fixed and established by statutes. Employer contributions are determined using the Entry Age Normal actuarial cost method, as required by statute and actuarial assumptions regarding future plan experience, such as long-term expected investment rates of return, future salary increases, and demographic assumptions such as rates of retirement, termination, disability, and mortality. The actuarial assumptions utilized in this report can be found in Exhibit 6 of this report. The cost method is used to determine the normal cost, which is divided into the employee portion and the employer portion, both expressed as a percentage of payroll. The cost method also determines the plans total actuarial accrued liability. The Unfunded Accrued Liability (UAL) is determined as the total actuarial accrued liability less the plan’s valuation assets, which are developed in Exhibit 2 of this report. The UAL changes annually due to plan experience gains or losses, which develop as actual plan experience will differ from that assumed by the actuarial assumptions, and if applicable, changes in benefits, or actuarial methods and/or assumptions. Statutes provide for the amortization of changes in the UAL.

Benefit changes resulting in an actuarial cost can only be enacted by a two-thirds vote of the legislature and must be paid within 10 years. Non-investment experience gains and losses and investment losses are amortized over 30 years with level payments. Investment gains are first allocated to the OAB and EAAB, without re-amortization, up to the \$100 million threshold amounts, indexed beginning June 30, 2016, as required by Act 399 of 2014. By not re-amortizing, gains applied to these schedules result in earlier pay-off of these schedules. One-half of any remaining gains are credited to the experience account up to the statutory cap. Any remaining gains are then amortized over 30 years with level payments. Beginning in 2016, the full investment gain remaining after the allocation to the OAB and EAAB will be amortized over 30 years, and any gains credited to the experience account will be amortized as an offsetting loss over a 10 year period. Once the fund attains a funded ratio of 70%, future gains or losses (investment and non-investment) that would have otherwise been amortized over 30 years will be amortized over 20 years. The OAB will be re-amortized with level-dollar payments to 2029 in fiscal year 2020/21 or later, when such re-amortization results in annual payments that are not more than the next annual payment otherwise required. If the System is less than 80% funded, the net remaining liability of the OAB and EAAB shall be re-amortized after application of the “threshold allocations” in Fiscal Year 2019-2020 and in every fifth fiscal year thereafter. Once the system attains an 80% funded ratio, the OAB and EAAB will be re-amortized following allocations of “threshold allocations” or contribution variance surpluses.

Future payments to amortize the OAB 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
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. If future aggregate payroll increases at a higher rate than the total amortization payments, the employer contribution will decrease. Future UAL amortization payments in aggregate for all current schedules are shown in Exhibit 7-C.

Employers pay the full required employer contribution rate, as recommended to the legislature by the Public Retirement Systems’ Actuarial Committee (PRSAC). This rate is determined as the projected actuarially determined contribution divided by the projected payroll. The actual actuarially determined contribution and actual payroll will vary from the projected amounts, resulting in a contribution variance. Per statutory requirements, contribution surpluses through fiscal year 2016/2017 will be allocated to the OAB and contribution deficits will be amortized over a five year period with level payments.

The funding policy described above is consistent with the plan accumulating adequate assets to make benefit payments when due and improving the funded status of the plan by fully amortizing the unfunded accrued liability, assuming that the actuarially determined contributions will be paid when due and all actuarial assumptions will be realized.

ACCELERATED REDUCTION OF OAB AND EAAB

Act 497 of 2009 established the OAB and EAAB and required the application of certain investment gains and contribution variance credits to these schedules. Act 399 modified the provisions of Act 497 and specifies that until the System's funded ratio reaches 85%, the funds applied to these schedules will be used to pay off the schedules early, rather than to reduce employer contributions. Since 2009, \$150,761,073 has been applied to the OAB and \$125,000,000 has been applied to the EAAB. When combined with the surplus dollars appropriated to the System by the legislature, these result in the acceleration of the payoff of the OAB to 2028, one year earlier than the 2029 payoff required by the State Constitution. These funds have resulted in the acceleration of the payoff of the EAAB by 2038, two years earlier than the statutory requirement that this schedule be paid by 2040. A projection of future UAL and UAL payments based on current amortization schedules is shown in Exhibit 7-C. This projection assumes that the actuarially determined contributions will be paid when due and all actuarial assumptions will be realized.

FUNDED STATUS

The funded status is a measure of the plan's assets relative to the plan's obligations. The current funded ratio is 62.61%, as measured by the plans valuation assets divided by the total actuarial accrued liability, based on the asset valuation method, actuarial cost method, and actuarial assumptions described above. There were no changes in these assumptions or methods since the prior valuation. The funded status measure is appropriate for assessing the sufficiency of plan assets to cover the estimated cost of settling the plan's obligations and for assessing the amount of future contributions. This measure would be different if the measure reflected the market value of assets rather than the actuarial value of assets. 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. The scope of this report does not include an analysis of the range of such future measurements.

LEGISLATIVE/PLAN CHANGES

Act 93 of 2016 provides for a 1.5% permanent benefit increase, calculate on the first \$60,000 of a recipient's benefit for eligible members, effective July 1, 2016. All retirees must have been retired by June 30, 2015 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, 2015.

Act 94 of 2016 provides for direct funding by employers of noninvestment-related administrative expenses beginning in the first fiscal year in which the projected aggregate employer contribution rate, calculated without regard to any changes in the board-approved actuarial valuation rate, will not increase.

Act 95 of 2016 amends the funding policy and other provisions as follows:

- Accelerates the implementation of the reduction in amortization period for most actuarial changes, gains, or losses from 30 years to 20 years. The 20 year amortization will begin once the funded ratio reaches 70%, rather than 85%, as previously required.
- Accelerates the implementation of the change in amortization of actuarial gains allocated to the experience account. The transfer of gains to the experience account will be amortized as a loss with level payments over a ten-year period, beginning with the first system valuation following June 30, 2015, in which an allocation is made to the system's experience account, rather than beginning on June 30, 2019, as provided by prior law.

- Provides for re-amortization of the OAB with level-dollar payments to 2029 in Fiscal Year 2020-2021 or later, when such re-amortization results in annual payments that are not more than the next annual payment otherwise required under prior law.
- Provides that until a system is 80% funded, the net remaining liability of the OAB and EAAB shall be re-amortized after application of the hurdle payments in Fiscal Year 2019-2020 and in every fifth fiscal year thereafter.
- Accelerates the timing of the review of volatility of payment schedules. Prior law required that the results of the study be reported to the Public Retirement Systems' Actuarial Committee by Nov. 1, 2019. Act 95 requires the review of volatility to be done following the close of Fiscal Year 2016-2017 and the report to be submitted by Nov. 1, 2017.

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 represents 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 account, established by Act 588 of 2004, accumulates the excess contributions based on the minimum employer contribution rate of 15.5%, over the actuarially determined employer contribution, as restated in the current valuation. The minimum rate is not currently applicable and 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 increases in the actuarial value of assets, beginning June 30, 2016) 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. Funds were disbursed from the account to fund the cost of the permanent benefit increase provided by Act 93 of 2016, which totaled \$120,572,581. The fund currently has a balance of \$9,714,942.

PLAN EXPERIENCE

The actuary is charged with recommending actuarial assumptions based on the best estimate of future plan experience to properly fund benefits. The results of the actuarial valuation are dependent on the actuarial assumptions used. These assumptions, which are adopted by the Board of Trustees, are detailed in Exhibit 6 of the valuation report. A gain or loss occurs if the actual experience differs from the projected plan measurements. For the current measurement period, this gain or loss is amortized over a 30 year period with level dollar payments, except for investment gains allocated to the OAB, EAAB, or the Experience Account.

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 2015/16 plan year, the system incurred a \$80,839,358 experience gain from plan experience differing from that anticipated by the demographic and salary assumptions. The experience loss includes administrative expenses, as described below.

Investment Experience

For the plan year ending June 30, 2016, the realized actuarial rate of return based upon the actuarial value of assets is 5.43%. Since this is less than the 7.75% discount rate, the result is an investment experience loss of \$249,797,072 relative to projected investment income.

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
2012	5.20%	5 Year	9.69%
2013	14.05%	10 Year	6.95%
2014	13.45%	20 Year	7.20%
2015	10.64%	25 Year	7.72%
2016	5.43%	30 Year	8.13%

DROP accounts for members eligible for DROP prior to January 1, 2004 are credited with interest following termination of DROP at a rate of 0.5% below the System’s actuarial rate of return, but not to below zero. The DROP interest rate for the period July 1, 2015 through June 30, 2016 after the expense adjustment is 4.93%. DROP accounts for members eligible for DROP after are January 1, 2004 are invested self-directed accounts approved by the Board of Trustees.

The Harbor Police Retirement System Annual DROP Interest Rate is the three year average (calculated as the compound average of 36 months) investment return of the plan assets for the period ending the June 30th immediately preceding that given date. The average rate so determined is to be reduced by a “contingency” adjustment of 0.5%, but not to below zero. The Harbor Police Retirement System Annual DROP Interest Rate for the period July 1, 2016 through June 30, 2017 after the “contingency” adjustment is 1.8684%, as determined by LASERS.

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. Per Actuarial Standard of Practice Statement 27, (paragraph 3.8.3.e.) the investment return assumption should be reduced to reflect investment and administrative expenses that are paid from plan assets and not otherwise recognized. The discount rate was developed with a margin of 15 basis points to account for these expenses, therefore these losses are expected to be offset by long-term investment earnings. 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 earnings 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 and administrative expenses and the expected return used to provide for future retiree benefit increases. This adjustment is made in accordance with Actuarial Standards of Practice No. 27 regarding the selection of economic assumptions, which states that it is appropriate to adjust the economic assumptions to provide for plan provisions that are difficult to measure, such as gain-sharing provisions.

The adjustment for gain-sharing reflects LASERS' specific statutory provisions which require 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 balance of this account, which has been significantly decreased by Act 399 of 2014. Since the liabilities in this report were not developed to include liabilities for future ad hoc retiree benefit increases, the assumptions were developed to include an adjustment to recognize that investment earnings will be diverted to fund the increases, in accordance with Actuarial Standards of Practice No. 27 (paragraph 3.5.1). See Exhibit 6 for a description of all plan assumptions.

EXHIBIT 1
DEVELOPMENT OF
COSTS, LIABILITIES AND CONTRIBUTIONS

Normal Costs and Accrued Liabilities are calculated in accordance with the Entry Age Normal Cost Method, and the Actuarial Assumptions outlined in Exhibit 6 based on the Provisions of the Plan as summarized in Exhibit 5.

	<u>June 30, 2016</u>		<u>---- Prior Year ----</u> <u>June 30, 2015</u>	
	Dollar Amount	% of Salary	Dollar Amount	% of Salary
I. Normal Costs				
Active Members with Complete Data				
a) Retirement Benefits	145,514,864	7.90%	148,042,083	7.97%
b) Disability Benefits	4,882,098	0.27%	4,892,162	0.26%
c) Survivor Benefits	4,918,829	0.27%	4,980,945	0.27%
d) Voluntary Termination	64,159,950	3.49%	64,310,594	3.46%
TOTAL	<u>219,475,741</u>	<u>11.91%</u>	<u>222,225,784</u>	<u>11.97%</u>
II. Actuarial Accrued Liability				
a) Active Members				
1) Retirement/Termination Benefits	4,753,870,537		4,757,741,824	
2) Disability Benefits	66,748,699		67,414,732	
3) Survivor Benefits	63,974,141		64,156,256	
	<u>4,884,593,377</u>		<u>4,889,312,812</u>	
b) Retired and Inactive Members				
1) Regular Retirees	10,036,518,989		9,650,771,799	
2) Disability	281,290,589		282,699,394	
3) Survivors	738,363,611		722,670,033	
4) Terminated Vested	335,171,682		337,838,121	
5) Contributions Refunded	85,071,016		85,194,318	
6) DROP Deferred Benefits	1,172,501,053		1,219,407,826	
7) DROP Account Balances	1,037,139,136		1,023,194,560	
8) ORP Account Balances	5,617,170		5,571,593	
	<u>13,691,673,246</u>		<u>13,327,347,644</u>	
c) Total	18,576,266,623		18,216,660,456	

Exhibit 1 (Continued)
Costs, Liabilities & Contributions

	<u>June 30, 2016</u>	<u>---- Prior Year ---- June 30, 2015</u>
II. Actuarial Accrued Liability	18,576,266,623	18,216,660,456
III. Valuation Assets	11,630,816,397	11,318,433,014
IV. Unfunded Actuarial Accrued Liability - Entry Age Normal ¹	6,945,450,226	6,898,227,442
a) Change over prior year	47,222,784	(373,042,828)
b) Funded Percentage	62.6%	62.1%
V. Employer Contributions To Fund Current Plan Year ¹		
a) Employer Portion of Normal Cost	73,655,746	75,302,489
b) Amortization Payments	573,048,893	539,009,230
c) Prior Contribution Variance Amort. Pmt	55,209,450	78,801,967
TOTAL Required Contribution	<u>701,914,089</u>	<u>693,113,686</u>
Less Act 852 direct Normal Cost payment	53,563	57,980
Less direct UAL payments ²	<u>1,801,993</u>	<u>1,162,529</u>
NET contribution required	700,058,533	691,893,177
	37.4%	36.7%
PRISAC Approved rate ³	35.8%	37.0%
VI. Projected Employer Contributions To Fund Next Plan Year ¹		
a) Employer Portion of Normal Cost	77,387,492	76,924,675
b) Amortization Payments	598,273,174	558,235,696
c) Prior Contribution Variance Amort. Pmt	50,410,755	55,209,450
TOTAL Required Contribution	<u>726,071,421</u>	<u>690,369,821</u>
Less Act 852 direct Normal Cost payment	49,201	52,983
Less direct UAL payments ²	<u>1,658,843</u>	<u>1,107,417</u>
NET contribution required	724,363,377	689,209,421
	37.8%	35.8%
Projected Aggregate Employer Normal Cost Rate	4.0389%	3.9955%
Projected Rank and File Employer Normal Cost Rate	3.9596%	3.9615%
VII. Current Payroll	1,842,286,184	1,856,735,292
Projected Payroll - Mid Year	1,872,687,991	1,883,236,638
Projected Payroll - Next Year	1,914,031,733	1,923,962,135

¹ Dollar amounts reflect estimated payments due mid-year on January 1st per Act 81.

² Direct UAL payments for Acts 414, 35, 740, and 852 and direct normal cost payment for Act 852.

³ Constitutional Minimum is 12% without regard to Employer Credits.

EXHIBIT 2
FINANCIAL SUMMARY
STATEMENT OF REVENUES AND EXPENSES
FOR FISCAL YEAR ENDING

	----- Prior Years -----		
	June 30, 2016	June 30, 2015	June 30, 2014
<u>Operating Income:</u>			
1. Contribution Income			
Member	\$ 152,233,771	\$ 153,281,097	\$ 152,993,052
Employer	718,163,026	721,640,155	612,224,076
ORP	443,488	497,206	474,338
2. Other Income			
Legislative Acts Income	10,790,721	4,540,773	2,465,608
Transfers/Purchases	10,578,354	9,341,467	16,656,246
Miscellaneous	4,607,147	3,587,522	4,154,433
Total Non-Investment Income	896,816,507	892,888,220	788,967,753
3. Investment Income			
Investments	(229,507,349)	226,006,463	1,844,550,284
Less Investment Expenses	(67,221,884)	(73,197,333)	(74,028,903)
Net Investment Income	(296,729,233)	152,809,130	1,770,521,381
4. Total Income	600,087,274	1,045,697,350	2,559,489,134
<u>Operating Expenses:</u>			
1. General Administration	15,615,605	15,877,682	14,810,539
Other Post Employment Benefits	982,858	940,845	1,103,488
Depreciation Expenses	419,718	1,193,314	1,724,101
2. Benefits Paid			
Pension Benefits	1,238,507,932	1,199,079,252	1,167,477,166
Return of Contributions	35,997,261	38,308,757	77,118,765
Total Benefits Paid	1,274,505,193	1,237,388,009	1,244,595,931
3. Total Expenses	\$ 1,291,523,374	\$ 1,255,399,850	\$ 1,262,234,059
<u>Net Income:</u>	\$ (691,436,100)	\$ (209,702,500)	\$ 1,297,255,075

EXHIBIT 2 (Continued)
Financial Summary

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

Revenues by Source				
Fiscal Year	Members Contribution	Employer Contribution ¹	Investment Income ⁴	Total
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 ³	1,848,020,820
2011	197,825,267	572,255,877	1,854,312,621	2,624,393,765 ³
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
2015	153,281,097	739,607,123	152,809,130	1,045,697,350
2016	152,233,771	744,582,736	-296,729,233	600,087,274

Expenses by Type				
Fiscal Year	Benefits	Refunds	Administrative Expenses ^{2,4}	Total
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
2015	1,199,079,252	38,308,757	18,011,841	1,255,399,850
2016	1,238,507,932	35,997,261	17,018,181	1,291,523,374

¹ Includes transfers and purchases and the annual employer contribution, and any legislative appropriations.

² Includes other expenses, not related to administration. Beginning in 2008, includes the net OPEB obligation.

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

⁴ Investment Income and Administrative Expenses does not tie to LASERS financial statements for 2006-2013 because Investment Administrative Expenses were transferred from Administrative Expenses to Investment Income per instructions from GASB.

EXHIBIT 2 (Continued)
Financial Summary

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

ASSETS (Market Value)	----Prior Years----		
	June 30, 2016	June 30, 2015 ¹	June 30, 2014
1. Short-Term Assets			
Cash/Cash Equivalencies	\$ 52,222,180	\$ 72,437,860	\$ 77,729,832
Short-Term Investments	317,630,817	356,969,322	335,913,441
2. Bonds			
Domestic Issues	1,302,223,446	1,304,120,351	1,255,247,855
International Issues	343,290,464	295,597,356	323,150,997
3. Equities			
Domestic Stock	2,432,754,709	2,863,226,182	2,958,498,467
International Stock	3,202,542,903	3,288,387,047	3,361,787,006
4. Other Assets			
Fixed Assets	4,331,820	4,304,276	5,127,676
Real Estate & Alternative Assets	3,040,659,840	3,182,457,173	3,271,799,216
5. Receivables(-)Payables	28,699,953	48,844,979	38,325,176
6. Securities Lending Assets - Liabilities	(641,306)	(1,193,620)	(2,726,240)
TOTAL ASSETS - Market Value	10,723,714,826	11,415,150,926	11,624,853,426
Cost Value	9,464,823,588	9,466,953,138	9,199,432,394

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 \$
2013	\$ 357,019,760	20%	\$ 71,403,953
2014	\$ 963,342,789	40%	\$ 385,337,116
2015	\$ (733,893,730)	60%	\$ (440,336,238)
2016	\$ (1,166,526,680)	80%	\$ (933,221,344)
			\$ (916,816,513)
Market Value of Assets			\$ 10,723,714,826
Deferred Asset Gain/Loss			(916,816,513)
Preliminary Actuarial Value of Assets			\$ 11,640,531,339
CORRIDOR LIMITS			
Minimum = 80% of Market Value			\$ 8,578,971,861
Maximum = 120% of Market Value			12,868,457,791
Actuarial Value of Assets			\$ 11,640,531,339

¹ Differs from June 30, 2015 valuation due to LASERS reclassification of assets.

EXHIBIT 2 (Continued)
Financial Summary

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

	---- Prior Years ----		
	June 30, 2016	June 30, 2015	June 30, 2014
EMPLOYER CREDIT ACCOUNT ¹:			
Prior Year Ending Balance	\$ -	\$ -	\$ -
+ Current Year Allocation	-	-	-
- Current Year Disbursements	-	-	-
+ Accumulated Interest	-	-	-
Total Fund Balance - Year End	-	-	-
INITIAL UAL AMORTIZATION FUND:			
Prior Year Ending Balance	\$ -	\$ -	\$ -
+ Current Year Allocation	-	-	-
- Current Year Disbursements	-	-	-
+ Accumulated Interest	-	-	-
Total Fund Balance - Year End	-	-	-
EXPERIENCE ACCOUNT FUND:			
Prior Year Ending Balance	\$ 123,579,684	\$ 117,093,356	\$ 195,623,963
+ Experience Account Allocation	-	-	4,590,124
- Benefit Disbursements	(120,572,581)	-	(109,427,066)
+ Accumulated Interest	6,707,839	6,486,328 ²	26,306,335
Fund Balance - Year End	9,714,942	123,579,684	117,093,356
DEVELOPMENT OF VALUATION ASSETS:			
Actuarial Value of Assets	\$ 11,640,531,339	\$11,442,012,698	\$10,723,568,031
- Employer Credit Account	-	-	-
- Initial UAL Fund	-	-	-
- Experience Account Fund	9,714,942	123,579,684	117,093,356
Valuation Assets	11,630,816,397	11,318,433,014	10,606,474,675

¹ The Employer Credit Account was created by ACT 588 of 2004.

² The 2015 Experience Account interest credit was calculated to be \$12,456,899, but the total account balance was limited to \$123,579,684, or the cost of one PBI. The remaining interest was credited to valuation assets to be used for regular plan funding.

EXHIBIT 3

GASB STATEMENT NO. 67/68 FINANCIAL REPORTING

The Governmental Accounting Standards Board Statement No. 67/68 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, 2016</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Total Pension Liability	\$ 18,576,266,623	\$ 18,216,660,456	\$ 17,877,744,945
Plan Fiduciary Net Position	\$ 10,723,714,826	\$ 11,415,150,926	\$ 11,624,853,426
Net Pension Liability	\$ 7,852,551,797	\$ 6,801,509,530	\$ 6,252,891,519
Plan Fiduciary Net Position as a percentage of Total Pension Liability	57.7%	62.7%	65.0%
Covered Employee Payroll	\$ 1,842,286,184	\$ 1,856,735,292	\$ 1,813,759,357
Net Pension Liability as percentage of Covered Employee Payroll	426.2%	366.3%	344.7%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Fiscal Year	Actuarially Determined Contribution (ADC) ¹	Contributions in Relation to ADC ¹	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
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%
2015	697,377,899	722,137,361	(24,759,462)	1,856,735,292	38.9%
2016	694,091,525	718,606,514	(24,514,989)	1,842,286,184	39.0%

¹ Contributions shown are not interest adjusted. Actual contributions tie to financial statements.

EXHIBIT 3 (Continued)
Pension Accounting & Financial Disclosure

STATEMENT OF CHANGES IN NET PENSION LIABILITY

	2016	2015	2014
Total Pension Liability			
Service Cost	222,458,027	208,898,813	228,140,255
Interest	1,379,644,606	1,353,766,106	1,334,400,080
Changes of Benefit Terms - PBI	120,572,581	-	114,705,590
Changes of Benefit Terms - Harbor Police Transfer	20,680,250	-	-
Experience	(109,244,104)	13,638,601	(167,128,306)
Changes of Assumptions	-	-	-
Retirement Benefits	(1,238,507,932)	(1,199,079,252)	(1,167,477,166)
Refunds and Transfers of Member Contributions	(35,997,261)	(38,308,757)	(77,118,765)
Net Change in Total Pension Liability	359,606,167	338,915,511	265,521,688
Total Pension Liability - Beginning	18,216,660,456	17,877,744,945	17,612,223,257
Total Pension Liability - Ending (a)	\$ 18,576,266,623	\$ 18,216,660,456	\$ 17,877,744,945
Plan Fiduciary Net Position			
Employer Contributions	718,606,514	726,678,134	615,164,022
Employee Contributions	152,233,771	153,281,097	152,993,052
Harbor Police Transfer	10,790,721	-	-
Net Investment Income	(296,729,233)	152,809,130	1,770,521,381
Other Income	15,185,501	12,928,989	20,810,679
Retirement Benefits	(1,238,507,932)	(1,199,079,252)	(1,167,477,166)
Refunds and Transfers of Member Contributions	(35,997,261)	(38,308,757)	(77,118,765)
Administrative Expense	(15,615,605)	(15,877,682)	(14,810,539)
Other Postemployment Benefit Expenses	(982,858)	(940,845)	(1,103,488)
Depreciation and Amortization Expenses	(419,718)	(1,193,314)	(1,724,101)
Net Change in Plan Fiduciary Net Position	(691,436,100)	(209,702,500)	1,297,255,075
Plan Fiduciary Net Position - Beginning	11,415,150,926	11,624,853,426	10,327,598,351
Plan Fiduciary Net Position - Ending (b)	\$ 10,723,714,826	\$ 11,415,150,926	\$ 11,624,853,426
Net Pension Liability - Ending (a) - (b)	\$ 7,852,551,797	\$ 6,801,509,530	\$ 6,252,891,519
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.7%	62.7%	65.0%
Covered Employee Payroll	\$ 1,842,286,184	\$ 1,856,735,292	\$ 1,813,759,357
Net Pension Liability as a Percentage of Covered Employee Payroll	426.2%	366.3%	344.7%

EXHIBIT 3 (Continued)
Pension Accounting & Financial Disclosure

Actuarial Assumptions:

All assumptions used for purposes of GASB Statement 67/68 reporting requirements are described in Exhibit 6, except for the discount rate. Please see below for a description of the discount rate used for GASB Statement 67/68 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 adjusting for expected inflation of 3.0% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term nominal rate of return is 8.46%. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2016 are summarized in the following table:

Asset Class	Long Term Expected Real Rate of Return
Cash	-0.24%
Domestic Equity	4.31%
International Equity	5.48%
Domestic Fixed Income	1.63%
International Fixed Income	2.47%
Alternative Investments	7.42%
Global Asset Allocation	2.92%
Total Fund	5.30%

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 6.75%	Current Discount Rate 7.75%	1% Increase 8.75%
2016 Employers' Net Pension Liability	9,647,586,676	7,852,551,797	6,327,334,933

The Schedule of Pension Amounts, below, provides employers with amounts to be recognized in the financial statements and note disclosures for GASB 68 reporting. In accordance with GASB Statement 68, changes in total pension liability due to differences between actual and expected experience and changes in assumptions are amortization over a period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active and inactive employees) determined as of the beginning of the measurement period. Current and prior year's average remaining service life is shown below. Differences between projected and actual investment returns are amortized over a closed 5-year period.

EXHIBIT 3 (Continued)
Pension Accounting & Financial Disclosure

2016 Average Remaining Service Life		Plan Year	Amortization Period
Active	8.06	2014	3.00
Active Post-DROP	3.08	2015	3.00
Supplemental	4.08	2016	3.00
Inactive/Retired	0		
Average	2.17		
Amort. Period (Rounded up)	3.0		

SCHEDULE OF PENSION AMOUNTS

	Net Pension Liability	Deferred Inflows	Deferred Outflows	Pension Expense
Beginning balance	<u>(6,801,509,530)</u>	<u>(648,997,377)</u>	-	
Total Pension Liability Factors:				
Service cost	(222,458,027)			222,458,027
Interest	(1,379,644,606)			1,379,644,606
Changes in benefit terms - PBI	(120,572,581)			120,572,581
Changes in benefit terms - Harbor Police	(20,680,250)			20,680,250
Differences between expected and actual experience	109,244,104	(109,244,104)	-	
Amortization of current year		36,414,701	-	(36,414,701)
Amortization of prior years		55,709,435	(4,546,200)	(51,163,235)
Changes in assumptions	-	-	-	
Amortization of current year		-	-	-
Amortization of prior years		-	-	-
Benefit payments	1,238,507,932			(1,238,507,932)
Refunds and Transfers of Member Contributions	35,997,261			(35,997,261)
Net Change in Total Pension Liability	<u>(359,606,167)</u>	<u>(17,119,968)</u>	<u>(4,546,200)</u>	<u>381,272,335</u>
Plan Fiduciary Net Position:				
Employer Contributions	718,606,514			
Employee Contributions	152,233,771			(152,233,771)
Harbor Police Asset Transfer	10,790,721			(10,790,721)
Expected earnings on pension plan investments	869,797,446			(869,797,446)
Differences between projected and actual earnings on pension plan investments	(1,166,526,679)		1,166,526,679	
Amortization of current year		-	(233,305,336)	233,305,336
Amortization of prior years		197,762,647	(146,784,259)	(50,978,388)
Retirement Benefits	(1,238,507,932)			1,238,507,932
Administrative Expense	(15,615,605)			15,615,605
Refunds and Transfers of Member Contributions	(35,997,261)			35,997,261
Other	13,782,925			(13,782,925)
Net Change in Plan Fiduciary Net Position	<u>(691,436,100)</u>	<u>197,762,647</u>	<u>786,437,084</u>	<u>425,842,883</u>
Ending Balance	<u>(7,852,551,797)</u>	<u>(468,354,698)</u>	<u>781,890,884</u>	<u>807,115,218</u>

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

	2016	2015	2014
Rank and File, Appellate Law Clerks	32,481	33,271	33,397
Legislators	8	10	12
Judges, Prior to 2011	219	229	273
Judges, Post 2011	88	81	30
Wildlife	160	169	180
Corrections Primary	237	266	306
Corrections Secondary	1,895	2,060	2,314
Peace Officers	57	62	67
Alcohol Tobacco Control	12	12	16
Bridge Police	5	5	7
Hazardous Duty Plan	2,440	2,272	1,969
Harbor Police	32	0	0
Post DROP	1,650	1,757	1,750
Total Active Members	39,284	40,194	40,321

EXHIBIT 4 (Continued)
Census Data

TOTAL MEMBERS

	2016	2015	2014
Active Members	39,284	40,194	40,321
DROP Participants	1,609	1,682	1,838
Regular Retirees	39,998	39,352	38,675
Disability Retirees	2,401	2,457	2,506
Survivors	5,802	5,834	5,759
Terminated Vested	3,865	3,953	4,558
Subtotal	92,959	93,472	93,657
Terminated, Due Refund	52,837	52,193	52,042
Total Members	145,796	145,665	145,699

MEMBER RECONCILIATION

	Active Pre-DROP	Active after DROP	Terminated Vested	In DROP	Retired, Disabled, Survivors	Total
June 30, 2015	38,437	1,757	3,953	1,682	47,643	93,472
Additions to Census						
Initial Membership	3,792					3,792
Rehired Member	487					487
Data Revisions		8	5		129	142
Change in Status						0
Active to Terminated Vested	(568)		568			0
Active to In DROP	(536)			536		0
Active to Retired	(918)				918	0
Disabled to Active						0
Terminated Vested to Active	119		(119)			0
Terminated Vested to Retiree			(185)		185	0
In DROP to Active after DROP		292		(292)		0
In DROP to Retiree				(311)	311	0
Active After DROP to Retiree		(413)			413	0
Data Revisions	(1)	12		2	(11)	2
Eliminated from Census						
Refunded	(1,633)		(247)			(1,880)
Terminated, Due Refund	(1,498)					(1,498)
Deceased	(29)	(3)	(8)	(1)	(1,264)	(1,305)
Data Revisions	(18)	(3)	(102)	(7)	(123)	(253)
June 30, 2016	37,634	1,650	3,865	1,609	48,201	92,959

Regular Members Before July 2006

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Age	Credited Service									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 25										
Avg. Pay										
25 - 29		1	1	7						9
Avg. Pay		\$19,188	\$19,386	\$265,661						\$304,235
30 - 34	2	9	30	365	26					432
Avg. Pay	\$50,600	\$257,442	\$1,134,331	\$16,184,592	\$1,156,105					\$18,783,070
35 - 39	7	21	70	1087	405	32	2			1624
Avg. Pay	\$168,260	\$706,730	\$3,271,076	\$53,519,085	\$19,943,931	\$1,843,829	\$98,857			\$79,551,768
40 - 44	2	25	48	823	936	347	23			2204
Avg. Pay	\$19,608	\$1,027,079	\$2,098,918	\$40,362,916	\$51,271,632	\$18,945,722	\$1,596,462			\$115,322,337
45 - 49	5	12	44	731	924	873	477	9		3075
Avg. Pay	\$80,623	\$423,967	\$1,891,071	\$35,951,368	\$49,311,122	\$51,381,045	\$29,410,976	\$966,595		\$169,416,767
50 - 54	3	13	37	719	844	870	904	144	19	3553
Avg. Pay	\$75,857	\$531,750	\$1,579,625	\$32,275,385	\$42,699,574	\$48,360,305	\$56,654,676	\$10,056,977	\$1,318,156	\$193,552,305
55 - 59	3	12	27	765	738	806	273	111	64	2799
Avg. Pay	\$78,489	\$476,072	\$958,478	\$35,019,323	\$34,820,943	\$42,859,631	\$17,675,118	\$7,988,205	\$4,155,146	\$144,031,405
60 - 64	2	9	29	392	327	211	131	79	65	1245
Avg. Pay	\$59,992	\$338,580	\$1,218,053	\$19,428,782	\$16,437,376	\$12,359,037	\$8,422,611	\$6,290,515	\$5,064,772	\$69,619,718
65 - 69		2	6	125	158	108	79	31	35	544
Avg. Pay		\$137,524	\$227,847	\$6,062,099	\$8,090,468	\$6,160,718	\$4,578,238	\$2,147,943	\$2,794,929	\$30,199,766
70+	1		2	39	37	42	30	14	13	178
Avg. Pay	\$11,048		\$53,256	\$1,668,417	\$1,948,275	\$2,664,015	\$1,627,045	\$810,424	\$706,639	\$9,489,119
Total	25	104	294	5053	4395	3289	1919	388	196	15663
	\$544,476	\$3,918,332	\$12,452,041	\$240,737,628	\$225,679,426	\$184,574,302	\$120,063,983	\$28,260,659	\$14,039,642	\$830,270,489

Averages ----- Attained Age 50.51
Service Years 18.26
Active Salary \$53,008

LASERS MEMBERSHIP PROFILE
Regular Members After July 2006

CELLS DEPICT -

MEMBER COUNT
 TOTAL SALARY

VALUATION DATE 6/30/2016

Age	Credited Service									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 25	545	485	9							1039
Avg. Pay	\$21,080	\$12,375,657	\$26,956							\$23,202
25 - 29	680	1543	311	1						2535
Avg. Pay	\$18,182,336	\$51,467,821	\$11,474,543	\$49,295						\$81,173,995
30 - 34	528	1459	1175	18	1					3181
Avg. Pay	\$15,179,472	\$53,869,433	\$53,233,528	\$907,280	\$27,364					\$123,217,077
35 - 39	379	1017	1014	28	5					2443
Avg. Pay	\$11,895,385	\$39,092,748	\$46,881,031	\$1,579,684	\$353,594					\$99,802,442
40 - 44	286	753	773	38	9	1				1860
Avg. Pay	\$9,003,497	\$30,546,513	\$35,669,203	\$2,437,694	\$504,862	\$50,502				\$78,212,271
45 - 49	265	749	717	31	5	2	1			1770
Avg. Pay	\$9,331,330	\$30,474,801	\$32,963,052	\$1,755,752	\$230,868	\$92,932	\$49,185			\$74,897,920
50 - 54	223	652	760	31	13	3	2			1684
Avg. Pay	\$7,355,928	\$24,666,672	\$34,176,401	\$1,767,947	\$600,452	\$149,823	\$108,372			\$68,825,595
55 - 59	148	453	688	27	9	5	1			1331
Avg. Pay	\$4,594,355	\$17,506,831	\$29,005,533	\$1,721,918	\$597,231	\$372,000	\$55,526			\$53,853,394
60 - 64	35	183	379	20	2	2	1			622
Avg. Pay	\$1,428,237	\$7,862,113	\$16,803,301	\$1,286,351	\$206,420	\$149,980	\$70,848			\$27,807,250
65 - 69	12	46	108	4	1					171
Avg. Pay	\$572,239	\$2,066,128	\$5,690,763	\$316,983	\$125,609					\$8,771,722
70+	2	15	20	2						39
Avg. Pay	\$49,571	\$670,923	\$1,219,870	\$128,586						\$2,068,950
Total	3103	7355	5954	200	45	13	5			16675
	\$89,081,007	\$270,599,640	\$267,359,832	\$11,951,490	\$2,646,400	\$815,237	\$283,931			\$642,737,537

Averages ----- Attained Age 40.15
 Service Years 4.22
 Active Salary \$38,545

LASERS MEMBERSHIP PROFILE
Participating Legislators

CELLS DEPICT -

MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Age	Credited Service								Total	
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34		35+
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34										
Avg. Pay										
35 - 39										
Avg. Pay										
40 - 44										
Avg. Pay										
45 - 49										
Avg. Pay										
50 - 54	1									1
Avg. Pay	\$62,404									\$62,404
55 - 59	1	1								2
Avg. Pay	\$109,876	\$26,729								\$136,605
60 - 64						1		1		2
Avg. Pay						\$45,994		\$44,459		\$90,453
65 - 69				1				1		2
Avg. Pay				\$44,466				\$44,145		\$88,611
70+				1						1
Avg. Pay				\$95,885						\$95,885
Total	2	1		2		1		2		8
	\$172,280	\$26,729		\$140,351		\$45,994		\$88,604		\$473,958

Averages ----- Attained Age 62.38
Service Years 14.95
Active Salary \$59,245

LASERS MEMBERSHIP PROFILE
Active Judges Pre 2011

CELLS DEPICT -

MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Age	Credited Service									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34										
Avg. Pay										
35 - 39			1							1
Avg. Pay			\$119,503							\$119,503
40 - 44			6	2						8
Avg. Pay			\$745,802	\$167,773						\$913,575
45 - 49			16	4	6	2				28
Avg. Pay			\$2,183,588	\$522,394	\$877,361	\$248,190				\$3,831,533
50 - 54			14	10	10	9	1			44
Avg. Pay			\$1,958,509	\$1,377,861	\$1,424,076	\$1,347,351	\$148,108			\$6,255,905
55 - 59		1	12	13	9	13	5			53
Avg. Pay		\$148,108	\$1,719,545	\$1,872,204	\$1,320,314	\$1,963,980	\$735,330			\$7,759,481
60 - 64			5	5	14	14	8			46
Avg. Pay			\$746,491	\$660,553	\$2,113,802	\$2,108,856	\$1,138,898			\$6,768,600
65 - 69				7	6	10	7			30
Avg. Pay				\$1,041,867	\$900,550	\$1,484,812	\$1,016,679			\$4,443,908
70+				3		1	3	1	1	9
Avg. Pay				\$419,486		\$154,059	\$457,978	\$148,108	\$154,059	\$1,333,690
Total		1	54	44	45	49	24	1	1	219
		\$148,108	\$7,473,438	\$6,062,138	\$6,636,103	\$7,307,248	\$3,496,993	\$148,108	\$154,059	\$31,426,195

Averages ----- Attained Age 57.71
Service Years 15.76
Active Salary \$143,499

LASERS MEMBERSHIP PROFILE
Active Judges Post 2011

CELLS DEPICT -

MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34		1								1
Avg. Pay		\$154,801								\$154,801
35 - 39	2	5	1	1						9
Avg. Pay	\$207,106	\$724,457	\$148,108	\$148,108						\$1,227,779
40 - 44	1	15								16
Avg. Pay	\$62,191	\$2,162,591								\$2,224,782
45 - 49	1	19	1	2						23
Avg. Pay	\$95,094	\$2,716,440	\$147,934	\$292,546						\$3,252,014
50 - 54	2	15								17
Avg. Pay	\$276,234	\$2,203,081								\$2,479,315
55 - 59		5	1		1					7
Avg. Pay		\$746,491	\$148,108		\$148,108					\$1,042,707
60 - 64	1	8	2							11
Avg. Pay	\$148,108	\$1,189,563	\$302,167							\$1,639,838
65 - 69		3								3
Avg. Pay		\$443,683								\$443,683
70+		1								1
Avg. Pay		\$103,986								\$103,986
Total	7	72	5	3	1					88
	\$788,733	\$10,445,093	\$746,317	\$440,654	\$148,108					\$12,568,905

Averages	-----	Attained Age	49.97
		Service Years	2.79
		Active Salary	\$142,828

LASERS MEMBERSHIP PROFILE
Hazardous Duty

CELLS DEPICT -

MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Age	Credited Service									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 25	266	216	1							483
Avg. Pay	\$22,201	\$6,403,153	\$33,426							\$25,553
25 - 29	179	282	18	1						480
Avg. Pay	\$4,756,397	\$9,321,590	\$650,138	\$41,784						\$14,769,909
30 - 34	115	202	39	11						367
Avg. Pay	\$3,225,143	\$6,769,786	\$1,561,965	\$485,553						\$12,042,447
35 - 39	67	154	27	24	13	3				288
Avg. Pay	\$1,760,857	\$5,279,343	\$1,134,553	\$1,227,898	\$714,458	\$174,083				\$10,291,192
40 - 44	41	119	31	17	17	7				232
Avg. Pay	\$1,198,582	\$4,358,789	\$1,417,405	\$867,201	\$983,428	\$429,729				\$9,255,134
45 - 49	51	119	21	18	21	17	5			252
Avg. Pay	\$1,448,083	\$4,335,598	\$874,396	\$918,349	\$1,080,000	\$915,471	\$392,320			\$9,964,217
50 - 54	24	101	19	8	14	7	2			175
Avg. Pay	\$832,777	\$3,825,467	\$772,731	\$395,765	\$608,958	\$373,703	\$217,170			\$7,026,571
55 - 59	26	57	12	3	11	5	4			118
Avg. Pay	\$824,058	\$2,135,729	\$563,010	\$173,704	\$462,582	\$247,916	\$241,082			\$4,648,081
60 - 64	8	20	1	3	1		1			34
Avg. Pay	\$194,964	\$824,845	\$32,051	\$164,526	\$77,120		\$46,058			\$1,339,564
65 - 69	3	5	1		1					10
Avg. Pay	\$89,430	\$171,087	\$31,990		\$41,559					\$334,066
70+		1								1
Avg. Pay		\$67,605								\$67,605
Total	780	1276	170	85	78	39	12			2440
	\$20,235,626	\$43,492,992	\$7,071,665	\$4,274,780	\$3,968,105	\$2,140,902	\$896,630			\$82,080,699

Averages ----- Attained Age 35.83
 Service Years 3.44
 Active Salary \$33,640

LASERS MEMBERSHIP PROFILE
Corrections Primary

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34										
Avg. Pay										
35 - 39		1		1	6					8
Avg. Pay		\$29,240		\$38,709	\$309,666					\$377,615
40 - 44				2	19	5	1			27
Avg. Pay				\$85,931	\$943,101	\$265,893	\$75,712			\$1,370,637
45 - 49					21	12				33
Avg. Pay					\$1,030,453	\$687,764				\$1,718,217
50 - 54				2	40	12	7	2		63
Avg. Pay				\$94,081	\$2,034,248	\$647,198	\$464,934	\$205,525		\$3,445,986
55 - 59				3	47	12	7	2		71
Avg. Pay				\$131,800	\$2,352,882	\$685,943	\$440,809	\$101,522		\$3,712,956
60 - 64				1	17	8	2	1		29
Avg. Pay				\$45,173	\$790,465	\$451,399	\$138,986	\$54,576		\$1,480,599
65 - 69					3	1	1			5
Avg. Pay					\$136,813	\$50,586	\$54,576			\$241,975
70+						1				1
Avg. Pay						\$54,576				\$54,576
Total		1		9	153	51	18	5		237
		\$29,240		\$395,694	\$7,597,628	\$2,843,359	\$1,175,017	\$361,623		\$12,402,561

Averages ----- Attained Age 53.34
Service Years 19.35
Active Salary \$52,331

LASERS MEMBERSHIP PROFILE
Corrections Secondary

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Age	Credited Service									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 25			2							2
Avg. Pay			\$34,695							\$34,695
25 - 29		6	51	1						58
Avg. Pay		\$172,853	\$1,865,527	\$35,516						\$2,073,896
30 - 34	2	3	129	84	4					222
Avg. Pay	\$33,339	\$91,694	\$5,004,648	\$3,645,525	\$187,853					\$8,963,059
35 - 39		2	90	107	90	7				296
Avg. Pay		\$64,280	\$3,533,590	\$4,962,532	\$4,500,681	\$410,458				\$13,471,541
40 - 44		3	65	86	131	63	9			357
Avg. Pay		\$64,831	\$2,536,881	\$4,095,398	\$7,119,163	\$3,915,630	\$675,913			\$18,407,816
45 - 49			58	78	106	130	30	1		403
Avg. Pay			\$2,298,130	\$3,369,943	\$5,537,417	\$8,147,277	\$2,178,825	\$79,844		\$21,611,436
50 - 54		1	68	65	67	41	34	5		281
Avg. Pay		\$29,240	\$2,517,776	\$2,729,482	\$3,386,125	\$2,418,773	\$2,328,294	\$423,629		\$13,833,319
55 - 59		1	38	50	42	19	9			159
Avg. Pay		\$31,619	\$1,473,152	\$2,125,069	\$2,214,128	\$1,160,025	\$605,448			\$7,609,441
60 - 64			31	20	21	5	5	3	2	87
Avg. Pay			\$1,218,803	\$849,675	\$1,143,500	\$294,049	\$302,467	\$195,296	\$145,164	\$4,148,954
65 - 69			8	9	5	3				25
Avg. Pay			\$294,484	\$460,979	\$275,122	\$152,768				\$1,183,353
70+			3	2						5
Avg. Pay			\$106,822	\$75,258						\$182,080
Total	2	16	543	502	466	268	87	9	2	1895
	\$33,339	\$454,517	\$20,919,203	\$22,349,377	\$24,363,989	\$16,498,980	\$6,090,947	\$698,769	\$145,164	\$91,554,285

Averages ----- Attained Age 45.24
Service Years 14.44
Active Salary \$48,314

LASERS MEMBERSHIP PROFILE
Wildlife

CELLS DEPICT

-

MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29			3							3
Avg. Pay										
			\$145,496							\$145,496
30 - 34			21	12						33
Avg. Pay										
			\$1,087,318	\$670,525						\$1,757,843
35 - 39			12	17	9					38
Avg. Pay										
			\$621,782	\$1,029,075	\$622,676					\$2,273,533
40 - 44			2	10	27	2				41
Avg. Pay										
			\$97,667	\$636,067	\$1,969,061	\$150,906				\$2,853,701
45 - 49			1	6	8	9	3			27
Avg. Pay										
			\$59,041	\$353,703	\$625,987	\$720,139	\$238,785			\$1,997,655
50 - 54			2	3	3	5	2			15
Avg. Pay										
			\$120,907	\$200,468	\$218,550	\$406,085	\$183,869			\$1,129,879
55 - 59						1	1	1		3
Avg. Pay										
						\$111,266	\$122,779	\$127,449		\$361,494
60 - 64										
Avg. Pay										
65 - 69										
Avg. Pay										
70+										
Avg. Pay										
Total			41	48	47	17	6	1		160
Avg. Pay										
			\$2,132,211	\$2,889,838	\$3,436,274	\$1,388,396	\$545,433	\$127,449		\$10,519,601

Averages ----- Attained Age 40.93
Service Years 14.33
Active Salary \$65,748

LASERS MEMBERSHIP PROFILE
Peace Officers

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34			1	3						4
Avg. Pay										
			\$43,595	\$144,249						\$187,844
35 - 39			3	4	2					9
Avg. Pay										
			\$132,761	\$178,809	\$98,629					\$410,199
40 - 44			2	3	2	5				12
Avg. Pay										
			\$75,264	\$175,580	\$117,390	\$262,434				\$630,668
45 - 49				3	3	2	5			13
Avg. Pay										
				\$135,376	\$156,091	\$104,929	\$334,868			\$731,264
50 - 54				1	1	5	4			11
Avg. Pay										
				\$49,242	\$58,210	\$324,283	\$268,498			\$700,233
55 - 59				2		1	1			4
Avg. Pay										
				\$112,777		\$71,006	\$58,790			\$242,573
60 - 64			1		1					2
Avg. Pay										
			\$81,527		\$75,578					\$157,105
65 - 69			1	1						2
Avg. Pay										
			\$65,749	\$39,699						\$105,448
70+										
Avg. Pay										
Total			8	17	9	13	10			57
Avg. Pay										
			\$398,896	\$835,732	\$505,898	\$762,652	\$662,156			\$3,165,334

Averages ----- Attained Age 46.86
Service Years 17.42
Active Salary \$55,532

LASERS MEMBERSHIP PROFILE
Alcohol Tobacco Control

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34										
Avg. Pay										
35 - 39										
Avg. Pay										
40 - 44										
Avg. Pay										
45 - 49										
Avg. Pay										
50 - 54										
Avg. Pay										
55 - 59										
Avg. Pay										
60 - 64										
Avg. Pay										
65 - 69										
Avg. Pay										
70+										
Avg. Pay										
Total										
Avg. Pay										

Averages ----- Attained Age 43.78
Service Years 16.71
Active Salary \$57,240

LASERS MEMBERSHIP PROFILE
Bridge Police

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34			1							1
Avg. Pay			\$45,498							\$45,498
35 - 39			1	2						3
Avg. Pay			\$47,639	\$104,317						\$151,956
40 - 44										
Avg. Pay										
45 - 49										
Avg. Pay										
50 - 54							1			1
Avg. Pay							\$63,971			\$63,971
55 - 59										
Avg. Pay										
60 - 64										
Avg. Pay										
65 - 69										
Avg. Pay										
70+										
Avg. Pay										
Total			2	2			1			5
			\$93,137	\$104,317			\$63,971			\$261,425

Averages ----- Attained Age 39.72
Service Years 14.86
Active Salary \$52,285

LASERS MEMBERSHIP PROFILE
Harbor Police

VALUATION DATE
6/30/2016

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

Age	Credited Service									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 25		1								1
Avg. Pay		\$39,279								\$39,279
25 - 29		1								1
Avg. Pay		\$42,506								\$42,506
30 - 34		2	2							4
Avg. Pay		\$82,296	\$91,011							\$173,307
35 - 39					3					3
Avg. Pay					\$155,585					\$155,585
40 - 44		1	2	3	2					8
Avg. Pay		\$39,630	\$88,030	\$155,334	\$104,372					\$387,366
45 - 49				1	4	1	1			7
Avg. Pay				\$51,600	\$220,603	\$61,018	\$77,712			\$410,933
50 - 54					1	1	2			4
Avg. Pay					\$49,232	\$66,609	\$135,163			\$251,004
55 - 59					1		1			2
Avg. Pay					\$63,132		\$57,665			\$120,797
60 - 64				1	1					2
Avg. Pay				\$61,511	\$52,395					\$113,906
65 - 69										
Avg. Pay										
70+										
Avg. Pay										
Total		5	4	5	12	2	4			32
		\$203,711	\$179,041	\$268,445	\$645,319	\$127,627	\$270,540			\$1,694,683

Averages ----- Attained Age 44.40
Service Years 14.89
Active Salary 52,959

LASERS MEMBERSHIP PROFILE
DROP Participants

CELLS DEPICT -

MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2016

Age	Years Retired									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 40										
40-44										
45-49	16 \$775,980	20 \$840,696	1 \$37,332							37 \$1,654,008
50-54	75 \$3,268,572	120 \$5,058,684	84 \$3,412,956	1 \$86,400						280 \$11,826,612
55-59	209 \$8,303,748	215 \$7,923,780	191 \$7,365,456	2 \$72,792						617 \$23,665,776
60-64	215 \$5,183,448	235 \$5,213,628	193 \$5,047,008							643 \$15,444,084
65-69	11 \$92,136	8 \$61,188	9 \$80,400							28 \$233,724
70-74	1 \$7,452	2 \$76,788	1 \$8,496							4 \$92,736
75-79										
80-84										
85-90										
90+										
Total	527 \$17,631,336	600 \$19,174,764	479 \$15,951,648	3 \$159,192						1609 \$52,916,940

Averages ----- Attained Age 58.16
Years Retired 1.48
Average Benefit \$32,888

LASERS MEMBERSHIP PROFILE
Active After DROP

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY
TOTAL BENEFIT

VALUATION DATE 6/30/2016

		Credited Service							
Age	<1	1	2	3	4	5-9	10-14	15-20	Total
<39									
Pay									
Benefit									
40-44									
Pay									
Benefit									
45-49	1			1					2
Pay	\$32,480			\$65,549					\$98,029
Benefit	\$32,268			\$36,516					\$68,784
50-54	43	41	23	11	2	9	5		134
Pay	\$2,309,094	\$2,617,511	\$1,541,656	\$624,125	\$134,769	\$738,919	\$358,809		\$8,324,883
Benefit	\$1,730,592	\$1,717,968	\$971,400	\$378,432	\$68,280	\$233,376	\$88,788		\$5,188,836
55-59	105	130	80	58	33	50	7	1	464
Pay	\$5,652,143	\$8,745,556	\$5,132,090	\$3,649,589	\$2,192,817	\$3,254,571	\$628,247	\$91,374	\$29,346,387
Benefit	\$4,082,820	\$5,544,888	\$3,228,828	\$2,233,212	\$1,238,256	\$1,537,764	\$142,824	\$13,584	\$18,022,176
60 - 64	101	116	78	66	53	119	25	3	561
Pay	\$4,483,578	\$6,953,114	\$5,017,727	\$3,874,941	\$3,577,182	\$7,535,536	\$1,807,408	\$234,898	\$33,484,384
Benefit	\$2,134,272	\$3,160,452	\$2,949,288	\$2,215,068	\$1,881,372	\$3,778,332	\$624,504	\$38,244	\$16,781,532
65 - 69	14	15	48	41	34	129	48	4	333
Pay	\$651,935	\$733,219	\$2,892,091	\$2,083,338	\$1,798,769	\$8,494,904	\$3,961,959	\$400,780	\$21,016,995
Benefit	\$178,296	\$238,824	\$1,095,948	\$772,224	\$654,444	\$3,346,176	\$1,587,660	\$91,296	\$7,964,868
70+	4	4	1	3	5	65	53	21	156
Pay	\$151,154	\$149,147	\$72,059	\$132,234	\$268,610	\$4,025,360	\$2,984,348	\$1,427,318	\$9,210,230
Benefit	\$38,088	\$32,676	\$11,352	\$29,772	\$55,476	\$1,168,848	\$793,848	\$416,448	\$2,546,508
Total	268	306	230	180	127	372	138	29	1650
Pay	\$13,280,383	\$19,198,547	\$14,655,623	\$10,429,776	\$7,972,147	\$24,049,290	\$9,740,771	\$2,154,370	\$101,480,907
Benefit	\$8,196,336	\$10,694,808	\$8,256,816	\$5,665,224	\$3,897,828	\$10,064,496	\$3,237,624	\$559,572	\$50,572,704

Averages ----- Attained Age 62.49
Service Years 4.26
Active Salary \$61,504
Annual Benefit \$30,650

LASERS MEMBERSHIP PROFILE
Post Retirement Service

CELLS DEPICT -

MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	Total
< 25										
Avg. Pay										
25 - 29										
Avg. Pay										
30 - 34										
Avg. Pay										
35 - 39										
Avg. Pay										
40 - 44		1								1
Avg. Pay		\$31,685								\$31,685
45 - 49	1	4								5
Avg. Pay	\$55,000	\$247,878								\$302,878
50 - 54	6	11	7							24
Avg. Pay	\$210,000	\$608,941	\$409,843							\$1,228,784
55 - 59	7	21	7	5						40
Avg. Pay	\$268,000	\$1,126,604	\$338,087	\$251,566						\$1,984,257
60 - 64	19	12	7	5	2					45
Avg. Pay	\$685,000	\$966,124	\$447,733	\$293,323	\$150,069					\$2,542,249
65 - 69	14	22	5	3						45
Avg. Pay	\$573,000	\$1,166,738	\$327,453	\$167,499						\$2,269,690
70+	19	19	13	4	1					56
Avg. Pay	\$688,000	\$830,113	\$519,122	\$198,836	\$116,979					\$2,353,050
Total	67	90	39	17	3					216
	\$2,514,000	\$4,978,083	\$2,042,238	\$911,224	\$267,048					\$10,712,593

Averages ----- Attained Age 64.65
 Service Years 3.65
 Active Salary \$49,595

LASERS MEMBERSHIP PROFILE
Regular Retirees

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2016

Age	Years Retired									Total
	<1	1 - 2	2 - 3	3 - 4	4 - 5	5 - 10	10 - 14	15 - 19	20+	
< 40	1	2	1							4
	\$24,576	\$21,900	\$8,232							\$13,680
40-44	8	5	20	19						52
	\$262,680	\$146,496	\$256,608	\$236,652						\$902,436
45-49	37	49	103	140	26	18	5			378
	\$1,258,692	\$1,274,616	\$2,214,444	\$2,657,340	\$679,416	\$390,936	\$126,420			\$8,601,864
50-54	102	127	275	399	220	292	94	20		1529
	\$3,842,484	\$4,367,544	\$7,696,776	\$11,518,200	\$7,587,432	\$8,285,256	\$1,663,716	\$398,592		\$45,360,000
55-59	180	208	406	690	655	1712	393	188	6	4438
	\$6,690,996	\$7,311,816	\$13,099,296	\$24,385,032	\$26,866,152	\$58,028,484	\$8,158,812	\$2,915,832	\$116,784	\$147,573,204
60-64	457	489	621	766	631	3014	1698	410	103	8189
	\$9,951,432	\$11,454,456	\$14,859,444	\$21,839,820	\$19,077,456	\$107,233,200	\$51,750,972	\$7,929,156	\$1,976,832	\$246,072,768
65-69	162	195	224	436	422	3188	3259	1246	216	9348
	\$4,319,952	\$5,018,340	\$4,985,688	\$10,190,292	\$10,122,816	\$73,179,828	\$99,545,484	\$35,546,136	\$5,120,052	\$248,028,588
70-74	39	57	51	126	115	725	2298	1767	789	5967
	\$1,049,016	\$2,440,524	\$1,280,232	\$3,371,592	\$2,867,988	\$14,437,536	\$45,052,236	\$50,751,204	\$21,169,944	\$142,420,272
75-79	11	14	16	26	17	200	544	1867	1639	4334
	\$279,840	\$533,064	\$434,256	\$699,780	\$400,188	\$4,588,500	\$9,209,916	\$34,516,476	\$42,032,280	\$92,694,300
80-84	1	3	3	7	8	61	118	580	2224	3005
	\$7,596	\$113,904	\$76,404	\$262,176	\$229,920	\$1,682,412	\$2,274,024	\$10,709,952	\$44,049,264	\$59,405,652
85-90				1	1	10	20	137	1644	1813
				\$18,792	\$10,224	\$261,276	\$387,696	\$2,500,704	\$28,951,308	\$32,130,000
90+							4	23	914	941
							\$120,720	\$376,632	\$13,825,440	\$14,322,792
Total	998	1149	1720	2610	2095	9220	8433	6238	7535	39998
	\$27,687,264	\$32,682,660	\$44,911,380	\$75,179,676	\$67,841,592	\$268,087,428	\$218,289,996	\$145,644,684	\$157,241,904	\$1,037,566,584

Averages -----
Attained Age 69.09
Years Retired 12.48
Average Benefit \$25,940

LASERS MEMBERSHIP PROFILE
Disability Retirees

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2016

Age	Years Retired									Total
	<1	1 - 4	5 - 9	10 - 14	15 - 19	20 - 24	25 - 29	30 - 34	35+	
< 40	2	4	3	1	2					12
	\$13,548	\$57,576	\$12,876	\$20,652	\$14,124					\$14,352
40-44	7	2	4	2	4	8	2			29
	\$130,512	\$50,052	\$53,364	\$14,208	\$75,072	\$106,296	\$21,948			\$451,452
45-49	11	6	8	7	12	33	9			86
	\$234,972	\$158,148	\$143,952	\$104,364	\$222,720	\$545,220	\$126,240			\$1,535,616
50-54	11	15	10	33	18	68	41	14	3	213
	\$161,256	\$295,440	\$153,132	\$673,248	\$367,596	\$1,210,512	\$565,128	\$148,716	\$19,032	\$3,594,060
55-59	16	19	22	25	30	112	85	41	23	373
	\$249,216	\$254,148	\$386,460	\$500,124	\$539,832	\$2,076,612	\$1,333,380	\$534,732	\$193,140	\$6,067,644
60-64	1	3	10	24	28	140	142	107	64	519
	\$10,800	\$40,368	\$206,364	\$621,684	\$515,976	\$2,290,344	\$2,484,324	\$1,508,112	\$637,104	\$8,315,076
65-69						40	141	130	129	440
						\$644,100	\$2,066,388	\$1,810,956	\$1,527,360	\$6,048,804
70-74							48	91	175	314
							\$602,580	\$1,161,936	\$1,865,772	\$3,630,288
75-79						1		35	189	225
						\$58,092		\$384,936	\$1,948,404	\$2,391,432
80-84								1	119	120
								\$52,608	\$1,107,012	\$1,159,620
85-90									46	46
									\$448,944	\$448,944
90+									24	24
									\$222,624	\$222,624
Total	48	49	57	92	94	402	468	419	772	2401
	\$813,852	\$855,732	\$981,912	\$1,934,280	\$1,749,444	\$6,931,176	\$7,199,988	\$5,601,996	\$7,969,392	\$34,037,772

Averages ----- Attained Age 65.40
Years Retired 15.75
Average Benefit \$14,176

LASERS MEMBERSHIP PROFILE
Survivor Benefits

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2016

Age	Years Retired									Total
	<1	1 - 2	2 - 3	3 - 4	4 - 5	5 - 10	10 - 14	15 - 19	20+	
< 40	10	13	10	14	22	91	118	97	122	497
	\$28,212	\$404,148	\$22,176	\$30,048	\$25,092	\$27,360	\$19,512	\$17,568	\$13,668	\$20,208
40-44		2		2	1	14	19	10	43	91
		\$33,072		\$74,736	\$19,788	\$294,864	\$248,868	\$138,312	\$598,752	\$1,408,392
45-49	1	2	5		2	15	10	12	31	78
	\$71,076	\$45,240	\$84,540		\$60,048	\$217,188	\$123,600	\$244,836	\$403,752	\$1,250,280
50-54	1		9	4	6	27	25	24	21	117
	\$67,560		\$255,276	\$66,048	\$101,472	\$504,660	\$458,748	\$279,888	\$300,384	\$2,034,036
55-59	1	7	4	12	4	58	49	41	53	229
	\$25,992	\$158,964	\$124,248	\$354,888	\$113,916	\$1,256,796	\$747,444	\$615,600	\$654,732	\$4,052,580
60-64	4	9	13	13	13	84	120	76	96	428
	\$75,804	\$186,300	\$253,608	\$386,628	\$195,120	\$2,034,288	\$2,526,372	\$1,357,056	\$1,486,992	\$8,502,168
65-69	5	4	4	6	13	92	170	136	188	618
	\$169,656	\$137,052	\$42,060	\$137,868	\$255,384	\$1,813,224	\$3,620,664	\$2,932,596	\$2,863,416	\$11,971,920
70-74	1	1	1		2	47	121	185	411	769
	\$27,168	\$23,616	\$19,752		\$50,388	\$1,067,940	\$2,321,100	\$3,445,920	\$6,382,224	\$13,338,108
75-79	1		1		2	21	54	161	656	896
	\$58,164		\$23,172		\$64,380	\$372,180	\$1,012,176	\$2,432,376	\$9,747,696	\$13,710,144
80-84			1		1	4	13	85	786	890
			\$19,908		\$25,788	\$65,004	\$175,176	\$1,143,012	\$10,641,492	\$12,070,380
85-90			1			2	7	22	682	714
			\$17,292			\$42,324	\$122,664	\$312,708	\$8,691,396	\$9,186,384
90+								3	472	475
								\$68,520	\$5,699,532	\$5,768,052
Total	24	38	49	51	66	455	706	852	3561	5802
	\$777,528	\$988,392	\$1,061,580	\$1,440,756	\$1,438,272	\$10,158,408	\$13,659,648	\$14,675,172	\$49,137,588	\$93,337,344

Averages ----- Attained Age 71.46
Years Retired 22.71
Average Benefit \$16,087

LASERS MEMBERSHIP PROFILE
Terminated Vested

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2016

Credited Service										
Age	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35+	Total
<20										
20-24										
25-29			28							28
			\$129,984							\$129,984
30-34		3	216	25						244
		\$5,088	\$1,399,042	\$312,876						\$1,717,006
35-39	1	2	142	191	15					351
	\$216	\$5,220	\$1,002,857	\$2,749,026	\$259,368					\$4,016,687
40-44		2	135	306	96	7	1			547
		\$8,640	\$1,018,549	\$5,079,268	\$2,050,845	\$204,408	\$63,744			\$8,425,455
45-49		3	109	362	163	35	7			679
		\$14,124	\$813,198	\$5,604,491	\$3,810,415	\$1,076,341	\$227,568			\$11,546,137
50-54		2	83	375	217	52	28			757
		\$7,644	\$641,512	\$5,886,223	\$4,673,964	\$1,442,511	\$1,142,576			\$13,794,431
55-59	1	4	116	486	264	70	6			947
	\$1,080	\$30,144	\$852,948	\$6,724,651	\$5,286,275	\$1,783,803	\$278,364			\$14,957,265
60-64		1	35	106	55	10	5	1		213
		\$1,980	\$285,581	\$1,245,477	\$858,510	\$170,964	\$136,788	\$72,600		\$2,771,900
65-69		1	2	35	8	4	1			51
		\$14,916	\$32,244	\$295,056	\$125,172	\$82,344	\$45,480			\$595,212
70+	1		2	26	10	3	3	3		48
	\$360		\$2,748	\$94,980	\$63,912	\$31,104	\$10,404	\$82,464		\$285,972
Total	3	18	868	1912	828	181	51	4		3865
	\$1,656	\$87,756	\$6,178,664	\$27,992,048	\$17,128,461	\$4,791,476	\$1,904,924	\$155,064		\$58,240,049

Averages ----- Attained Age 50.31
Service Years 12.57
Average Benefit \$15,069

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 on or after July 1, 1991, who work on a part-time basis except those with ten or more years of service in the system; patient or inmate help in state charitable, penal or correctional institutions; part-time students, interns and resident physicians; independent contractors; retirees of the retirement system who return to work under certain conditions; judges in office prior to October 2, 1976 who do not elect to become members 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; certain unclassified, temporary seasonal employees of the Department of Revenue excluding the Louisiana Tax Commission; Employees of the New Orleans City Park Improvement Association, certain employees of political subdivisions.

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.

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 of service, contingent on payment of Actuarial Cost.

EXHIBIT 5 (Continued)
Summary of Plan Provisions

3. Credit for service which was classified as a job appointment or emergency appointment where the intended duration of employment exceeds two years of 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.

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.

EXHIBIT 5 (Continued)
Summary of Plan Provisions

EMPLOYEE CONTRIBUTIONS:

Plan	Current Contribution
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%
Special Legislative	9.5%
Judges hired before 1/1/2011	11.5%
Judges hired after 12/31/2010	13%
Corrections Primary and Secondary	9.0%
Wildlife and Fisheries, Hazardous Duty	9.5%
Peace Officers/Alcohol Tobacco Control	9.0%
Bridge Police	8.5%
Harbor Police	9.0%

EMPLOYER CONTRIBUTIONS:

Determined in accordance with Louisiana Revised Statutes Sections 102 and 102.1, which require the employer rate to be actuarially determined and set annually, based on the Public Retirement Systems' Actuarial Committee's recommendation to the Legislature.

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 July 1, 2015:

1. Regular Plan: Eligible with 5 years at age 62. Benefit accrual rate is 2.5%.
2. Judges: Eligible with 5 years at age 62. Benefit accrual is 3.5%, plus regular plan benefits for prior service.
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 between January 1, 2011 and June 30, 2015:

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.
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%.

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:

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%.

Members originally enrolled in the Harbor Police Retirement System who transferred to LASERS and elected not to enroll in the Hazardous Duty Plan are eligible with 25 years at any age, 10 years at age 60, 12 years at age 55, or 20 years at age 45. Benefit accrual is 3.33%.

NOTES:

- A. Benefits are limited to 100% of final 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:

Age	Maximum	Age	Maximum	Age	Maximum
48	\$ 62,674	56	\$ 122,937	64	\$ 210,000
49	68,035	57	134,139	65	210,000
50	73,895	58	146,473	66	210,000
51	80,309	59	160,071	67	210,000
52	87,329	60	175,083	68	210,000
53	95,025	61	191,670	69	210,000
54	103,469	62	210,000	70	210,000
55	112,745	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, wildlife agents hired on or after July 1, 2003, or harbor police plan members.

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 50% of the remaining excess investment income, up to a maximum balance as described below. 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 fiscal year 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 twelve-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 minimum age 60 for the receipt of a benefit increase 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.) No minimum service requirement for judges hired before 1/1/2011. Five years of service for members of the harbor police plan.

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) Corrections Primary Plan: disabilities incurred in the line of duty may retire with 60% of their final average compensation, regardless of years of service. Otherwise, benefits 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.
- 7) Members of the Harbor Police Plan with disabilities incurred in the line of duty receive 60% of final average compensation. Disabilities incurred not in the line of duty pay 40% of final average compensation if under age 55, and regular retirement allowance if age 55 or greater.

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 to the member, or \$600 per month if greater. Each qualifying child will receive 50% of the spouses benefit, up to 2 children. The total spouse and children benefit is 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 to 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 (1) or (3), 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 1.c. above.
3. If no one eligible to receive a survivor benefit, named beneficiary receives 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 with 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 with 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: 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.
 - ii. Minor children: 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.

EXHIBIT 5 (Continued)
Summary of Plan Provisions

- c. Survivors of retired wildlife agents will receive 75% of the retiree benefit in priority order: surviving spouse (until remarriage), minor children, parents who derive main support from retiree.
- 5. If no one is eligible to receive a survivor benefit, then the named beneficiary will receive the member's accumulated contributions.
- 6. Harbor Police
 - a. In line of duty benefit to surviving spouse is 60% of average compensation, regardless of years of service. Benefits cease upon remarriage. Benefits continue to minor children until age 18.
 - b. Not in the line of duty benefit to surviving spouse with children is 60% of final average compensation, until remarried and children attain age 18. If no children, surviving spouse receives 40% of final average compensation, until remarried.

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(ies).

Option 2 - 100% of reduced retirement allowance, if member dies, continued for designated beneficiary's lifetime.

Option 3 - 50% of reduced retirement allowance, if member dies, continued for designated beneficiary's 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. 55% of the reduced retirement allowance, if member dies, continued for designated beneficiary's lifetime.

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 irrevocable retirement option which permits the member to receive an actuarially reduced benefit with a 2.5% annual benefit COLA (Cost of Living Adjustment) beginning 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.

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.

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 DROP participation, 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.

The annual DROP interest rate for the Harbor Police plan is the three year average investment return of the plan assets (calculated as the compound average of 36 months) for the period ending the June 30th immediately preceding that given date. This rate is determined by LASERS is reduced by a 0.5% "contingency" adjustment, but not to below zero. DROP interest is forfeited if member does not cease employment after DROP participation.

EXHIBIT 6

ACTUARIAL COST METHODS AND ASSUMPTIONS

ACTUARIAL COST METHOD:

Louisiana Statutes, R. S. 11:22, prescribes the Entry Age Normal cost method for funding valuation purposes. This cost method generally produces normal costs that are level as a percentage of the member's projected pay if the composition of the active group with regard to age, sex, and service is stable. Normal 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 and Statement of Revenue and Expenses provided by the accounting staff was the final draft prior to publication. If these statements differ from the final audit report by a margin that affects employer contribution rate or the yield to the actuarial value of assets, a revised actuarial report will be issued.

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. The investment return assumption is reduced by 15 basis points to reflect administrative expenses that are paid from plan assets and not otherwise recognized. Therefore these expenses and the resulting experience losses are expected to be offset by long-term investment earnings. The adjustment to the discount rate is in accordance with Actuarial Standard of Practice Statement 27, (paragraph 3.8.3.e.)

Act 94 of 2016 requires direct funding by employers of noninvestment-related administrative expenses to begin in the first fiscal year in which the projected aggregate employer contribution rate, calculated without regard to any changes in the board-approved actuarial valuation rate, does not increase.

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. An experience study was completed for the observation period of 2009-2013. The recommended assumption changes based on this study were adopted by the Board, effective July 1, 2014. The experience study report, dated January 16, 2014, provides further information regarding the rationale for these assumptions. The current rate tables are illustrated at the end of this exhibit.

EXHIBIT 6 (Continued)
Cost Methods & Assumptions

DISCOUNT RATE / INVESTMENT EARNINGS:

The Board of Trustees adopted a discount rate of 7.75%, effective June 30, 2014. The Board adopted a plan to reduce the discount rate in 0.05% increments beginning July 1, 2017. Therefore, the projected contribution requirements for Fiscal Year 2017/18 were determined using a discount rate of 7.70%.

The discount rate for funding purposes reflects the assumed investment rate of return, net of investment and administrative expenses, and net of investment gains expected to be deferred to the experience account to fund future permanent benefit increases. Therefore, by excluding investment returns to be used to fund expenses and permanent benefit increases, the discount rate represents the expected return on investments to be used to fund regular plan benefits.

Based on a historical review of administrative expenses relative to plan assets, it is assumed that 15 basis points will be used to offset administrative expenses. Based on a historical review of investment earnings, with modifications for the current statutory provisions regarding transfers to the experience account and future allowable benefit increases, it is expected that a long-term average of approximately 25 basis points will be transferred to the experience account. A forward looking projection using historical volatility and the plan's projected assets confirmed this conclusion. The analysis is supported by the system's expected long-term rate of return on alternative investments, and capital market assumptions provided by the Board's investment consultant for all other assets, with a 3.0% inflation component, which results in an expected long-term geometric average nominal rate of return of 8.46%. After adjusting for gain-sharing and administrative expenses, this return is expected to provide 8.06% for regular plan funding. Exhibit 3 of this report provides expected real rates of return by asset class.

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, based on plan experience. The adjustment for mortality improvement anticipates future improvements in mortality beyond the measurement date. This table was determined to be appropriate relative to actual experience and adopted by the Board following the most recent experience study.

Mortality assumptions for disability benefits are based upon the RP-2000 disability table with no projection of mortality improvement, based on plan experience.

DISABILITY ASSUMPTION:

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

RETIREMENT/DROP ASSUMPTION:

Eligibility for normal retirement benefits and DROP participation is based on age and service requirements that vary by plan.

EXHIBIT 6 (Continued)
Cost Methods & Assumptions

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 20% will elect to withdraw their accumulated employee contribution, and 80% 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 and are based on the most recent experience study. The rates include anticipated productivity growth, merit adjustments, and a 3% inflation component, which is consistent with the inflation assumptions used to develop the discount rate. For valuation purposes, current salaries and projected future salaries are limited to the Section 401(a)(17) limit of the Internal Revenue Service Code, with future indexed increases.

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

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, shown below, are based on the most recent experience study.

	Regular Retirement	Disability
Regular Members	3.5%	1.5%
Judicial Members	1.0%	1.0%
Corrections	5.0%	3.0%
Wildlife	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		TERMINATION RATES		DUR	SALARY INCREASE
	MALE	FEMALE		< 25 YOS	>= 25 YOS	< 10 YOS	>10 YOS		
18	0.00024	0.00015	0.0000	0.200	0.250	0.50	0.00	0	0.1450
19	0.00025	0.00015	0.0000	0.200	0.250	0.50	0.00	1	0.0835
20	0.00026	0.00015	0.0000	0.200	0.250	0.46	0.00	2	0.0700
21	0.00027	0.00015	0.0000	0.200	0.250	0.42	0.00	3	0.0690
22	0.00028	0.00015	0.0000	0.200	0.250	0.38	0.00	4	0.0640
23	0.00030	0.00016	0.0000	0.200	0.250	0.35	0.10	5	0.0630
24	0.00031	0.00016	0.0000	0.200	0.250	0.32	0.10	6	0.0625
25	0.00032	0.00017	0.0000	0.200	0.250	0.29	0.10	7	0.0620
26	0.00035	0.00018	0.0000	0.200	0.250	0.27	0.10	8	0.0615
27	0.00035	0.00019	0.0000	0.200	0.250	0.25	0.10	9	0.0610
28	0.00037	0.00020	0.0000	0.200	0.250	0.23	0.10	10	0.0605
29	0.00038	0.00021	0.0000	0.200	0.250	0.21	0.10	11	0.0600
30	0.00041	0.00023	0.0000	0.200	0.250	0.20	0.10	12	0.0595
31	0.00046	0.00027	0.0000	0.200	0.250	0.20	0.10	13	0.0590
32	0.00052	0.00031	0.0000	0.200	0.250	0.20	0.10	14	0.0585
33	0.00059	0.00034	0.0000	0.200	0.250	0.20	0.08	15	0.0580
34	0.00065	0.00037	0.0000	0.200	0.250	0.20	0.08	16	0.0575
35	0.00072	0.00040	0.0020	0.200	0.250	0.20	0.08	17	0.0570
36	0.00078	0.00043	0.0020	0.200	0.250	0.18	0.06	18	0.0565
37	0.00084	0.00046	0.0020	0.200	0.250	0.18	0.06	19	0.0560
38	0.00088	0.00048	0.0020	0.200	0.250	0.18	0.06	20	0.0555
39	0.00092	0.00052	0.0020	0.200	0.250	0.18	0.06	21	0.0550
40	0.00096	0.00056	0.0025	0.200	0.250	0.18	0.05	22	0.0550
41	0.00100	0.00062	0.0025	0.200	0.250	0.18	0.05	23	0.0545
42	0.00105	0.00068	0.0025	0.200	0.250	0.18	0.05	24	0.0545
43	0.00110	0.00075	0.0025	0.200	0.250	0.18	0.05	25	0.0550
44	0.00117	0.00082	0.0025	0.200	0.250	0.18	0.06	26	0.0550
45	0.00124	0.00088	0.0025	0.200	0.250	0.17	0.06	27	0.0460
46	0.00131	0.00095	0.0025	0.200	0.250	0.17	0.06	28	0.0460
47	0.00138	0.00101	0.0025	0.200	0.250	0.17	0.06	29	0.0455
48	0.00146	0.00109	0.0025	0.200	0.250	0.17	0.06	30	0.0360
49	0.00154	0.00118	0.0030	0.200	0.250	0.17	0.07	31	0.0360
50	0.00163	0.00130	0.0030	0.350	0.200	0.13	0.07	32	0.0360
51	0.00184	0.00145	0.0030	0.100	0.250	0.13	0.07	33	0.0360
52	0.00197	0.00163	0.0050	0.250	0.350	0.13	0.07	34	0.0360
53	0.00215	0.00184	0.0050	0.250	0.350	0.13	0.07	35	0.0360
54	0.00236	0.00209	0.0050	0.300	0.350	0.13	0.10	36	0.0360
55	0.00272	0.00241	0.0075	0.300	0.350	0.13	0.10	37	0.0360
56	0.00320	0.00282	0.0075	0.300	0.350	0.13	0.10	38	0.0360
57	0.00363	0.00323	0.0075	0.300	0.350	0.13	0.10	39	0.0360
58	0.00414	0.00364	0.0075	0.300	0.350	0.13	0.10	40	0.0360
59	0.00467	0.00412	0.0075	0.300	0.350	0.13	0.10	41	0.0360
60	0.00530	0.00469	0.0000	0.450	0.500	0.13	0.10	42	0.0360
61	0.00612	0.00539	0.0000	0.400	0.500	0.13	0.10	43	0.0360
62	0.00698	0.00618	0.0000	0.400	0.500	0.13	0.10	44	0.0360
63	0.00810	0.00709	0.0000	0.400	0.500	0.13	0.10	45	0.0360
64	0.00913	0.00800	0.0000	0.400	0.500	0.13	0.10	46	0.0360
65	0.01031	0.00900	0.0000	0.350	0.500	0.13	0.10	47	0.0360
66	0.01184	0.01016	0.0000	0.350	0.500	0.13	0.10	48	0.0360
67	0.01321	0.01128	0.0000	0.350	0.500	0.13	0.10	49	0.0360
68	0.01446	0.01247	0.0000	0.350	0.500	0.13	0.10	50	0.0360
69	0.01603	0.01378	0.0000	0.350	0.500	0.13	0.10	51	0.0360
70	0.01770	0.01553	0.0000	0.500	0.500	0.13	0.10	52	0.0360
71	0.01959	0.01698	0.0000	0.500	0.500	0.13	0.10	53	0.0360
72	0.02175	0.01888	0.0000	0.500	0.500	0.13	0.10	54	0.0360
73	0.02422	0.02067	0.0000	0.500	0.500	0.13	0.10	55	0.0360
74	0.02702	0.02291	0.0000	0.500	0.500	0.13	0.10	56	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

Exhibit 7-A

AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY
June 30, 2016

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	13	1,653,893,278	189,244,961
2014	EAAB (2013 Reamortization)	Note 2	26	2,500,529,447	24	2,420,603,021	214,510,835
2014	2009 Change in Assumptions	L	25	(210,247,288)	23	(204,050,816)	(18,570,638)
2014	2009 Experience Loss	L	25	1,311,211,080	23	1,272,566,666	115,816,125
2014	2010 Experience Loss	L	26	605,996,175	24	589,636,070	52,830,615
2014	2011 Experience Loss	L	27	84,524,828	25	82,432,273	7,281,045
2014	2012 Assumption Change	L	28	351,078,877	26	343,100,707	29,911,445
2014	2012 Experience Loss	L	28	267,736,011	26	261,651,785	22,810,746
2014	2013 Change in Asset Val Method	L	29	(84,353,887)	27	(82,592,723)	(7,114,611)
2014	2013 Experience Gain	L	29	(535,064,013)	27	(523,892,798)	(45,128,597)
2014	2014 Investment Exper Gain	L	5	(418,219,552)	3	(269,378,073)	(100,244,534)
2014	2014 Change in Assumptions	L	30	725,253,130	28	711,330,055	60,604,358
2014	2014 Change in Cost Method	L	30	622,016,608	28	610,075,420	51,977,600
2014	2014 Non-Inv Experience Gain	L	30	(61,187,556)	28	(60,012,905)	(5,113,018)
2015	2015 Experience Gain	L	30	(153,582,892)	29	(152,163,680)	(12,833,854)
2016	2016 Experience Loss	L	30	168,957,714	30	168,957,714	14,118,621
Plan Specific UAL							
2014	Act 414 - Chg in Lia	L	23	3,352,622	21	3,234,419	305,122
2014	Act 262 - Chg in Lia	L	4	990,515	2	532,157	286,500
2014	Act 740 - Chg in Lia	L	4	279,993	2	150,427	80,986
2014	Act 992 - 2010 Chg in Lia - Note 3	L	6	3,476,288	4	2,485,594	718,942
2014	Act 992 - 2011 Chg in Lia - Note 4	L	7	351,163	5	268,774	64,423
2014	Act 992 - 2012 Chg in Lia - Note 5	L	8	457,303	6	367,175	75,936
2014	Act 852 - 2014 Chg in Lia - Note 6	L	9	4,726,302		1,213,580	721,309
2016	Harbor Police - Note 7	L	6	3,358,474	6	3,358,474	694,576
Total Outstanding Balance						\$ 6,833,766,594	\$ 573,048,893
Employers Credit Balance							
2014	2012 Contribution Variance	L	2	32,865,201	1	11,782,192	12,230,234
2014	2013 Contribution Variance	L	3	64,968,347	2	34,904,414	18,791,664
2014	2014 Contribution Variance	L	4	100,910,314	3	64,997,023	24,187,552
2015	2015 Cont. Variance - Note 8	L	5	-	4	-	-
2016	2016 Cont. Variance - Note 8	L	5	-	5	-	-
Total Credit Balance						\$ 111,683,629	\$ 55,209,450
Total Unfunded Actuarial Accrued Liability						\$ 6,945,450,223	\$ 628,258,343

See exhibit 7-D for notes and explanations.

Exhibit 7-B

AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY
June 30, 2017 - Projected

Date	Description	Amtz. Method	Amtz. Period	Initial Liability	Years Remain	Remaining Balance	Mid-Year Payment
2017	OAB (2013 Reamortization)	Note 1	12	1,585,628,633	12	1,585,628,633	198,266,840
2017	EAAB (2013 Reamortization)	Note 2	23	2,385,531,722	23	2,385,531,722	224,415,570
2017	2009 Change in Assumptions	L	22	(200,587,931)	22	(200,587,931)	(18,500,685)
2017	2009 Experience Loss	L	22	1,250,970,321	22	1,250,970,321	115,379,864
2017	2010 Experience Loss	L	23	580,493,261	23	580,493,261	52,625,635
2017	2011 Experience Loss	L	24	81,262,854	24	81,262,854	7,252,002
2017	2012 Assumption Change	L	25	338,642,125	25	338,642,125	29,789,008
2017	2012 Experience Loss	L	25	258,251,629	25	258,251,629	22,717,374
2017	2013 Change in Asset Val Method	L	26	(81,608,501)	26	(81,608,501)	(7,084,774)
2017	2013 Experience Gain	L	26	(517,649,789)	26	(517,649,789)	(44,939,336)
2017	2014 Change in Assumptions	L	27	703,549,175	27	703,549,175	60,344,349
2017	2014 Change in Cost Method	L	27	603,402,114	27	603,402,114	51,754,603
2017	2014 Investment Exper Gain	L	2	(186,198,344)	2	(186,198,344)	(100,198,881)
2017	2014 Non-Inv Experience Gain	L	27	(59,356,454)	27	(59,356,454)	(5,091,082)
2017	2015 Experience Gain	L	28	(150,634,479)	28	(150,634,479)	(12,777,605)
2017	2016 Experience Loss	L	29	167,396,428	29	167,396,428	14,055,487
2017	2017 Discount Rate Change	L	30	89,692,812	30	89,692,812	7,460,851
Plan Specific UAL							
2017	Act 414 - Chg in Lia	L	20	3,168,362	20	3,168,362	304,045
2017	Act 262 - Chg in Lia	L	1	276,004	1	276,004	286,433
2017	Act 740 - Chg in Lia	L	1	78,019	1	78,019	80,967
2017	Act 992 - 2010 Chg in Lia - Note 3	L	3	1,931,947	3	1,931,947	718,458
2017	Act 992 - 2011 Chg in Lia - Note 4	L	4	222,730	4	222,730	64,366
2017	Act 992 - 2012 Chg in Lia - Note 5	L	5	316,806	5	316,806	75,854
2017	Act 852 - 2014 Chg in Lia - Note 6	L	1	558,895	1	558,895	580,013
2017	Harbor Police - Note 7	L	5	2,897,767	5	2,897,767	693,818
Total Outstanding Balance						\$ 6,858,236,106	\$ 598,273,174
Employers Credit Balance							
2017	2013 Contribution Variance	L	1	18,103,252	1	18,103,252	18,787,303
2017	2014 Contribution Variance	L	2	44,926,961	2	44,926,961	24,176,537
2017	2015 Cont. Variance - Note 7	L	3	-	3	-	-
2017	2016 Cont. Variance - Note 7	L	4	-	4	-	-
2017	2017 Projected Cont. Variance	L	5	31,102,410	5	\$ 31,102,410	\$ 7,446,915
Total Contribution Variance Balance						\$ 94,132,623	\$ 50,410,755
Total Unfunded Actuarial Accrued Liability						\$ 6,952,368,729	\$ 648,683,929

See exhibit 7-D for notes and explanations.

Exhibit 7-C

**UAL Outstanding Balance and Payment Schedule
Based on June 30, 2016 UAL Schedules ***

FY Beginning	UAL Outstanding Balance (Millions)	UAL Mid-Year Payments (Millions)	Payment % Change	FY Beginning	UAL Outstanding Balance (Millions)	UAL Mid-Year Payments (Millions)	Payment % Change
2016	6,945	628	0.0%	2032	2,888	498	0.0%
2017	6,952	649	3.3%	2033	2,594	498	0.0%
2018	6,815	633	-2.4%	2034	2,277	498	0.0%
2019	6,682	713	12.7%	2035	1,936	498	0.0%
2020	6,457	716	0.5%	2036	1,569	498	0.0%
2021	6,211	721	0.6%	2037	1,173	488	-2.0%
2022	5,941	717	-0.5%	2038	757	273	-44.0%
2023	5,655	721	0.6%	2039	532	176	-35.5%
2024	5,342	725	0.6%	2040	390	123	-29.9%
2025	5,001	730	0.6%	2041	292	116	-5.9%
2026	4,628	735	0.6%	2042	194	64	-45.2%
2027	4,222	654	-11.0%	2043	143	116	81.6%
2028	3,869	498	-23.8%	2044	34	9	-92.5%
2029	3,650	498	0.0%	2045	27	22	146.2%
2030	3,415	498	0.0%	2046	7	7	-65.3%
2031	3,161	498	0.0%				

* Includes the June 30, 2017 projected contribution deficit.

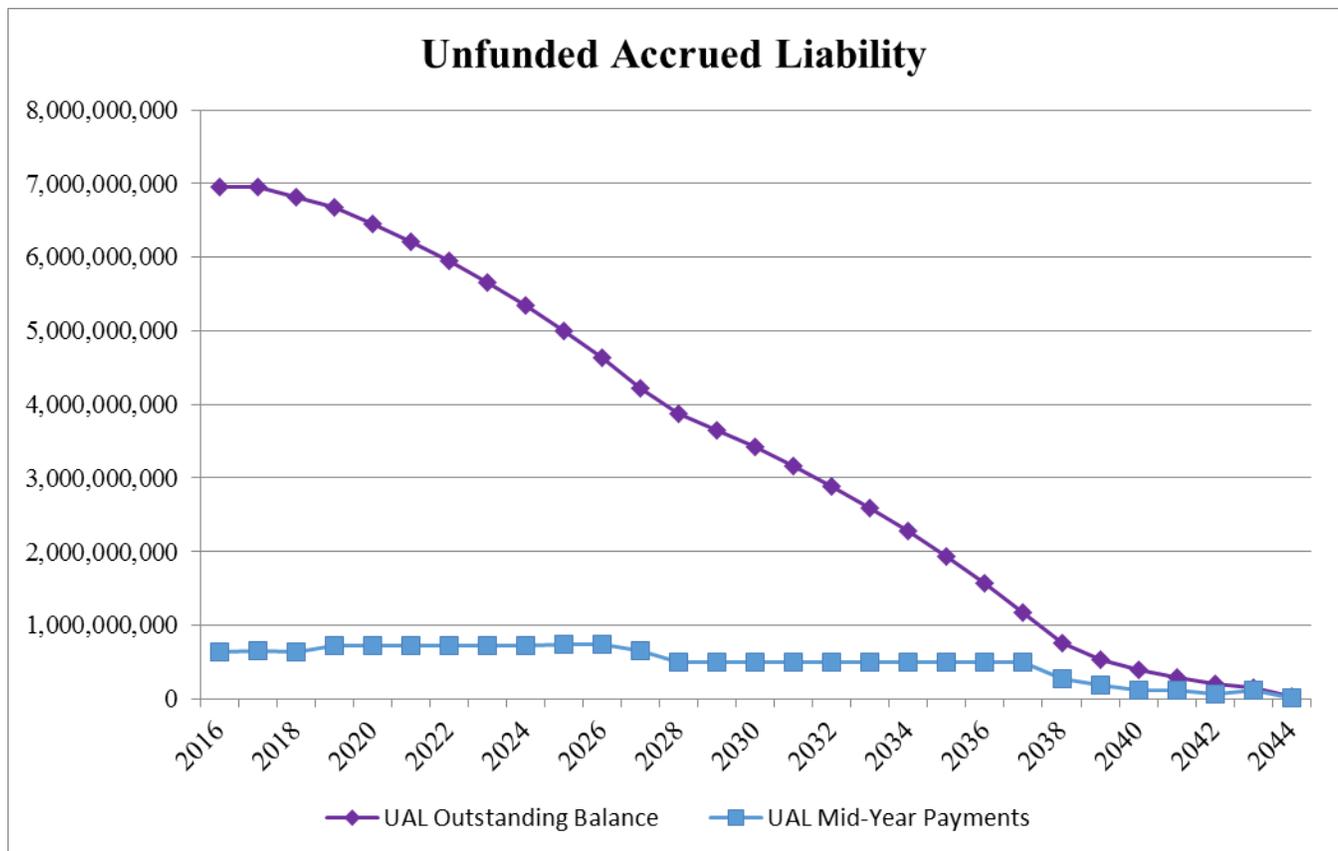


Exhibit 7-D

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. The EAAB payment schedule is prescribed by statute, as described in Note 2 below.

All schedules were re-amortized, effective July 1, 2014, using a rate of 7.75%. Projected July 1, 2017 schedules in Exhibit 7-B are based on a 7.70% rate.

Note 1: The Original Amortization Base includes the following bases that existed prior to Act 497 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 5.5% for 4 years, 5% for two years, and thereafter at 2% until paid off in 2029 or before.

Note 2: The Experience Account Amortization Base includes the following bases that existed prior to Act 497 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 5.5% for 4 years, 5% for two years, and level thereafter until paid off in 2040 or before.

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 - 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. An additional payment of \$3,101,201.01 was paid to LASERS on May 12, 2016 and was used to make an additional payment toward this schedule, per R.S. 11:546, E (3)(b).

Note 7: The Harbor Police “established UAL” per the Cooperative Endeavor Agreement is paid by quarterly payments. The June 30, 2016 UAL was reduced substantially by a \$6,000,000 payment received by LASERS on 12/31/2016. The balance will be paid with level quarterly payments.

Note 8: The 2015 contribution variance surplus of \$25,700,989 was used to reduce the OAB, with no re-amortization per Act 399 of 2014. The 2016 contribution variance surplus of \$15,271,071 was used to reduce the OAB, with no re-amortization per Act 399 of 2014.

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
2016	2,638.7	-83.9	2,554.9	-885.7	1,669.2	299.2	-9.5	289.7	-100.4	189.2
2017	2,532.7	-80.5	2,452.2	-850.1	1,602.1	314.1	-10.0	304.1	-105.4	198.7
2018	2,402.9	-76.4	2,326.5	-806.5	1,520.0	320.4	-10.2	310.2	-107.5	202.7
2019	2,256.5	-71.7	2,184.8	-757.4	1,427.4	326.8	-10.4	316.4	-109.7	206.7
2020	2,092.2	-66.5	2,025.7	-702.2	1,323.4	333.4	-10.6	322.8	-111.9	210.9
2021	1,908.3	-60.7	1,847.6	-640.5	1,207.1	340.0	-10.8	329.2	-114.1	215.1
2022	1,703.2	-54.1	1,649.1	-571.7	1,077.4	346.8	-11.0	335.8	-116.4	219.4
2023	1,475.2	-46.9	1,428.3	-495.2	933.1	353.8	-11.2	342.5	-118.7	223.8
2024	1,222.3	-38.9	1,183.4	-410.3	773.2	360.8	-11.5	349.4	-121.1	228.3
2025	942.5	-30.0	912.5	-316.3	596.2	368.1	-11.7	356.4	-123.5	232.8
2026	633.5	-20.1	613.3	-212.6	400.7	375.4	-11.9	363.5	-126.0	237.5
2027	292.9	-9.3	283.5	-98.3	185.2	304.0	-9.7	294.3	-102.0	192.3
2028	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
2029	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0

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 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.

Experience Account Amortization Base (EAAB) – Amortization base created in 2010 by Act 497 of 2009. Consolidated and re-amortized schedules created in the following valuation years, which existed prior to Act 497: 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.

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.

Original Amortization Base (OAB) – Amortization base created in 2010 by Act 497 of 2009. Consolidated and re-amortized schedules created in the following valuation years, which existed prior to Act 497: 1993 (Initial Unfunded Accrued 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).

Permanent Benefit Increase – An increase in specified current retiree benefits authorized by statutes.

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.

Public Retirement Systems' Actuarial Committee (PRSAC) – A committee created within the Department of the Treasury by Louisiana Public Retirement Law to insure orderly and consistent strategies for continuing development and growth that will attain and maintain the soundness of the public retirement systems, plans and funds and report to the House and Senate committees on retirement and the Joint Legislative Committee on the Budget all findings and recommendations.

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.