

**PAROCHIAL EMPLOYEES'
RETIREMENT SYSTEM**

ACTUARIAL VALUATION AS OF
DECEMBER 31, 2009

G. S. CURRAN & COMPANY, LTD.
Actuarial Services
10555 N. Glenstone Place • Baton Rouge, Louisiana 70810 • (225)769-4825

Gary S. Curran, FCA, MAAA, ASA, EA
Consulting Actuary

Gregory M. Curran, FCA, MAAA, ASA
Associate Actuary

June 16, 2010

Board of Trustees
Parochial Employees' Retirement System
P.O. Box 14619
Baton Rouge, LA 70898-4619


Ladies and Gentlemen:

We are pleased to present our report on the actuarial valuation of the Parochial Employees' Retirement System for the fiscal year ending December 31, 2009. Our report is based on the actuarial assumptions specified and relies on the data supplied by the system's administrators and accountants. This report was prepared at the request of and exclusively for the Parochial Employees' Retirement System of the State of Louisiana and its auditors in connection with our actuarial valuation of the retirement system. It is not suitable for other purposes or intended for any third party. The primary purpose of the report is to determine the actuarially required contribution for Plan A and Plan B for the fiscal year ending December 31, 2010. In addition, this report recommends minimum employer contribution rates for fiscal 2011, and provides information required for the system's financial statements.

This report has been prepared in accordance with generally accepted actuarial principles and practices; and to the best of our knowledge and belief fairly reflects the actuarial present values and costs stated herein. The undersigned actuaries 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. If we can be of further assistance in amplifying any of the information contained herein, please let us know.

Sincerely,

G. S. CURRAN & COMPANY, LTD.

By: 
Gary Curran, F.C.A., M.A.A.A., A.S.A.

By: 
Gregory Curran, F.C.A., M.A.A.A., A.S.A.

TABLE OF CONTENTS

<u>Subject</u>	<u>Page</u>
Plan A - Summary of Valuation Results.....	1
Plan B - Summary of Valuation Results.....	2
Comments on Data	3
Comments on Actuarial Methods and Assumptions	4
Changes in Plan Provisions	4
Asset Experience	5
Plan A – Demographics and Liability Experience	6
Plan B – Demographics and Liability Experience.....	7
Funding Analysis and Recommendations	7
Cost of Living Increases	10
Graphs	12
Exhibit I - Plan A: Analysis of Actuarially Required Contributions	22
Exhibit II - Plan A: Present Value of Future Benefits.....	23
Exhibit III - Schedule A - Plan A: Market Value of Assets	24
Exhibit III - Schedule B - Plan A: Actuarial Value of Assets.....	25
Exhibit IV - Plan A: Present Value of Future Contributions	26
Exhibit V - Plan A: Change in Frozen Unfunded Actuarial Accrued Liability.....	26
Exhibit VI - Plan A: Analysis of Increase in Assets	27
Exhibit VII - Plan A: Fund Balances.....	28
Exhibit VIII - Plan A: Pension Benefit Obligation.....	28
Exhibit IX - Plan A: Cost Of Living Adjustments - Target Ratio	29
Exhibit X - Plan A: Census Data	30
Exhibit XI - Plan A: Year to Year Comparison	38
Exhibit XII - Plan B: Analysis of Actuarially Required Contributions	40
Exhibit XIII - Plan B: Present Value of Future Benefits.....	41
Exhibit XIV - Schedule A - Plan B: Market Value of Assets	42
Exhibit XIV – Schedule B - Plan B: Actuarial Value of Assets.....	43
Exhibit XV - Plan B: Present Value of Future Contributions	44
Exhibit XVI - Plan B: Reconciliation of Contributions.....	44
Exhibit XVII - Plan B: Analysis of Increase in Assets	45
Exhibit XVIII - Plan B: Fund Balances.....	46
Exhibit XIX - Plan B: Pension Benefit Obligation/Entry Age Normal Accrued Liabilities	46
Exhibit XX - Plan B: Cost Of Living Adjustments - Target Ratio	47
Exhibit XXI - Plan B: Census Data	48
Exhibit XXII - Plan B: Year to Year Comparison	56
Summary of Principal Plan Provisions.....	58
Actuarial Assumptions.....	61
Glossary	67

**SUMMARY OF VALUATION RESULTS
PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM - PLAN A**

Valuation Date:	December 31, 2009	December 31, 2008
Census Summary:		
Active Members	14,795	14,373
Retired Members and Survivors	5,413	5,235
Terminated Due a Deferred Benefit	562	545
Terminated Due a Refund	6,611	6,464
Payroll:	\$ 536,408,372	\$ 511,891,487
Benefits in Payment:	\$ 90,207,961	\$ 84,492,940
Market Value of Assets (excluding the expense fund):	\$ 1,904,114,041	\$ 1,565,934,957
Frozen Unfunded Actuarial Accrued Liability:	\$ 53,552,388	\$ 60,381,793
Actuarial Asset Value (AVA):	\$ 2,135,230,590	\$ 1,943,569,363
Ratio Of Net AVA To GASB-25 Accrued Liability:	97.55%	96.99%

	2010	2009
Employers' Normal Cost (January 1):	\$ 65,674,503	\$ 72,812,898
Amortization Cost (January 1):	\$ 10,988,243	\$ 10,565,618
Interest Adjusted Actuarially Required Contributions Including Estimated Administrative Costs:	\$ 80,542,738	\$ 87,481,795
Actuarially Required Net Direct Employer Contributions As A Percentage Of Projected Payroll:	13.46%	15.40%

Minimum Net Direct Employer Contribution Rate: For Fiscal 2011: 13.25% For Fiscal 2010 15.75%		

Employee Contribution Rate: 9.50% of Payroll

Actuarial Cost Method: Frozen Attained Age Normal Actuarial Cost Method

Valuation Interest Rate: 7.50% (Net of Investment Expense)

Census Exclusions: All individuals submitted by the system were included in the valuation.

Basis of Actuarial Asset Value: The actuarial value of assets is based on the market value of investment securities adjusted to average in asset earnings above or below the assumed rate of return over a five-year period subject to a corridor limit of 85% to 115% of the market value of assets. If the smoothed value lies outside of the corridor limit the preliminary value is determined by averaging the smoothed value with the corridor limit. A pro-rata share of expense fund assets based on current salaries is added to the preliminary values to produce the final value.

Changes in Valuation Methods, Assumptions, and Amortization Periods: None.

Method of Recognizing Gains and Losses: Under the Frozen Attained Age Normal Method, actuarial gains and losses are spread over future normal costs.

**SUMMARY OF VALUATION RESULTS
PAROCHIAL EMPLOYEES' RETIREMENT SYSTEM - PLAN B**

Valuation Date:	December 31, 2009	December 31, 2008
Census Summary:		
Active Members	2,290	2,194
Retired Members	560	548
Terminated Due a Deferred Benefit	118	108
Terminated Due a Refund	1,426	1,410
Payroll:	\$ 79,373,895	\$ 74,891,671
Benefits In Payment:	\$ 4,986,096	\$ 4,744,664
Market Value of Assets (excluding the expense fund):	\$ 134,940,283	\$ 109,749,342
Unfunded Actuarial Accrued Liability:	NONE	NONE
Actuarial Asset Value:	\$ 150,446,497	\$ 136,139,102
Funded Ratio (GASB 50)	87.90%	83.97%

	2010	2009
Employers' Normal Cost (January 1):	\$ 7,531,699	\$ 7,915,424
Interest Adjusted Actuarially Required Contributions Including Estimated Administrative Costs:	\$ 7,965,456	\$ 8,358,033
Actuarially Required Net Direct Employer Contributions As A Percentage Of Projected Payroll:	8.60%	9.56%

Minimum Net Direct Employer Contribution Rate: For Fiscal 2011: 8.50% For Fiscal 2010 10.00%		

Employee Contribution Rate: 3.00% of salary

Actuarial Cost Method: Aggregate Actuarial Cost Method

Valuation Interest Rate: 7.50% (Net of Investment Expense)

Census Exclusions: All individuals submitted by the system were included in the valuation.

Basis of Actuarial Asset Value: The actuarial value of assets is based on the market value of investment securities adjusted to average in asset earnings above or below the assumed rate of return over a five-year period subject to a corridor limit of 85% to 115% of the market value of assets. If the smoothed value lies outside of the corridor limit the preliminary value is determined by averaging the smoothed value with the corridor limit. A pro-rata share of expense fund assets based on current salaries is added to the preliminary values to produce the final value.

Changes in Valuation Methods, Assumptions, and Amortization Periods: None.

Method of Recognizing Gains and Losses: Under the Aggregate Actuarial Cost Method, actuarial gains and losses are spread over future normal costs.

COMMENTS ON DATA

For the valuation, the administrative director of the system furnished a census on magnetic diskette derived from the system's master data processing file indicating each active covered employee's sex, date of birth, service credit, annual salary, and accumulated contributions. Information on retirees detailing dates of birth of retirees and beneficiaries, as well as option categories and benefit amounts, was provided in like manner. In addition, data was supplied on former employees who are vested or who have contributions remaining on deposit. As illustrated in Exhibit X, there are 14,795 active members in Plan A, of whom, 7,241 members, including 428 participants in the Deferred Retirement Option Plan (DROP), have vested retirement benefits; 5,413 former members of Plan A or their beneficiaries are receiving retirement benefits. An additional 7,173 former members of Plan A have contributions remaining on deposit with the system. This includes 562 who have vested rights or have filed reciprocal agreements for future retirement benefits. Census data on members of Plan B may be found in Exhibit XXI. There are 2,290 active members in Plan B, of whom, 1,011 members, including 37 DROP participants, have vested retirement benefits; 560 former members of Plan B or their beneficiaries are receiving retirement benefits. An additional, 1,544 former members of Plan B have contributions remaining on deposit with the system. Of this number, 118 have vested rights or have filed reciprocal agreements for future retirement benefits. All individuals submitted were included in the valuation.

Census data submitted to our office is tested for errors. Several types of census data errors are possible; to ensure that the valuation results are as accurate as possible, a significant effort is made to identify and correct these errors. 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. Changes in status, new records, and previous records, which have no corresponding current record are identified. This portion of the review indicates the annual flow of members from one status to another and is used to check some of the actuarial assumptions, such as retirement rates, rates of withdrawal, and mortality. In addition, the census is checked for reasonableness in several areas, such as age, service, salary, and current benefits. The records identified by this review as questionable are checked against data from prior valuations; those not recently verified are included in a detailed list of items sent to the system's administrator for verification and/or correction. Once the identified data has been researched and verified or corrected, it is returned to us for use in the valuation. Occasionally some requested information is either unavailable or impractical to obtain. In such cases, values may be assigned to missing data. The assigned values are based on information from similar records or based on information implied from other data in the record.

In addition to the statistical information provided on the system's participants, the system's administrative director furnished general information related to other aspects of the system's expenses, benefits and funding. Valuation asset values as well as income and expenses for the fiscal year were based on information furnished by the system's auditor, the firm of Duplantier, Hrapmann, Hogan & Maher, L.L.P. As indicated in the system's audit report, the net market value of Plan A's assets was \$1,904,114,041 as of December 31, 2009. For Plan A, the net investment income for fiscal 2009 measured on a market value basis amounted to \$324,390,675. Contributions to Plan A for the fiscal year totaled \$121,858,730; benefits and expenses amounted to \$108,070,321.

The net market value of Plan B's assets was \$134,940,283 as of December 31, 2009. For Plan B, the net investment income for fiscal 2009 measured on a market value basis amounted to \$22,995,513. Contributions to Plan B for the fiscal year totaled \$8,328,502; benefits and expenses amounted to \$6,133,074. In addition to the trust funds for Plan A and Plan B the system also maintains an expense fund which had a balance of \$702,689 as of the end of the year.

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. Our review of submitted information is limited to validation of reasonableness and consistency. Verification of submitted data to source information is beyond the scope of our efforts.

COMMENTS ON ACTUARIAL METHODS AND ASSUMPTIONS

This valuation of Plan A is based on the Frozen Attained Age Normal actuarial cost method with the unfunded accrued liability frozen as of December 31, 1989. Under the provisions of Louisiana R.S. 11:103 the unfunded accrued liability for Plan A, which was determined to be \$110,022,497 as of December 31, 1989, was amortized over forty years with payments increasing at 4% per year. In Plan A, payroll growth in excess of 4% per year will reduce future amortization payments as a percentage of payroll; payroll growth below 4% per year will increase amortization payments as a percentage of payroll. Plan B is funded utilizing the Aggregate Actuarial Funding Method. This method does not develop an unfunded actuarial liability. Under the Frozen Attained Age Normal Cost Method and the Aggregate Cost Method, actuarial gains and losses are spread over future normal costs. Thus, favorable plan experience will lower future normal costs; unfavorable experience will cause future normal costs to increase. In both plans, benefit and assumption changes are spread over future normal costs. Under the provisions of R.S. 11:105, the Board of Trustees froze the employer contribution rate in Plan A for fiscal 2008 and several other fiscal years prior to that. As prescribed in R.S. 11:105, excess funds if any, generated by these freezes of the employer contribution rate (prior to fiscal 2008) were allocated to reduce the frozen unfunded accrued liability. As a result, the current frozen unfunded accrued liability will be fully amortized by December 31, 2015. The excess funds collected in fiscal 2008 were credited to the Funding Deposit Account.

The actuarial assumptions utilized for the report are outlined on pages 61 - 66. All calculations, recommendations, and conclusions are based on the assumptions specified. To the extent that prospective experience differs from that assumed, adjustments will be required to future contribution levels. All assumptions and methods were the same as those used for the prior report.

CHANGES IN PLAN PROVISIONS

The following changes in plan provisions were enacted during the 2009 Regular Session of the Louisiana Legislature:

Act 270 provides that a member of a state or statewide retirement system, upon applying for retirement, may irrevocably elect a retirement payment option whereby his benefit is actuarially reduced, but he receives a 2.5% COLA annually on his retirement's anniversary date. This COLA is also payable to DROP participants and applied to the monthly benefit allowance. Upon retirement of a DROP participant, the annual 2.5% COLA is also applied to any supplemental benefit earned after the

DROP period. The COLA is only payable to retirees who are 55 and older. The annual 2.5% compounded COLA is not be based on any other COLAs the system may grant. Any additional COLA granted by the system will be based on the retiree’s monthly benefit as it exists when such COLA is granted. Spousal beneficiaries also receive the COLA upon the retiree’s death if the retiree chose to have his benefits paid to his spouse upon his death.

Act 296 creates a funding deposit account. The beginning balance of each system’s account was set equal to zero as of December 31, 2008. All surplus funds collected for the system are then credited to the account for any fiscal year ending on or after December 31, 2008, in which the board of trustees elects to set the direct employer contribution rate higher than the minimum recommended rate. The funds will earn interest at the board-approved actuarial valuation rate, and the interest will be credited at least once a year. Beginning with the first valuation on or after December 31, 2008, the system’s board may direct the account funds be charged for the following purposes: (1) to reduce the unfunded accrued liability, (2) to reduce the present value of future normal, (3) to pay all or a portion of any future net direct employer contributions. The funds charged from the account may not exceed the outstanding balance. If the board elects to charge funds from the funding deposit account in order to reduce the employers’ direct contributions, the percent reduction in the minimum recommended employer contribution rate will be determined by dividing the interest-adjusted value of the charges from the funding deposit account by the projected payroll for the fiscal year for which the contribution rate is to be reduced. For funding purposes, any asset value used in the calculation of the actuarial value of assets of a system will exclude the account balance as of the asset determination date for the calculation. For all purposes other than funding, the funds in the account will be considered assets of the system.

ASSET EXPERIENCE

The actuarial and market rates of return for the past ten years are given below. These rates of return on assets were determined by assuming a uniform distribution of income and expense throughout the fiscal year.

<u>Plan A</u>	<u>Market Value</u>	<u>Actuarial Value</u>
2000	7.2%	8.5%
2001	-0.8%	4.5%
2002	-2.7%	-1.2%
2003	15.6%	3.4%
2004	10.2%	6.9%
2005	6.3%	11.1%
2006	12.8%	11.3%
2007	7.9%	* 17.1%
2008	-25.7%	** -4.9%
2009	20.6%	9.1%
<u>Plan B</u>	<u>Market Value</u>	<u>Actuarial Value</u>
2000	5.4%	8.2%
2001	2.7%	5.9%
2002	0.0%	0.5%
2003	15.9%	5.9%
2004	9.6%	8.5%
2005	5.1%	10.6%

2006	11.6%	9.8%
2007	7.7%	* 13.4%
2008	-25.0%	** -5.2%
2009	20.7%	8.8%

* Includes effect of change in asset valuation method. Effective with the 2007 valuation the method was changed from smoothing capital gains and losses over 3 years to smoothing investment earnings above or below the assumed rate of return over a five year period with a +/- 10% of market value corridor limit.

** Includes effects of change in asset valuation method. Effective with the 2008 valuation the corridor limits on the smoothed value were changed from +/- 10% of market value to +/- 15% with smoothed values averaged with corridor limits when they fall outside the corridor limits.

The market rate of return gives a measure of investment return on a total return basis and includes realized and unrealized capital gains and losses as well as interest income. This rate of return gives an indication of performance for an actively managed portfolio where securities are bought and sold with the objective of producing the highest total rate of return. During 2009, Plan A earned \$45,886,575 and Plan B earned \$3,554,975 of dividends, interest and other recurring income. In addition, Plan A had net realized and unrealized capital gains on investments of \$283,492,258 while Plan B had \$19,795,557. Investment expenses were \$4,988,158 for Plan A and \$355,019 for Plan B; this does not include \$350,168 of investment expenses paid through the Expense Fund. The geometric mean of the market value rates of return measured over the last ten years was 4.3% for Plan A and 4.6% for Plan B.

The actuarial rate of return is presented for comparison to the assumed long-term rate of return of 7.5% used for the valuation. This rate is calculated based on the smoothed value of assets subject to constraints as given in Exhibit VI for Plan A and Exhibit XVII for Plan B. Investment income used to calculate this yield is based upon a smoothing of investment income above or below the valuation interest rate. The difference between rates of return on an actuarial and market value basis results from the smoothing utilized. Yields in excess of the 7.5% assumption will reduce future costs; yields below 7.5% will increase future costs. Net actuarial investment earnings were more than the actuarial assumed earnings rate of 7.5%, used for fiscal 2009, by \$31,476,617 for Plan A and \$1,801,437 for Plan B. These excess earnings produced an actuarial gain, which decreased the normal cost accrual rate by 0.7489% for Plan A and 0.3090% for Plan B.

PLAN A – DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for the plan is given in Exhibit X. The average active member is 45 years old with 9.40 years of service and an annual salary of \$36,256. The plan's active membership, inclusive of DROP participants, increased by 422 members during the fiscal year. The plan has experienced an increase in the active plan population of 927 members over the last five years. A review of the active census by age indicates that over the last ten years the population in the thirty-one to fifty age group has decreased while the proportion of active members age fifty-one to seventy increased. Over the same ten-year period the plan showed a fairly stable distribution among the various service groups. The average regular retiree is 72 years old with a monthly benefit of \$1,551. The number of retirees and beneficiaries receiving benefits from the system increased by 178 during the fiscal year; over the last five years the number of retirees has increased by 674.

Plan liability experience for fiscal 2009 was favorable. Retirements, disabilities, and DROP entries were below projected levels; retiree deaths were above those projected. In addition, salary increases were below projected levels. All of these factors tend to reduce costs. However, these factors were partially offset by withdrawals below projected levels. Plan liability gains decreased the normal cost accrual rate by 1.1857%.

PLAN B – DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for the plan is given in Exhibit XXI. The average active member is 46 years old with 8.42 years of service and an annual salary of \$34,661. The plan's active membership, inclusive of DROP participants, increased by 96 members during the fiscal year. The plan has experienced an increase in the active plan population of 228 members over the last five years. A review of the active census by age indicates that over the last ten years the population in the under fifty age group has decreased while the proportion of active members age fifty-one to seventy increased. Over the same ten-year period the plan showed a fairly stable distribution of the various service groups with a slight increase in active membership with more than 20 years of service. The average regular retiree is 73 years old with a monthly benefit of \$786. The number of retirees and beneficiaries receiving benefits from the system increased by 12 during the fiscal year; over the last five years the number of retirees has increased by 99.

Plan liability experience for fiscal 2009 was favorable. Retirements and disabilities were below projected levels, and actual retiree deaths were above projected levels. In addition, salary increases were below projected levels. All of these factors tend to reduce costs. However, these factors were partially offset by withdrawals below projected levels. Plan liability gains decreased the normal cost accrual rate by 0.8308%.

FUNDING ANALYSIS AND RECOMMENDATIONS

Actuarial funding of a retirement system is a process whereby funds are accumulated over the working lifetimes of employees in such a manner as to have sufficient assets available at retirement to pay for the lifetime benefits accrued by each member of the system. The required contributions are determined by an actuarial valuation based on rates of mortality, termination, disability, and retirement, as well as investment return and other statistical measures specific to the particular group. Each year a determination is made of two cost components, and the actuarially required contributions are based on the sum of these two components plus administrative expenses. These two components are the normal cost and the amortization payment on the unfunded actuarial accrued liability. The normal cost refers to the portion of annual cost based on the salary of active participants. The term unfunded accrued liability (UAL) refers to the excess of the present value of plan benefits over the sum of current assets and future normal costs. Each year the UAL grows with interest and is reduced by payments. Under the funding method used for both plans, changes in plan experience, benefits, or assumptions do not affect the unfunded actuarial accrued liability. These items increase or decrease future normal costs.

In order to establish the actuarially required contribution in any given year, it is necessary to define the assumptions, funding method, and method of amortizing the UAL. Thus, the determination of what

contribution is actuarially required depends upon the funding method and amortization schedules employed. Regardless of the method selected, the ultimate cost of providing benefits is dependent upon the benefits, expenses, and investment earnings. Only to the extent that some methods accumulate assets more rapidly and thus produce greater investment earnings does the funding method affect the ultimate cost.

Liability and asset experience as well as changes in assumptions and benefits can increase or decrease plan costs. In addition to these factors, any COLA granted in the prior fiscal year would increase required contributions. New entrants to the system can also increase or decrease costs as a percent of payroll depending upon their demographic distribution and other factors related to prior plan experience. Finally, contributions above or below requirements may reduce or increase future costs.

Under the provisions of R.S. 11:103, excess or deficient contributions typically decrease or increase future normal costs. However, if the minimum net direct employer contribution is scheduled to decrease, the board may maintain the contribution rate at some level above the minimum recommended rate.

The effects of various factors on the cost structure for Plan A are outlined below:

Employer's Normal Cost Accrual Rate – Fiscal 2009	15.3076%
Factors Increasing the Normal Cost Accrual Rate:	
Contribution Loss	0.4211%
Factors Decreasing the Normal Cost Accrual Rate:	
Plan Liability Experience	1.1858%
Asset Experience	0.7489%
New Members	0.6514%
Employer's Normal Cost Accrual Rate – Fiscal 2010	13.1426%

In addition to the above changes in the plan normal cost rate, payroll growth affects plan costs to the extent that payments on the system's unfunded liability are on a schedule that varies from actual trends in payroll growth or decline. If payroll changes at rates not consistent with the amortization schedule the result will be costs that change as a percentage of payroll. For fiscal 2010, the net effect of the change in payroll on amortization costs was to decrease such costs by 0.01% of payroll for Plan A. Required net direct employer contributions are also affected by the available ad valorem taxes and revenue sharing funds which the system receives each year. When these funds change as a percentage of payroll, net direct employer contributions are adjusted accordingly. We estimate that for Plan A these funds collected in fiscal 2010 will decrease by 0.02% of payroll.

For Plan A, the derivation of the actuarially required contribution for the current fiscal year is given in Exhibit I. The normal cost for fiscal 2010 as of January 1, 2010 is \$65,674,503. The amortization payment on the plan's frozen unfunded actuarial accrued liability is \$10,988,243 as of January 1, 2010. The total actuarially required contribution is determined by adjusting these two values for interest (since payments are made throughout the fiscal year) and adding estimated administrative expenses. As given on line 15 of Exhibit I the total actuarially required contribution for fiscal 2010 is \$80,542,738. When this amount is reduced by projected tax contributions and revenue sharing funds, the resulting employers' net direct actuarially required contribution for fiscal 2010 is \$74,313,385.

This is 13.46% of the projected Plan A payroll for fiscal 2010. The actual contribution rate for fiscal 2010 is 15.75%. After giving consideration to the expected contribution excess in fiscal 2010 and the rounding regulations in the statute, we recommend a minimum net direct employer contribution rate of 13.25% of payroll for fiscal 2011 for Plan A.

The effects of various factors on the cost structure for Plan B are outlined below:

Employer's Normal Cost Accrual Rate – Fiscal 2009	11.5547%
Factors Increasing the Normal Cost Accrual Rate:	
Contribution Loss	0.4554%
Factors Decreasing the Normal Cost Accrual Rate:	
Plan Liability Experience	0.8308%
New Members	0.4948%
Asset Experience	0.3090%
Employer's Normal Cost Accrual Rate – Fiscal 2010	10.3756%

In Plan B we estimate that the projected tax contribution as a percentage of payroll will remain constant. Since Plan B is funded under the Aggregate Actuarial Cost Method, the plan has no unfunded accrued liability. The normal cost for fiscal 2010 as of January 1, 2010 is \$7,531,699. The interest adjusted actuarial and administrative cost for fiscal 2010 is given on line 12 of Exhibit XII as \$7,965,456. When this amount is reduced by projected tax contributions and revenue sharing funds, the resulting employers' minimum net direct actuarially required contribution is \$7,043,674. This is 8.60% of projected payroll for fiscal 2010. The actual employer contribution rate for fiscal 2010 is 10.00% of payroll. After giving consideration to the expected contribution excess in fiscal 2010, as outlined in Exhibit XII and the rounding requirements in the statute, we recommend a minimum net direct employer contribution rate of 8.50% of payroll for fiscal 2011 for Plan B.

Under the provisions of R.S. 11:107 the board may set the net direct employer contribution rate at any rate between 13.25% and 15.75% of payroll for Plan A and between 8.50% and 10.00% for Plan B. Should the net direct employer contribution rate be set at a level above 13.25% for Plan A and above 8.50% for Plan B under R.S. 11:107, the resulting additional contributions paid by the employers, if they exceed any potential contribution losses, would be added to the Funding Deposit Account.

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, completion of amortization payments or credit schedules, and changes in plan provisions or applicable law. Analysis of the effect of all these factors is beyond the scope of this report.

We have, however, calculated the sensitivity of the plans' costs to two factors. First, based on current assets and demographics, for each percentage under (over) performance of the return on the actuarial value of assets, there will be a corresponding increase (reduction) in the normal cost accrual rate of 0.51% for Plan A and 0.26% for Plan B. We have also determined that a 0.5% reduction in the valuation interest rate for Plan A would increase the actuarially required contribution rate for fiscal 2010 by 4.02%; for Plan B the increase would be 2.44%.

Although Plan A and Plan B show a decrease in the minimum recommended contribution, a significant portion of investment losses incurred in fiscal 2008 have not yet been released into the actuarial value of assets due to the current asset smoothing methodology. These losses will be released over the next three years and even when the investment gains for the fiscal 2009 are factored in, this will put upward pressure on costs as they are released into income.

COST OF LIVING INCREASES

During calendar 2009 the actual cost of living (as measured by the US Department of Labor CPI-U) increased by 2.72%. Cost of living provisions for the system are detailed in R.S. 11:1937 and R.S. 11:246. The former statute allows the board to use interest earnings in excess of the normal requirements to grant annual cost of living increases of 2.50% of the current benefit to retirees aged 62 or over, who have been retired at least one year. R.S. 11:246 provides cost of living increases to retirees and beneficiaries over the age of 65 equal to 2% of the benefit in payment on October 1, 1977, or the date the benefit was originally received if retirement commenced after that date. R.S. 11:241 provides that cost of living benefits shall be in the form (unless the board otherwise specifies) of $\$X \times (A+B)$ where X is at most \$1 and "A" represents the number of years of credited service accrued at retirement or at death of the member or retiree and "B" is equal to the number of years since retirement or since death of the member or retiree to December 31st of the initial year of such increase. The provisions of this subpart do not repeal provisions relative to cost of living adjustments contained within the individual laws governing systems; however, they are to be controlling in cases of conflict.

All of the above provisions require that the system earn sufficient excess interest earnings to fund the increases. In addition, the ratio of the plan's assets to benefit obligations must meet the criteria established in R.S. 11:242. This section sets forth a minimum "target ratio" of the actuarial value of assets to the Pension Benefit Obligation. We have determined that for fiscal 2009 Plan A has met the necessary target ratio and has earned sufficient excess interest to provide a cost of living increase to members of the plan. However, although Plan B has earned sufficient excess interest to grant a COLA it has not met the Target Ratio as set forth in R.S. 11:242. Hence the plan may not grant a COLA to regular retirees; although the statute does permit COLA's for disability retirees, surviving spouses, and surviving children.

Below is a summary of the cost of living increases and their respective costs for granting at the full level described in the statutes:

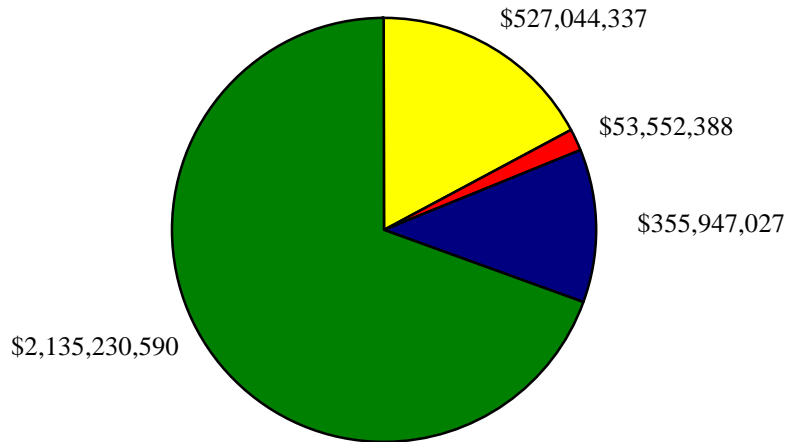
<u>COLA Description</u>	<u>Plan</u>	<u>Annual Increase in Benefits</u>	<u>Present Value of Increase</u>	<u>Contribution Cost as a Normal Cost %</u>
2 ½ % to pensioners over age 62	A	\$ 1,642,203	\$ 13,524,084	0.32%
2% to pensioners over age 65	A	\$ 1,000,893	\$ 7,935,306	0.19%
*2 ½ % to pensioners over age 62	B	\$ 11,012	\$ 98,566	0.02%
*2% to pensioners over age 65	B	\$ 5,533	\$ 45,794	0.01%

*Only applies to disability retirees, surviving spouses, and surviving children

In lieu of awarding the cost of living increases described above, R.S. 11:241(B) allows the board to grant a cost of living increase of an amount not to exceed \$1 for every year of service plus the number

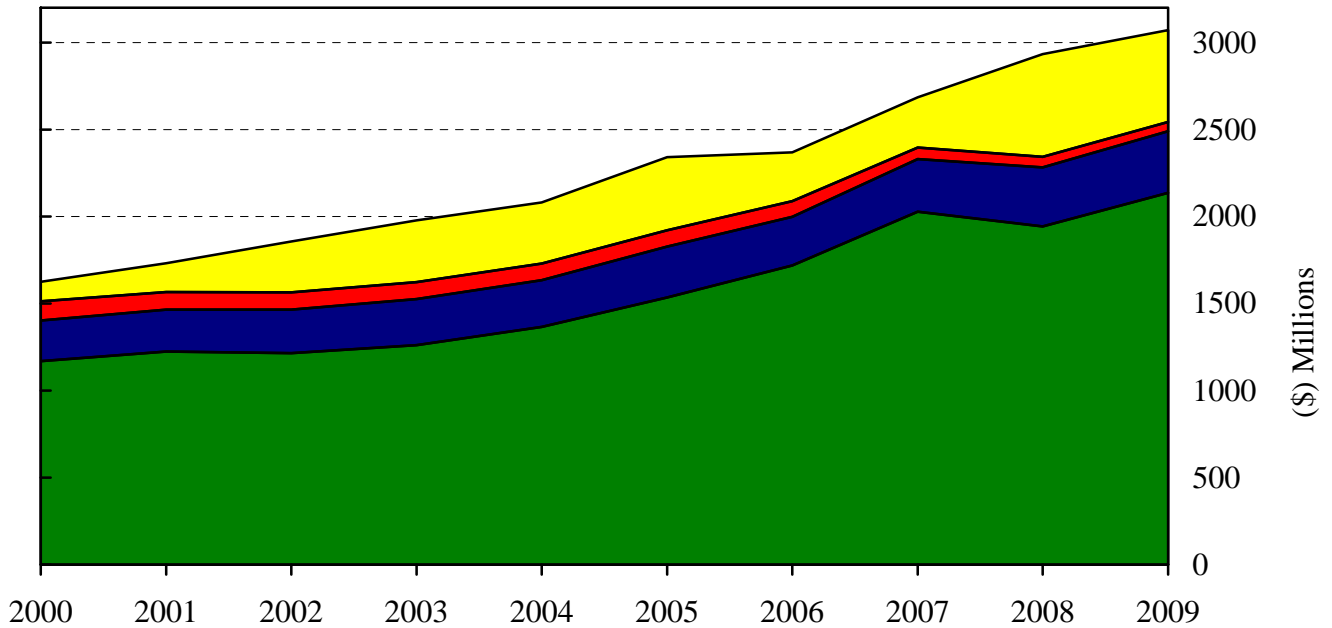
of years since retirement. There is insufficient information available on the system's database to provide meaningful estimates of the costs associated with awarding this type of cost of living increase.

Plan A - Components of Present Value of Future Benefits December 31, 2009



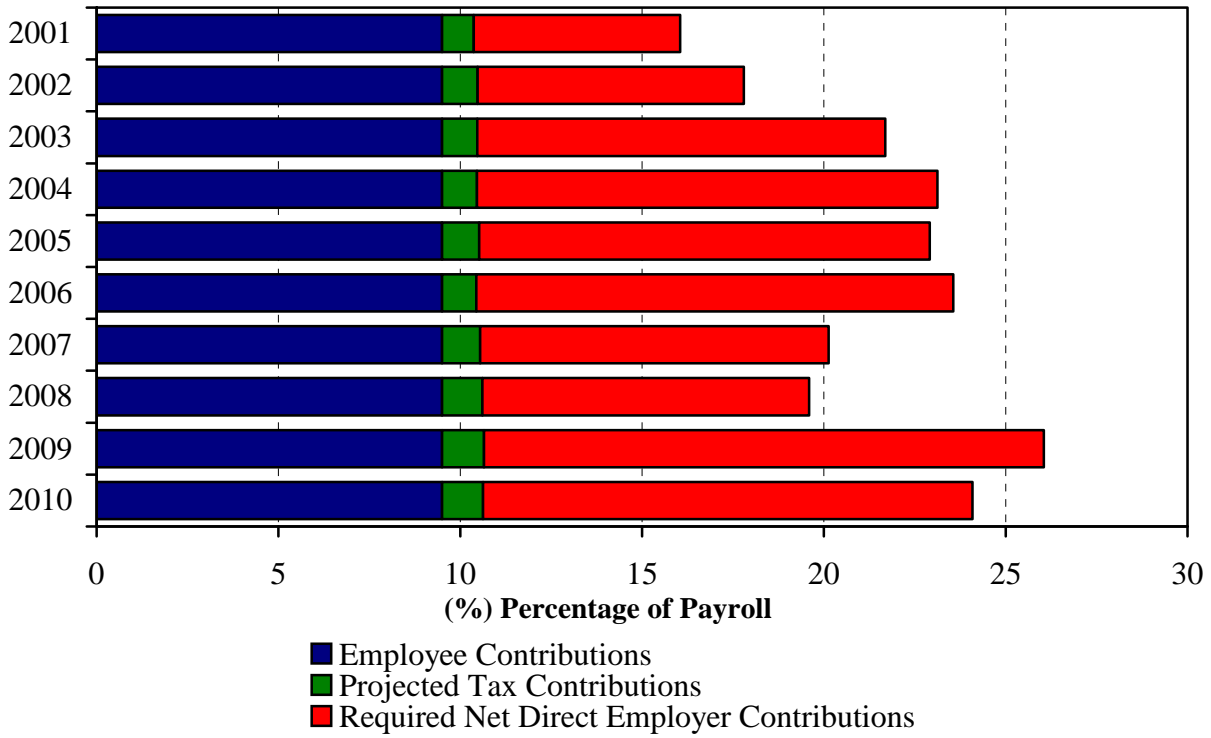
- Present Value of Future Employer Normal Cost (Net of Funding Deposit Account)
- Unfunded Accrued Liability
- Present Value of Future Employee Contributions
- Actuarial Value of Assets

Plan A - Components of Present Value of Future Benefits



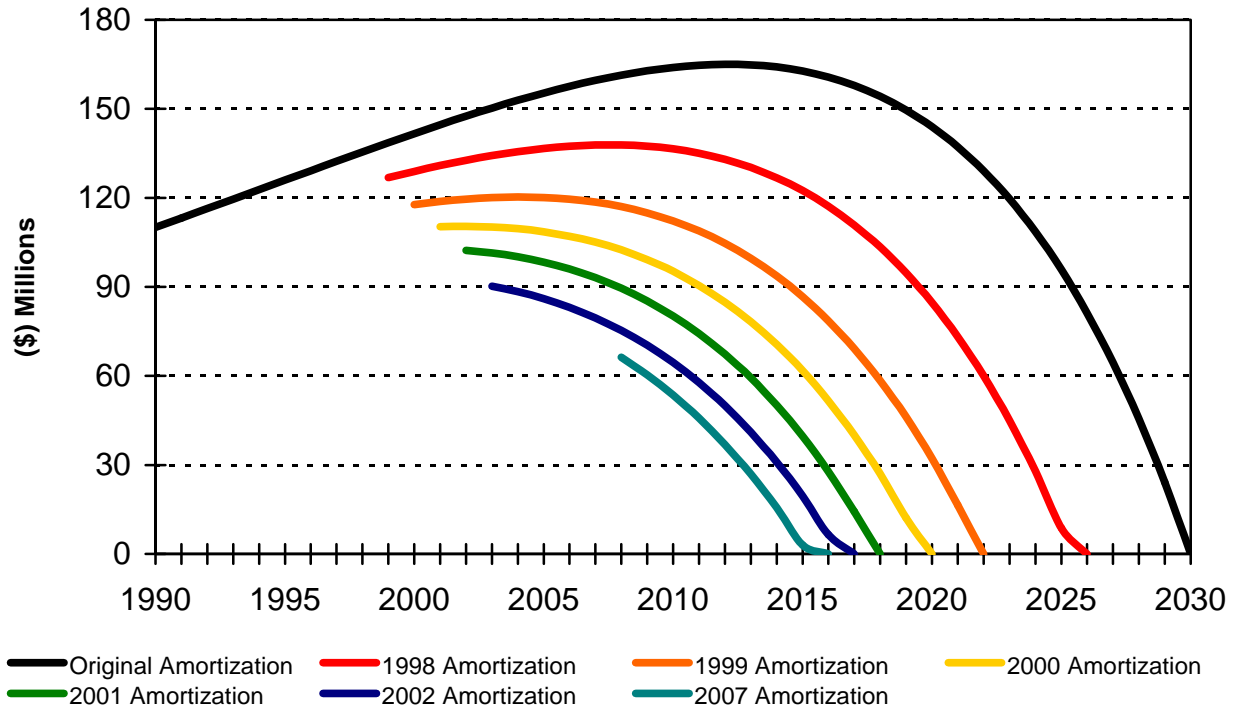
- Present Value of Future Employer Normal Cost (Net of Funding Deposit Account)
- Unfunded Accrued Liability
- Present Value of Future Employee Contributions
- Actuarial Value of Assets

Plan A - Components of Actuarial Funding

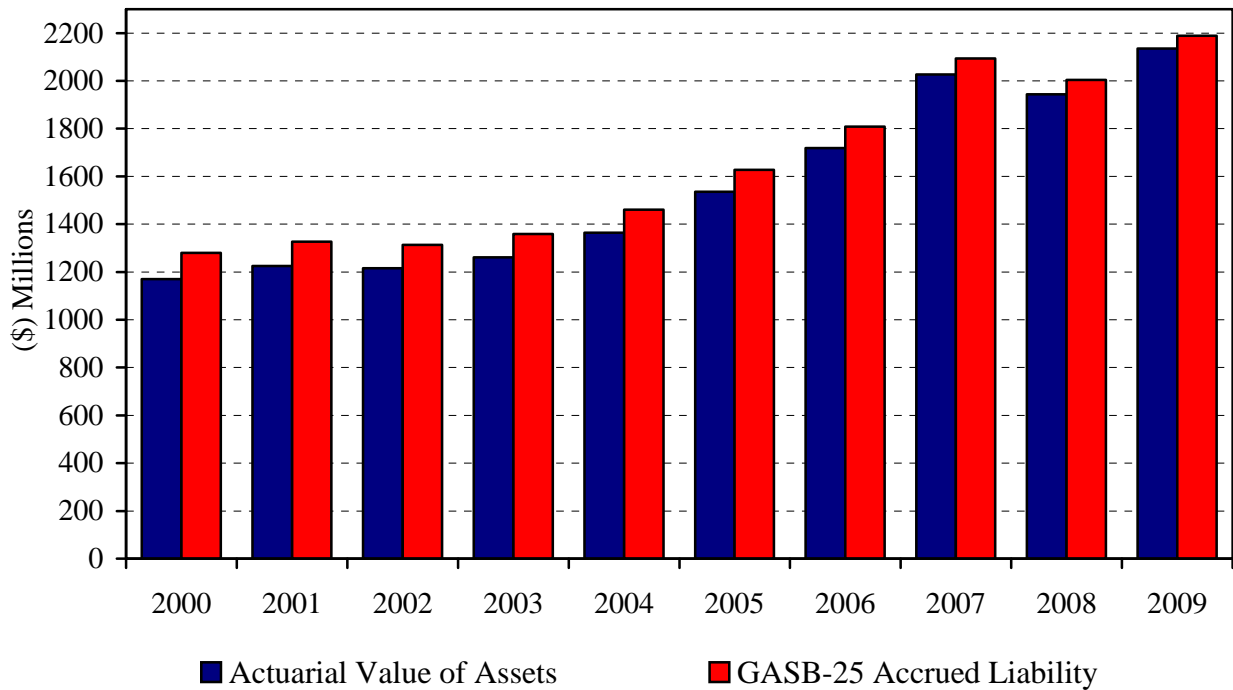


Projected Tax Contributions consist of Projected Ad Valorem and Revenue Sharing Funds as a percent of payroll

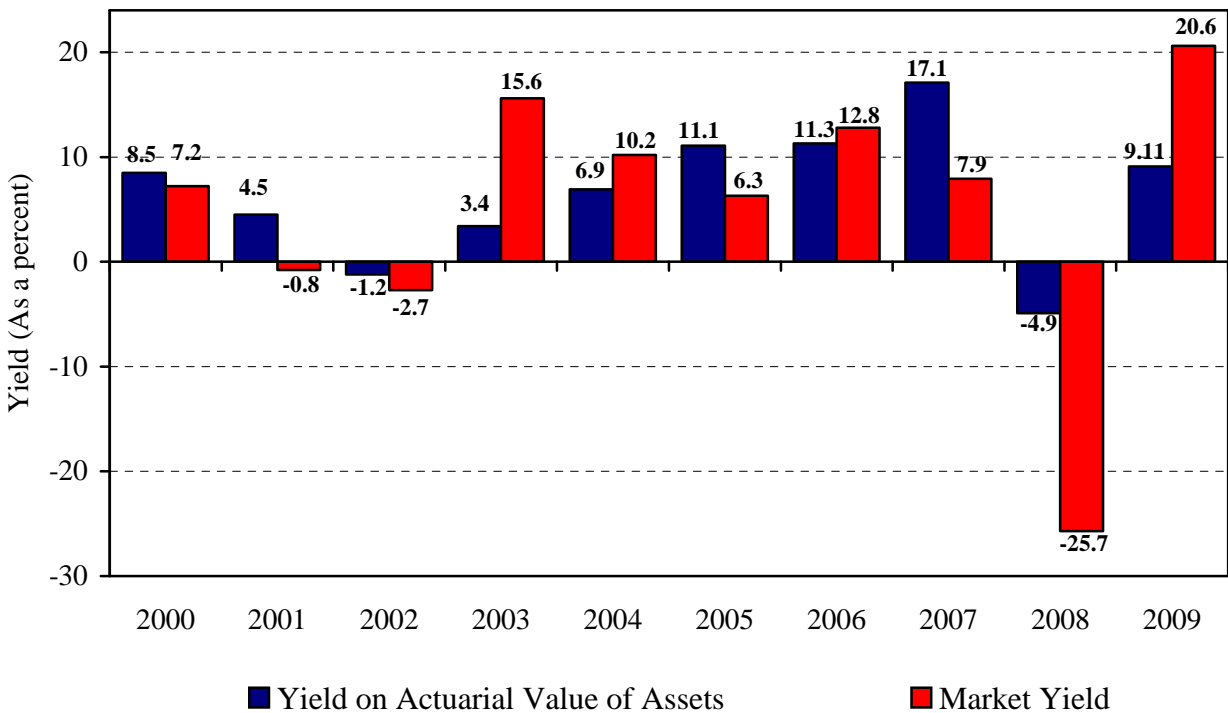
Plan A – Frozen Unfunded Accrued Liability



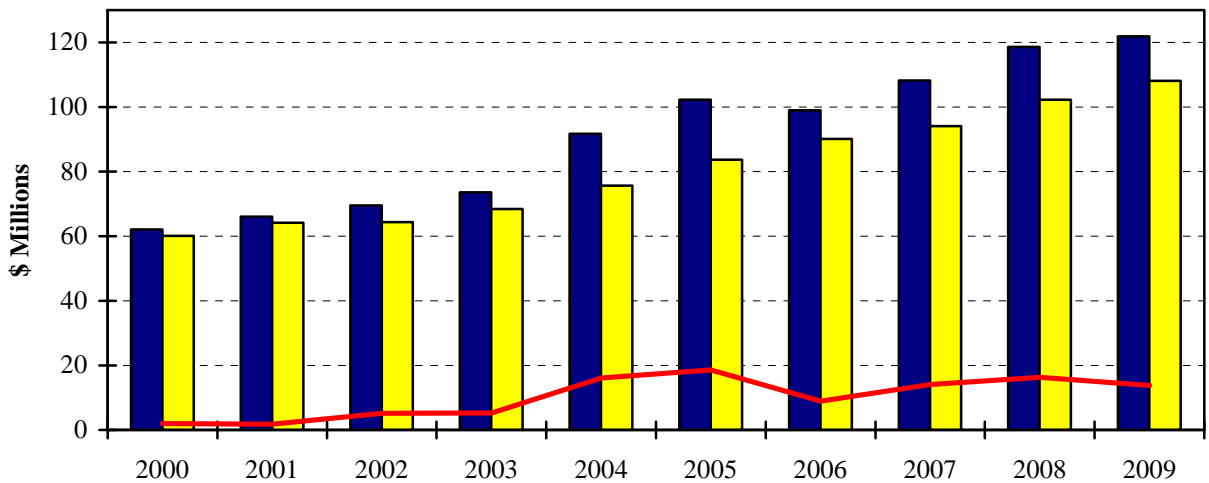
Actuarial Value of Assets vs. GASB-25 Accrued Liability Plan A



Plan A – Historical Asset Yield

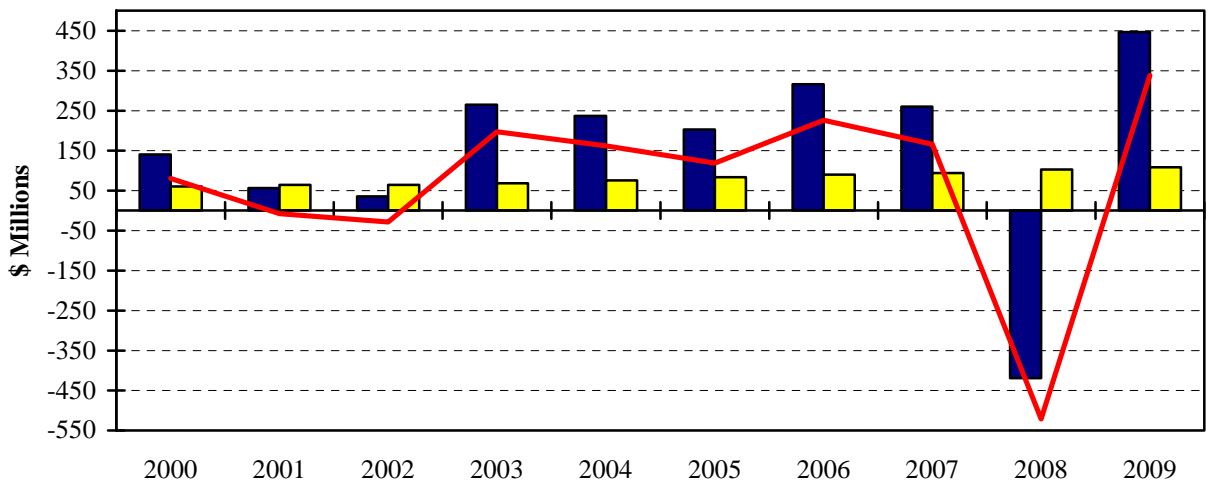


Plan A - Net Non-Investment Income



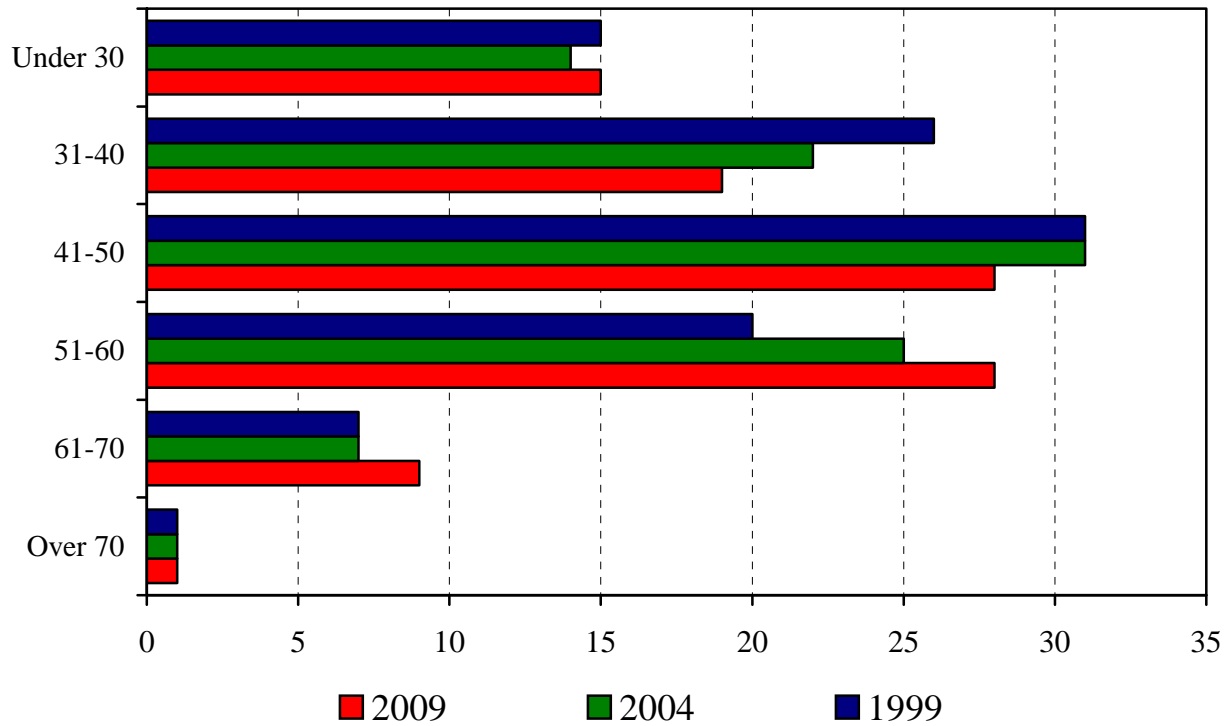
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Non-Investment Income (\$Mil)		62.1	66.0	69.5	73.6	91.7	102.3	99.0	108.2	118.6	121.9
Benefits and Expenses (\$Mil)		60.1	64.2	64.4	68.4	75.6	83.7	90.1	94.1	102.3	108.1
Net Non-Investment Income (\$Mil)		2.0	1.8	5.1	5.2	16.1	18.6	8.9	14.1	16.3	13.8

Plan A - Total Income vs. Expenses (Based on Market Value of Assets)

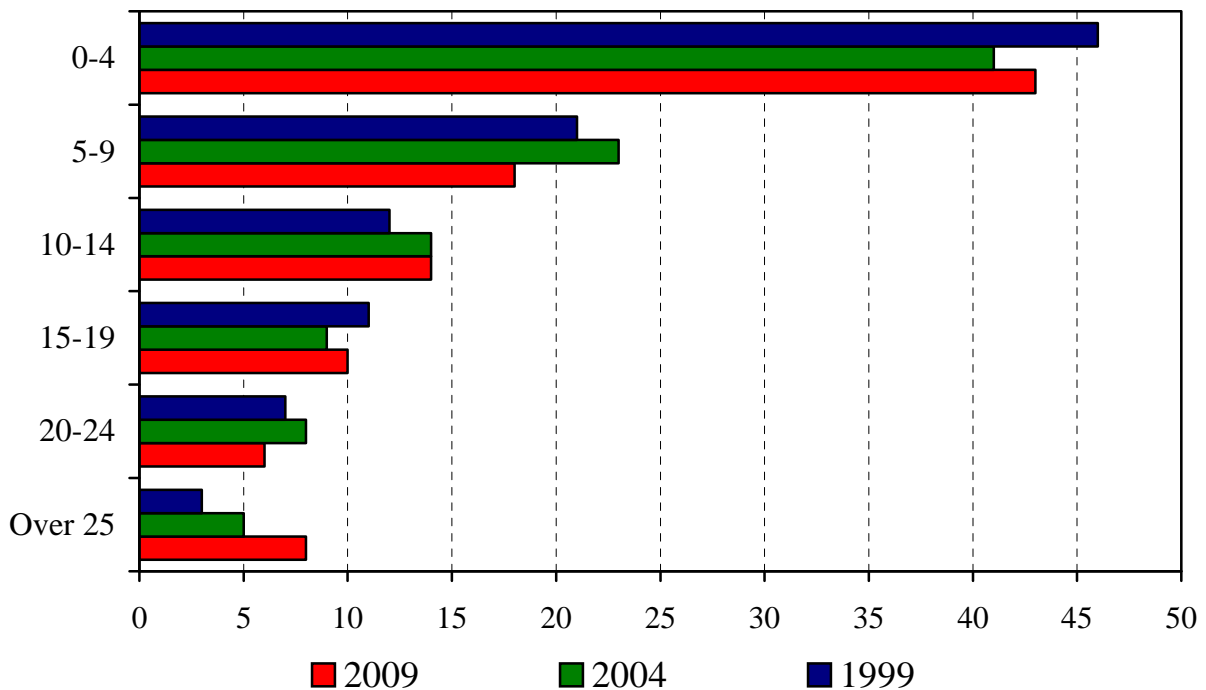


		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total Income (\$Mil)		140.0	56.0	35.7	265.1	237.1	202.2	315.9	260.2	-419.2	446.2
Benefits and Expenses (\$Mil)		60.1	64.2	64.4	68.4	75.6	83.7	90.1	94.1	102.3	108.1
Net Change in MVA (\$Mil)		79.9	-8.2	-28.7	196.7	161.5	118.5	225.8	166.1	-521.5	338.1

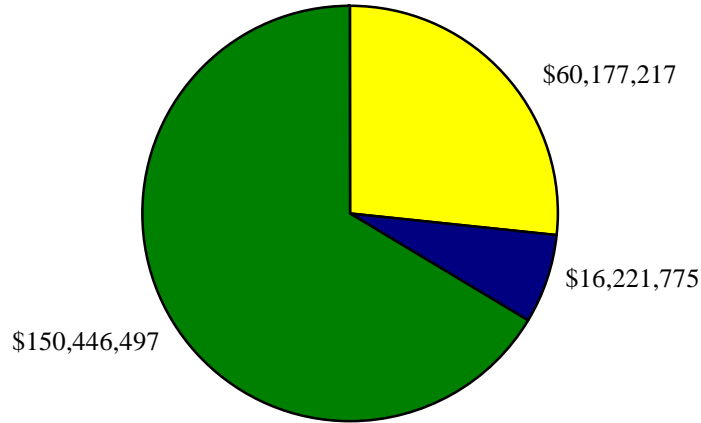
Plan A - Active – Census By Age (as a percent)



Plan A - Active – Census By Service (as a percent)

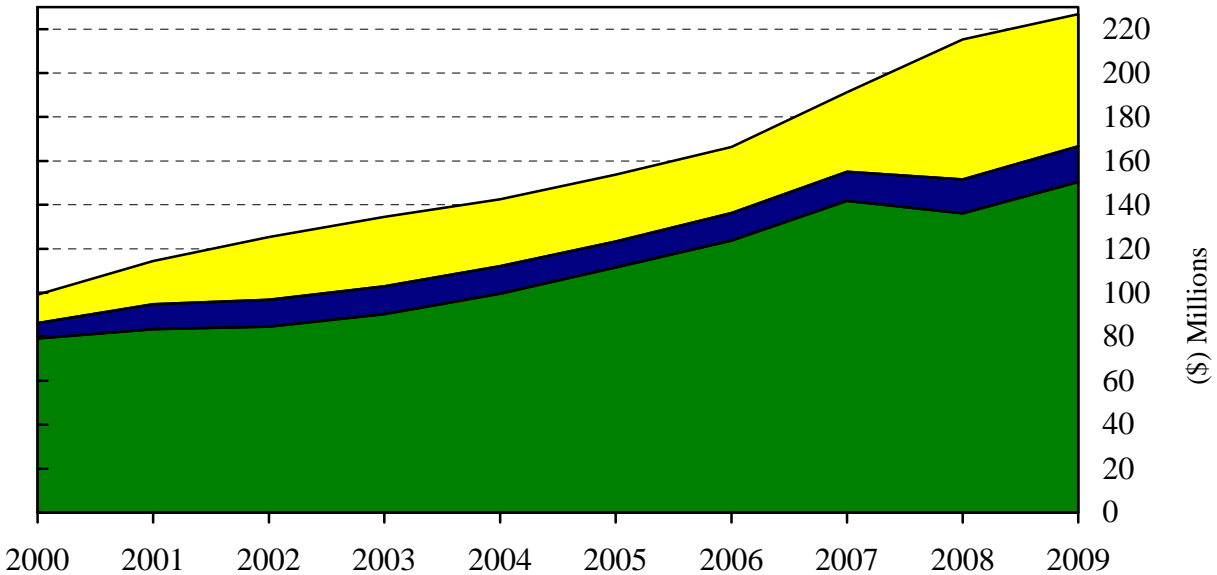


Plan B - Components of Present Value of Future Benefits December 31, 2009



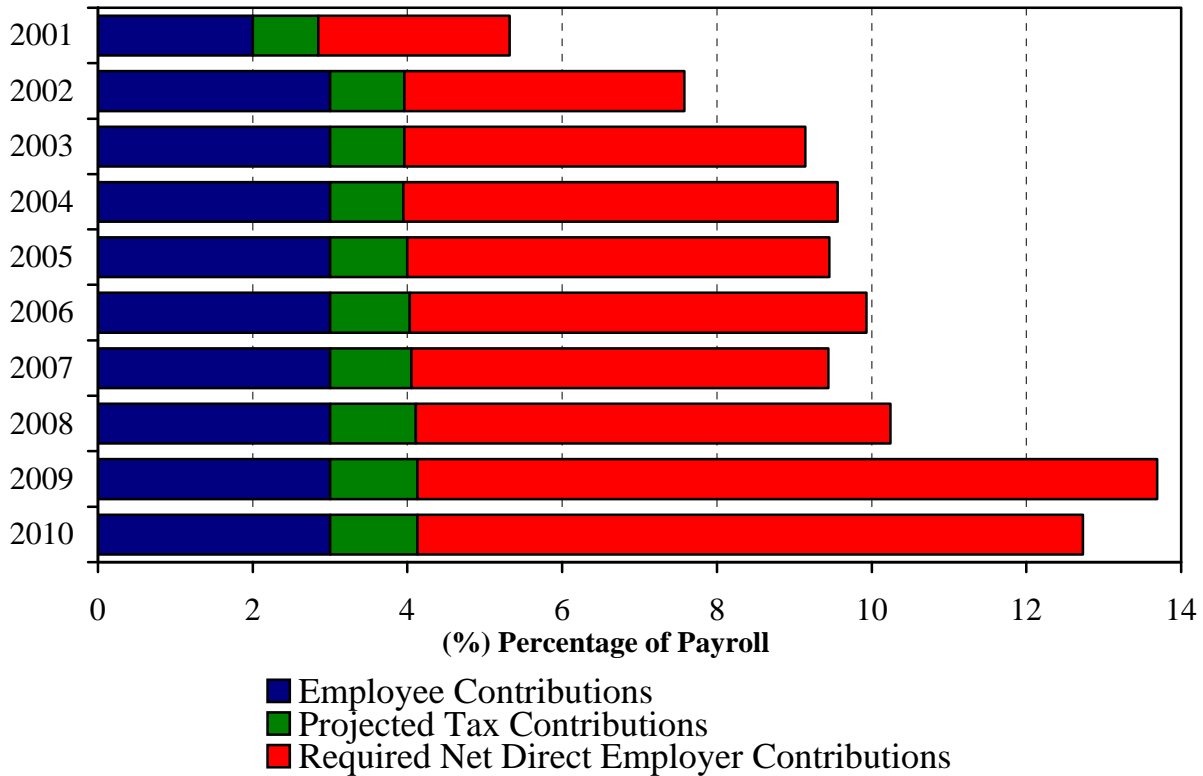
- Present Value of Future Employer Normal Cost (Net of Funding Deposit Account)
- Present Value of Future Employee Contributions
- Actuarial Value of Assets

Plan B - Components of Present Value of Future Benefits



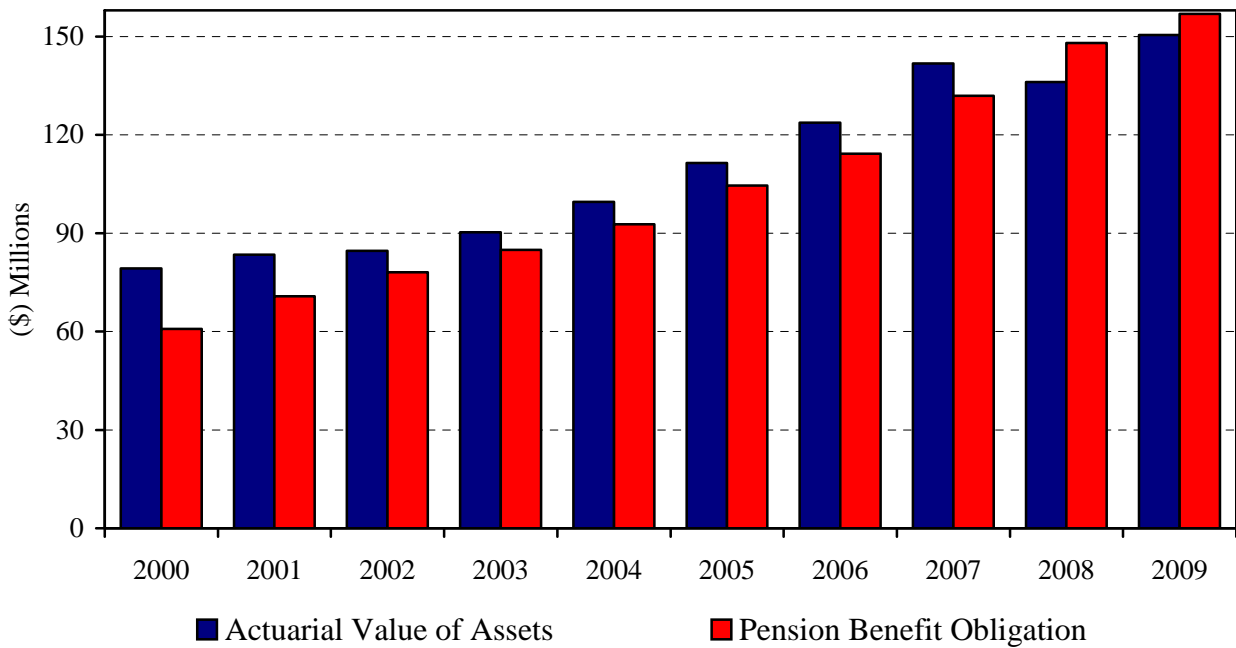
- Present Value of Future Employer Normal Cost (Net of Funding Deposit Account)
- Present Value of Future Employee Contributions
- Actuarial Value of Assets

Plan B - Components of Actuarial Funding

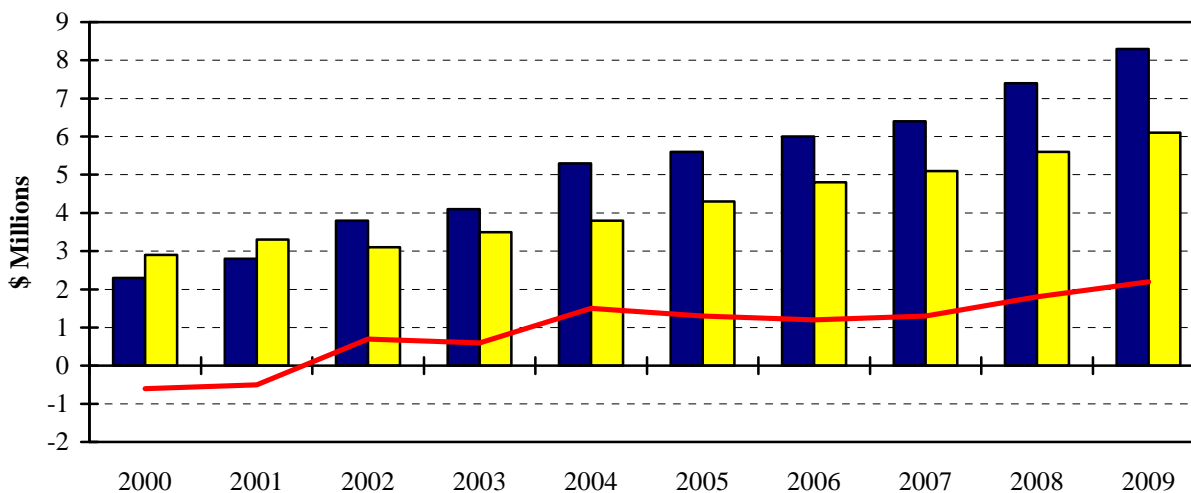


Projected Tax Contributions consist of Projected Ad Valorem and Revenue Sharing Funds as a percent of payroll

Plan B-Actuarial Value of Assets vs. Pension Benefit Obligation

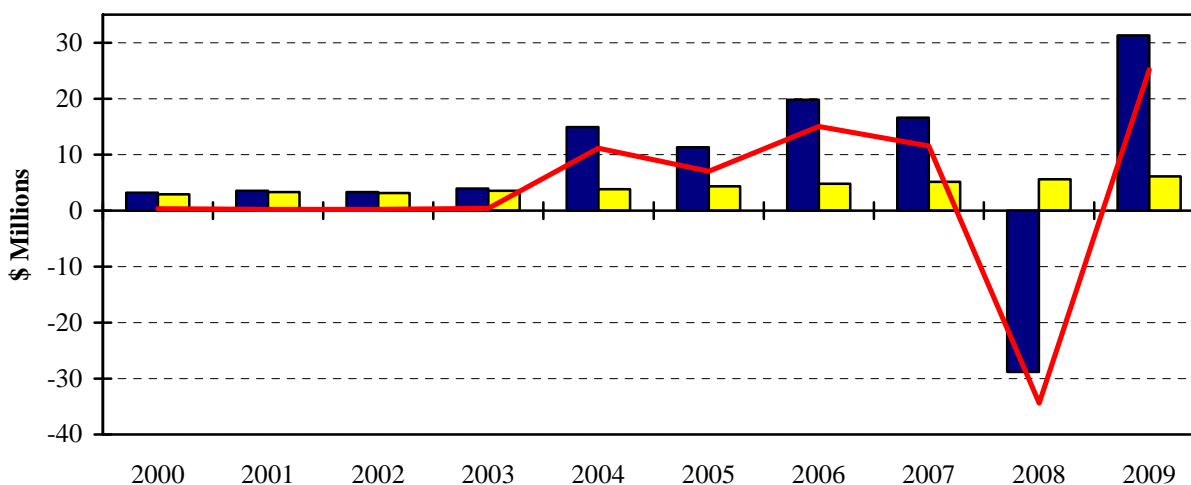


Plan B - Net Non-Investment Income



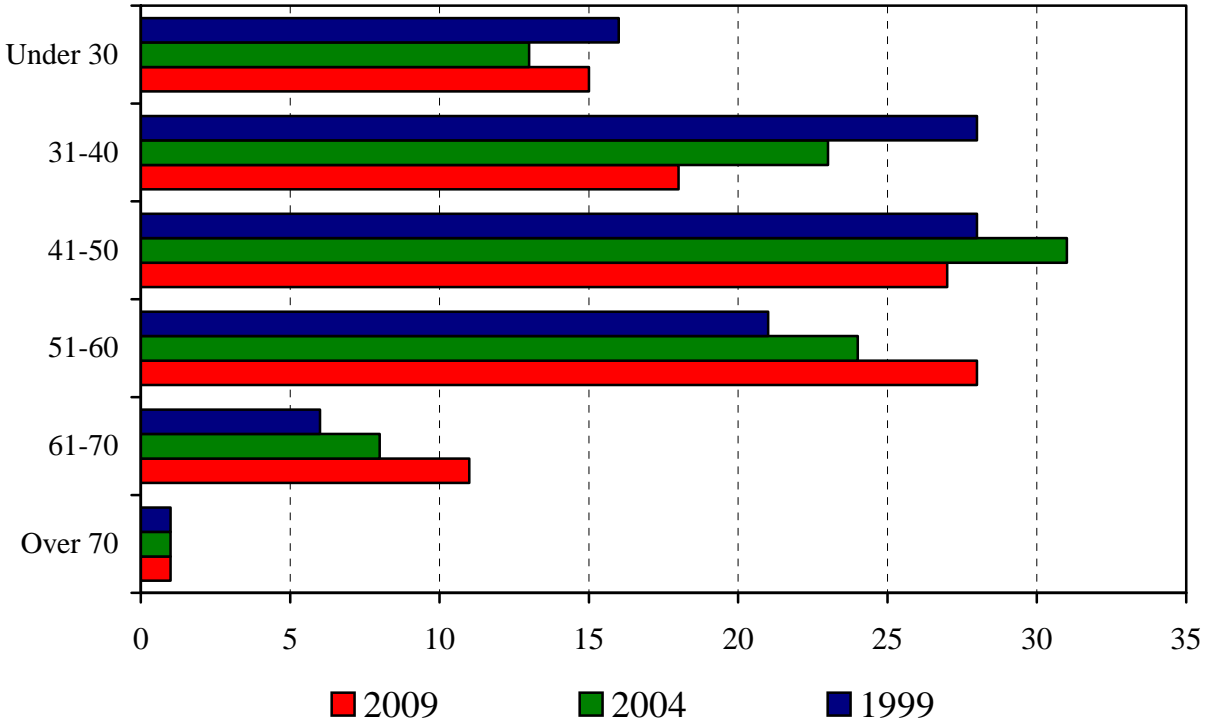
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Non-Investment Income (\$Mil)	■	2.3	2.8	3.8	4.1	5.3	5.6	6.0	6.4	7.4	8.3
Benefits and Expenses (\$Mil)	■	2.9	3.3	3.1	3.5	3.8	4.3	4.8	5.1	5.6	6.1
Net Non-Investment Income (\$Mil)	—	-0.6	-0.5	0.7	0.6	1.5	1.3	1.2	1.3	1.8	2.2

Plan B - Total Income vs. Expenses (Based on Market Value of Assets)

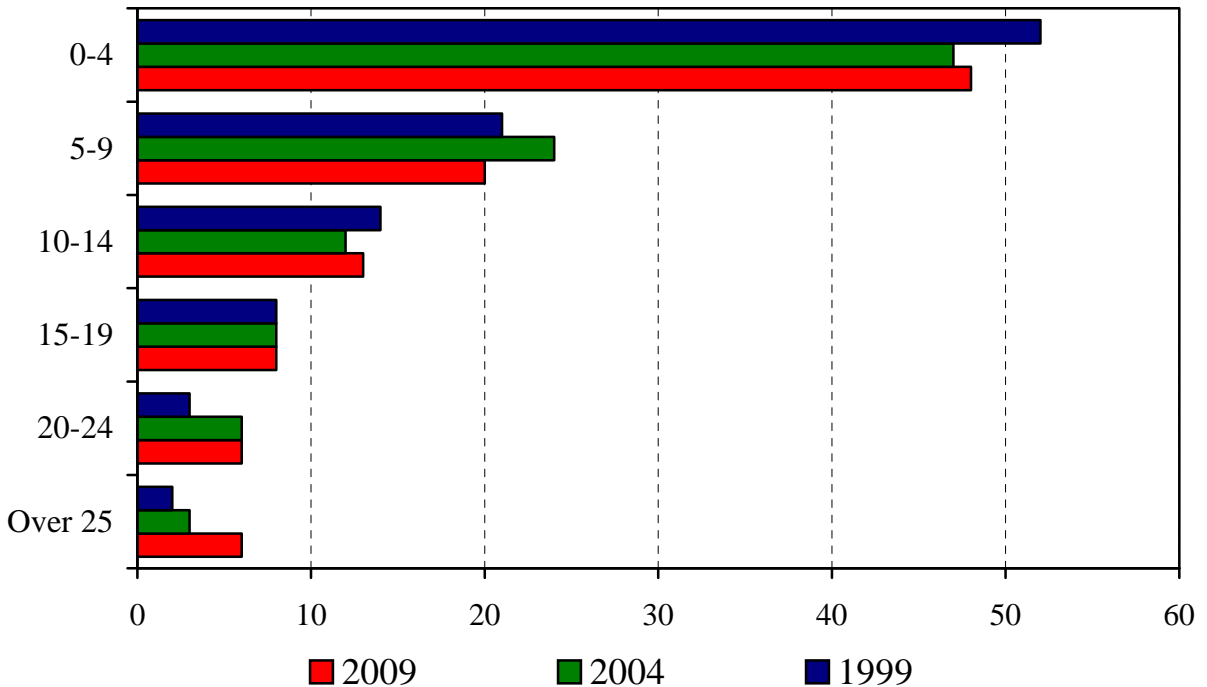


		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Total Income (\$Mil)	■	3.2	3.5	3.3	3.9	14.9	11.3	19.8	16.6	-28.8	31.3
Benefits and Expenses (\$Mil)	■	2.9	3.3	3.1	3.5	3.8	4.3	4.8	5.1	5.6	6.1
Net Change in MVA (\$Mil)	—	0.3	0.2	0.2	0.4	11.1	7.0	15.0	11.5	-34.4	25.2

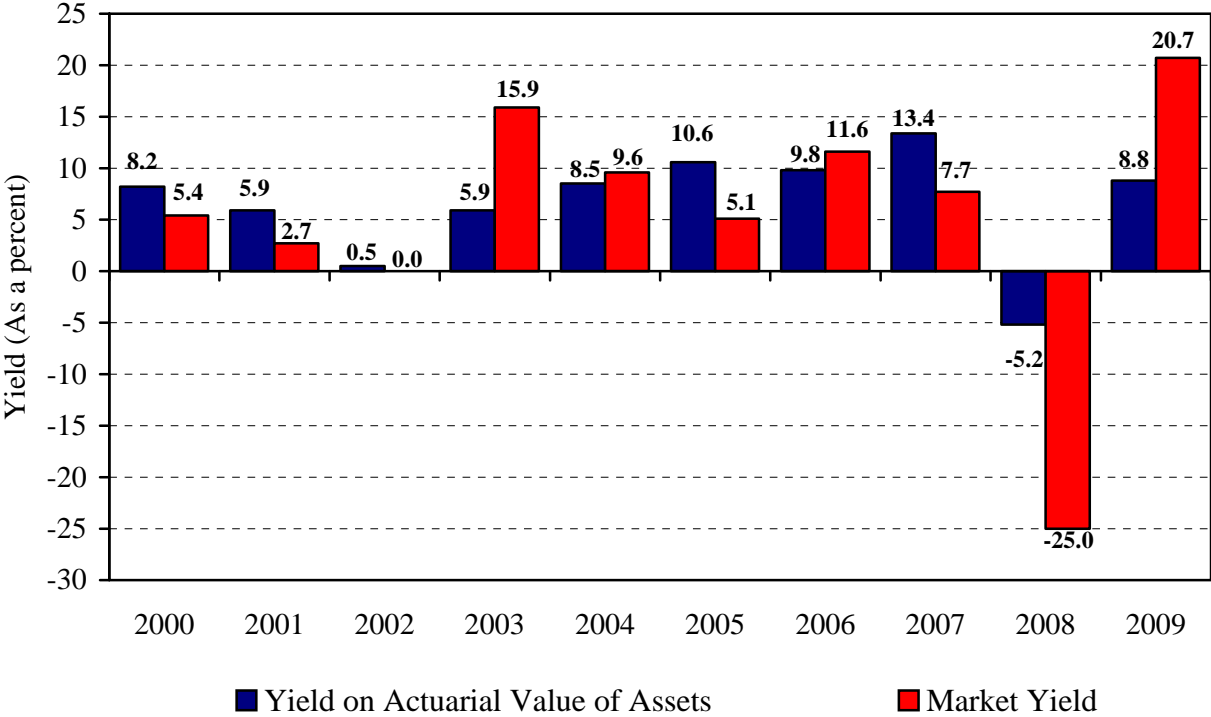
Plan B - Active – Census By Age
(as a percent)



Plan B - Active – Census By Service
(as a percent)



Plan B – Historical Asset Yield



Exhibits

EXHIBIT I
PLAN A: ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1. Present Value of Future Benefits	\$ 3,071,774,342
2. Funding Deposit Account Credit Balance	\$ 25,331,924
3. Unfunded Actuarial Accrued Liability	\$ 53,552,388
4. Actuarial Value of Assets	\$ 2,135,230,590
5. Present Value of Future Employee Contributions	\$ 355,947,027
6. Present Value of Future Employer Normal Costs (1+2-3-4-5).....	\$ 552,376,261
7. Present Value of Future Salaries	\$ 4,202,933,355
8. Employer Normal Cost Accrual Rate (6÷7)	13.142637%
9. Projected Fiscal 2010 Salary for Current Membership.....	\$ 499,705,675
10. Employer Normal Cost as of January 1, 2010 (8 x 9).....	\$ 65,674,503
11. Amortization Payment on remaining frozen Unfunded Accrued Liability of \$53,552,388 with Payments increasing at 4% per year	\$ 10,988,243
12. TOTAL Employer Normal Cost and Amortization Payment (10 + 11)	\$ 76,662,746
13. Employer Normal Cost and Amortization Payment Interest Adjusted for Midyear Payment	\$ 79,485,627
14. Estimated Administrative Cost for Fiscal 2010	\$ 1,057,111
15. TOTAL Administrative and Interest Adjusted Actuarial Costs (13 + 14).....	\$ 80,542,738
16. Projected Ad Valorem Tax Contributions for Fiscal 2010.....	\$ 6,089,212
17. Projected Revenue Sharing Funds for Fiscal 2010	\$ 140,141
18. Employers' Minimum Net Direct Actuarially Required Contribution for Fiscal 2010 (15 – 16 – 17).....	\$ 74,313,385
19. Projected Payroll for Fiscal 2010.....	\$ 552,086,255
20. Employers' Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2010 (18 ÷ 19).....	13.46%
21. Actual Employer Contribution Rate for Fiscal 2010	15.75%
22. Contribution Shortfall (Excess) as a Percentage of Payroll (20 – 21)	(2.29%)
23. Increase (Reduction) to Following Year Payment for Contribution Shortfall (Excess)	(0.27%)
24. Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2011 (20 + 23 Rounded to nearest .25%)	13.25%

EXHIBIT II
PLAN A: PRESENT VALUE OF FUTURE BENEFITS

PRESENT VALUE OF FUTURE BENEFITS FOR ACTIVE MEMBERS:

Retirement Benefits.....	\$ 1,978,302,474
Survivor Benefits.....	55,264,542
Disability Benefits.....	58,050,254
Vested Termination Benefits.....	70,330,509
Refunds of Contributions	55,607,580
 TOTAL Present Value of Future Benefits for Active Members.....	 \$ 2,217,555,359

PRESENT VALUE OF FUTURE BENEFITS FOR TERMINATED MEMBERS:

Terminated Vested Members Due Benefits at Retirement.....	\$ 41,226,966
Terminated Members with Reciprocals	
Due Benefits at Retirement	311,098
Terminated Members Due a Refund	5,812,859
 TOTAL Present Value of Future Benefits for Terminated Members	 \$ 47,350,923

PRESENT VALUE OF FUTURE BENEFITS FOR RETIREES:

Regular Retirees	
Maximum.....	\$ 379,897,233
Option 1	2,226,451
Option 2	172,970,532
Option 3	87,278,704
Option 4	45,198,549
 TOTAL Regular Retirees	 \$ 687,571,469
Disability Retirees.....	61,452,874
Survivors & Widows.....	57,490,246
Reserve for Accrued Retiree DROP Account Balances.....	353,471
 TOTAL Present Value of Future Benefits for Retirees & Survivors.....	 \$ 806,868,060
 TOTAL Present Value of Future Benefits.....	 \$ 3,071,774,342

**EXHIBIT III – SCHEDULE A
PLAN A: MARKET VALUE OF ASSETS**

CURRENT ASSETS:

Cash in Banks	\$ 13,714,694
Contributions Receivable.....	21,882,694
Ad Valorem Taxes Receivable & Revenue Sharing.....	5,757,442
Accrued Interest and Dividends.....	1,286,172
Investments Receivable.....	475,312
Due from Plan B	292,578

TOTAL CURRENT ASSETS..... \$ 43,408,892

INVESTMENTS:

Common Trust Funds.....	\$ 786,890,040
Common Stock.....	361,107,272
Foreign Equities Fund.....	335,129,376
Mortgage Backed Securities	283,232,775
Hedge Funds	36,480,837
Cash Equivalents.....	30,927,976
Government Securities.....	19,801,205
Corporate Bonds	17,989,610

TOTAL INVESTMENTS..... \$ 1,871,559,091

TOTAL ASSETS

CURRENT LIABILITIES:

Retirements Payable.....	\$ 7,491,763
Investments Payable.....	1,182,790
Accounts Payable	1,007,616
Refunds Payable.....	880,614
Due to Other Funds	291,159

TOTAL CURRENT LIABILITIES

MARKET VALUE OF ASSETS..... \$ 1,904,114,041

**EXHIBIT III – SCHEDULE B
PLAN A - ACTUARIAL VALUE OF ASSETS**

Excess (Shortfall) of invested income
for current and previous 4 years:

Fiscal year 2009	\$ 206,437,835
Fiscal year 2008	(694,894,129)
Fiscal year 2007	8,260,561
Fiscal year 2006	89,887,743
Fiscal year 2005	<u>(18,866,959)</u>
Total for five years	\$ (409,174,949)

Deferral of excess (shortfall) of invested income:

Fiscal year 2009 (80%)	\$ 165,150,268
Fiscal year 2008 (60%)	(416,936,477)
Fiscal year 2007 (40%)	3,304,224
Fiscal year 2006 (20%)	17,977,549
Fiscal year 2005 (0%)	<u>0</u>
Total deferred for year.....	\$ (230,504,436)

Market value of plan net assets, end of year..... \$1,904,114,041

Preliminary actuarial value of plan assets, end of year \$2,134,618,477

Actuarial value of assets corridor

85% of market value, end of year	\$1,618,496,935
115% of market value, end of year	\$2,189,731,147

Modified actuarial value of plan net assets, end of year..... \$2,134,618,477

Allocated share of the expense fund..... \$ 612,113

Final actuarial value of plan net assets, end of year \$2,135,230,590

EXHIBIT IV
PLAN A: PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	\$	355,947,027
Employer Normal Contributions to the Pension Accumulation Fund.....		552,376,261
Funding Deposit Account Credit Balance		(25,331,924)
Employer Amortization Payments to the Pension Accumulation Fund		53,552,388
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	\$	936,543,752

EXHIBIT V
PLAN A: CHANGE IN FROZEN UNFUNDED ACTUARIAL ACCRUED LIABILITIES

Prior Year Frozen Unfunded Accrued Liability	\$	60,381,793
Interest on Frozen Unfunded Accrued Liability	\$	4,528,634
Employer Normal Cost for Prior Year.....	72,812,898	
Interest on the Normal Cost.....	5,460,967	
Administrative Expenses and Expense Fund Adjustment	1,112,148	
Interest on Expenses	40,952	
TOTAL Increases to Frozen Unfunded Accrued Liability	\$	83,955,599
Direct Employer Contributions.....	\$	64,848,562
Interest on Employer Contributions.....	2,387,858	
Ad Valorem Taxes and Revenue Sharing.....	5,642,889	
Interest on Ad Valorem Taxes and Revenue Sharing Funds.....	207,782	
Contribution Shortfall.....	17,069,383	
Interest on Contribution Shortfall.....	628,530	
TOTAL Decreases to Frozen Unfunded Accrued Liability	\$	90,785,004
CURRENT YEAR FROZEN UNFUNDED ACCRUED LIABILITY	\$	53,552,388

EXHIBIT VI
PLAN A: ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets (December 31, 2008).....		\$ 1,943,569,363
INCOME:		
Employer Contributions	\$ 64,848,562	
Member Contributions	48,459,066	
Ad Valorem Taxes	5,498,272	
Revenue Sharing.....	144,617	
Purchases and Transfers of Service Credit.....	2,615,635	
Transfer from Plan B.....	292,578	
Total Contributions.....		\$ 121,858,730
Net Appreciation in Fair Value of Investments.....	\$283,203,412	
Interest & Dividends.....	45,886,575	
Other Income	288,846	
Investment Expense	(4,988,158)	
Net Investment Income.....		\$ 324,390,675
TOTAL Income		\$ 446,249,405
EXPENSES:		
Retirement Benefits	\$ 87,682,172	
Refunds of Contributions.....	7,873,829	
DROP Disbursements.....	9,443,537	
Funds Transferred to another System	1,842,143	
Transfer to Expense Fund	1,228,640	
TOTAL Expenses		\$ 108,070,321
Net Market Value Income for Fiscal 2009 (Income - Expenses)		\$ 338,179,084
Unadjusted Fund Balance as of December 31, 2009 (Fund Balance Previous Year + Net Income).....		\$ 2,281,748,447
Net Additional Credit (Charge) for Allocated Expenses.....		\$ (178,278)
Adjustments for Change in Allocated Share of Expense Fund Balance		\$ (10,262)
Adjustment for Actuarial Smoothing.....		\$ (146,329,317)
Actuarial Value of Assets: (December 31, 2009).....		\$ 2,135,230,590

**EXHIBIT VII
PLAN A: FUND BALANCES**

PRESENT ASSETS OF THE SYSTEM CREDITABLE TO:

Annuity Savings Fund	\$	357,930,678
Annuity Reserve Fund		806,514,589
Pension Accumulation Fund		681,079,994
Deferred Retirement Option Plan Account		33,256,856
Funding Deposit Account		25,331,924
NET MARKET VALUE OF ASSETS	\$	1,904,114,041
ALLOCATED SHARE OF THE EXPENSE FUND		612,113
ADJUSTMENT FOR ACTUARIAL SMOOTHING	\$	230,504,436
ACTUARIAL VALUE OF ASSETS	\$	2,135,230,590

**EXHIBIT VIII
PLAN A: PENSION BENEFIT OBLIGATION**

Present Value of Credited Projected Benefits Payable to Current Employees	\$	1,431,771,767
Present Value of Benefits Payable to Terminated Employees		47,350,923
Present Value of Benefits Payable to Current Retirees and Beneficiaries		806,868,060
TOTAL PENSION BENEFIT OBLIGATION	\$	2,285,990,750
NET ACTUARIAL VALUE OF ASSETS	\$	2,135,230,590
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation		93.41%

EXHIBIT IX
PLAN A: COST OF LIVING ADJUSTMENTS - TARGET RATIO

Actuarial Value of Assets Divided by PBO as of Fiscal 1986:		59.75%
Amortization of Unfunded Balance over 30 years:		30.86%
Adjustments in Funded Ratio Due to Mergers or Changes in Methods or Assumption(s):		
Changes for Fiscal 1987	8.18%	
Changes for Fiscal 1988	-0.75%	
Changes for Fiscal 1989	0.06%	
Changes for Fiscal 1990	-1.91%	
Mergers in Fiscal 1994	0.82%	
Changes for Fiscal 1995	-5.88%	
Changes for Fiscal 1997	-2.43%	
Changes for Fiscal 1998	-3.78%	
Changes for Fiscal 1999	-3.73%	
Changes for Fiscal 2001	-0.03%	
Changes for Fiscal 2003	0.43%	
Changes for Fiscal 2005	-2.29%	
Changes for Fiscal 2006	0.07%	
Changes for Fiscal 2007	1.89%	
Changes for Fiscal 2008	10.12%	
TOTAL Adjustments		0.77%
Amortization of Adjustments in Funded Ratio over 30 years:		
Changes for Fiscal 1987	-6.00%	
Changes for Fiscal 1988	0.53%	
Changes for Fiscal 1989	-0.04%	
Changes for Fiscal 1990	1.21%	
Mergers in Fiscal 1994	-0.41%	
Changes for Fiscal 1995	2.74%	
Changes for Fiscal 1997	0.97%	
Changes for Fiscal 1998	1.39%	
Changes for Fiscal 1999	1.24%	
Changes for Fiscal 2001	0.01%	
Changes for Fiscal 2003	-0.09%	
Changes for Fiscal 2005	0.31%	
Changes for Fiscal 2006	-0.01%	
Changes for Fiscal 2007	-0.13%	
Changes for Fiscal 2008	-0.34%	
TOTAL Amortization of Adjustments		1.38%
Target Ratio for Current Fiscal Year		92.76%
Actuarial Value of Assets Divided by PBO as of Fiscal 2009		93.41%

EXHIBIT X
CENSUS DATA - PLAN A

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of December 31, 2008	13,976	7,009	397	5,235	26,617
Additions to Census					
Initial membership	1,888	62			1,950
Omitted in error last year					
Death of another member				72	72
Adjustment for multiple records				5	5
Change in Status during Year					
Actives terminating service	(456)	456			
Actives who retired	(207)			207	
Actives entering DROP	(191)		191		
Term. members rehired	58	(58)			
Term. members who retire		(42)		42	
Retirees who are rehired	2			(2)	
Refunded who are rehired	33	13			46
DROP participants retiring			(80)	80	
DROP returned to work	76		(76)		
Omitted in error last year					
Eliminated from Census					
Refund of contributions	(791)	(264)			(1,055)
Deaths	(21)	(3)	(4)	(226)	(254)
Included in error last year					
Adjustment for multiple records					
Number of members as of December 31, 2009	14,367	7,173	428	5,413	27,381

PLAN A - ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	76	33	109	19,044	2,075,850
21 - 25	392	367	759	24,623	18,688,837
26 - 30	588	705	1,293	29,895	38,654,649
31 - 35	587	696	1,283	34,322	44,035,226
36 - 40	679	840	1,519	36,939	56,109,796
41 - 45	892	966	1,858	36,885	68,532,805
46 - 50	1,110	1,158	2,268	38,594	87,531,011
51 - 55	1,151	1,179	2,330	39,121	91,152,984
56 - 60	970	916	1,886	39,014	73,579,973
61 - 65	539	449	988	38,798	38,332,422
66 - 70	178	137	315	38,365	12,084,950
71 - 75	91	45	136	29,279	3,981,911
76 - 80	26	17	43	34,106	1,466,547
81 - 85	7	0	7	20,376	142,632
86 - 90	1	0	1	38,779	38,779
TOTAL	7,287	7,508	14,795	36,256	536,408,372

THE ACTIVE CENSUS INCLUDES 7,241 ACTIVES WITH VESTED BENEFITS, INCLUDING 428 DROP PARTICIPANTS AND 223 ACTIVE FORMER DROP PARTICIPANTS.

PLAN A - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
26 - 30	1	1	2	9,265	18,530
31 - 35	7	13	20	8,006	160,126
36 - 40	19	19	38	12,567	477,532
41 - 45	34	47	81	12,019	973,503
46 - 50	48	53	101	15,157	1,530,862
51 - 55	53	60	113	14,940	1,688,240
56 - 60	79	63	142	13,798	1,959,348
61 - 65	30	16	46	7,529	346,320
66 - 70	7	4	11	7,251	79,756
71 - 75	2	1	3	5,037	15,111
76 - 80	1	1	2	567	1,134
81 - 85	1	0	1	1,437	1,437
86 - 90	0	1	1	666	666
91 - 99	0	1	1	374	374
TOTAL	282	280	562	12,906	7,252,939

PLAN A - TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging		Number	Total Contributions
From	To		
0	- 99	4,338	114,905
100	- 499	976	230,497
500	- 999	316	226,960
1000	- 1999	263	370,187
2000	- 4999	333	1,093,108
5000	- 9999	204	1,447,040
10000	- 19999	142	1,990,600
20000	- 99999	39	1,176,361
TOTAL		6,611	6,649,658

PLAN A - REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
46 - 50	4	5	9	36,726	330,536
51 - 55	48	43	91	40,684	3,702,217
56 - 60	155	130	285	37,392	10,656,670
61 - 65	346	265	611	25,274	15,442,117
66 - 70	511	402	913	18,635	17,013,634
71 - 75	488	333	821	15,424	12,662,786
76 - 80	364	293	657	13,563	8,910,899
81 - 85	247	208	455	12,072	5,492,791
86 - 90	117	94	211	10,338	2,181,422
91 - 99	33	42	75	6,039	452,932
TOTAL	2,313	1,815	4,128	18,616	76,846,004

PLAN A - DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	1	0	1	9,444	9,444
36 - 40	5	3	8	12,832	102,656
41 - 45	10	8	18	12,796	230,334
46 - 50	30	16	46	14,193	652,889
51 - 55	67	34	101	15,356	1,550,907
56 - 60	94	46	140	13,734	1,922,801
61 - 65	74	33	107	12,102	1,294,865
66 - 70	30	20	50	9,456	472,798
71 - 75	16	4	20	5,655	113,105
76 - 80	9	2	11	4,619	50,811
81 - 85	4	2	6	5,111	30,663
86 - 90	1	0	1	3,088	3,088
91 - 99	1	0	1	550	550
TOTAL	342	168	510	12,617	6,434,911

PLAN A - SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
0 - 25	9	3	12	7,822	93,869
26 - 30	2	0	2	7,824	15,647
31 - 35	1	2	3	6,892	20,676
41 - 45	3	10	13	14,217	184,816
46 - 50	4	12	16	11,453	183,255
51 - 55	3	17	20	16,150	322,992
56 - 60	3	40	43	12,044	517,887
61 - 65	6	62	68	10,153	690,388
66 - 70	11	109	120	11,484	1,378,034
71 - 75	11	98	109	9,343	1,018,368
76 - 80	9	117	126	8,075	1,017,398
81 - 85	4	113	117	7,128	834,003
86 - 90	2	87	89	5,654	503,191
91 - 99	1	36	37	3,960	146,526
TOTAL	69	706	775	8,938	6,927,050

PLAN A - ACTIVE MEMBERS:

Attained Ages	Completed Years of Service											Total			
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over				
0 - 20	71	34	4												109
21 - 25	306	228	138	51	13	23									759
26 - 30	284	292	202	154	108	234	19								1,293
31 - 35	238	223	168	103	71	318	147	15							1,283
36 - 40	228	192	158	108	68	334	288	123	20						1,519
41 - 45	218	221	165	124	80	355	313	230	112	40					1,858
46 - 50	202	188	167	132	80	384	354	294	196	247	24				2,268
51 - 55	163	189	136	113	80	423	353	261	230	260	122				2,330
56 - 60	82	113	116	100	67	341	360	278	192	147	90				1,886
61 - 65	30	41	30	37	28	198	212	180	93	78	61				988
66 - 70	7	10	12	10	5	47	64	69	41	28	22				315
71 & Over	4	5	4	5	2	22	29	44	27	21	24				187
Totals	1833	1736	1300	937	602	2679	2139	1494	911	821	343				14795

PLAN A - AVERAGE ANNUAL SALARY OF ACTIVE MEMBERS:

Attained Ages	Completed Years of Service											Average Salary				
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over					
0 - 20	19,200	18,539	20,576													19,044
21 - 25	22,663	24,717	25,468	27,408	32,144	34,278										24,623
26 - 30	25,242	27,711	30,326	30,475	35,918	34,301	35,257									29,895
31 - 35	27,531	30,840	32,858	34,781	37,338	39,707	37,858	43,723								34,322
36 - 40	30,179	30,899	32,803	36,834	36,856	38,869	43,395	43,241	41,509							36,939
41 - 45	29,737	30,077	31,225	33,206	33,709	38,206	38,536	45,400	45,881	55,780						36,885
46 - 50	26,248	29,439	28,715	32,016	34,030	36,368	37,846	43,785	50,561	54,711	53,799					38,594
51 - 55	24,933	29,244	31,623	30,999	31,064	36,048	36,972	42,587	46,761	55,241	55,253					39,121
56 - 60	34,244	37,174	30,556	30,952	33,983	35,244	36,377	39,101	47,268	49,738	58,707					39,014
61 - 65	23,608	29,076	27,155	32,194	33,718	36,131	37,818	38,387	43,789	52,188	53,409					38,798
66 - 70	22,733	36,118	29,098	31,190	41,141	34,359	39,054	34,916	41,710	51,062	47,021					38,365
71 & Over	14,962	60,198	23,293	20,490	25,155	27,231	30,558	26,898	32,083	31,569	34,382					30,106
Average	26,451	29,338	30,366	32,229	34,618	36,800	38,215	41,350	46,496	53,085	53,741					36,256

PLAN A - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility											Total	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 25													0
26 - 30												2	2
31 - 35										4	16	16	20
36 - 40									22	16			38
41 - 45								53	28				81
46 - 50						1	75	25					101
51 - 55	5	3				83	22						113
56 - 60	15	28	25	23	36	15							142
61 - 65	24	1	9	4	8								46
66 - 70	11												11
71 - 75	3												3
76 - 80	2												2
81 - 85	1												1
86 - 90	1												1
91 & Over	1												1
Totals	63	32	34	27	44	99	97	78	50	20	18		562

PLAN A - AVERAGE ANNUAL BENEFITS OF TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility											Average Benefit	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 25													0
26 - 30												9,265	9,265
31 - 35												7,418	8,006
36 - 40									15,774	10,359	8,157	12,567	12,567
41 - 45								14,443	7,429			12,019	12,019
46 - 50						17,163	17,173	9,029				15,157	15,157
51 - 55	32,329	41,563				14,531	8,903					14,940	13,798
56 - 60	10,515	16,562	13,633	13,860	15,550	7,897						7,529	7,529
61 - 65	6,976	6,184	8,831	8,886	7,212							7,251	7,251
66 - 70	7,251											5,037	5,037
71 - 75	5,037											567	567
76 - 80	567											1,437	1,437
81 - 85	1,437											666	666
86 - 90	666											374	374
91 & Over	374												
Average	9,290	18,582	12,362	13,123	14,034	13,552	15,297	12,708	11,101	8,597	7,623		12,906

PLAN A - SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											Total	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 50	6	2	1										9
51 - 55	24	22	17	15	10	3							91
56 - 60	66	57	32	33	36	58	3						285
61 - 65	96	102	107	88	53	128	29	7	1				611
66 - 70	73	73	57	77	83	394	112	33	11				913
71 - 75	18	27	21	18	31	281	283	93	40	7	2		821
76 - 80	3	13	12	7	8	87	192	237	68	25	5		657
81 - 85	4	1	1	3	2	28	48	128	192	43	5		455
86 - 90		1	1	2	1	7	13	26	88	64	8		211
91 & Over				2	2	2		2	8	30	33		75
Totals	290	298	249	243	224	988	680	526	408	169	53		4128

PLAN A - AVERAGE ANNUAL BENEFITS PAYABLE TO SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											Average Benefit	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 50	40,657	33,615	19,365										36,726
51 - 55	45,744	42,927	38,209	34,213	37,741	39,933							40,684
56 - 60	30,295	39,475	41,610	36,391	42,971	38,311	35,243						37,392
61 - 65	18,646	21,211	22,602	26,597	24,866	33,228	30,972	35,944	8,748				25,274
66 - 70	16,053	14,243	15,971	15,534	16,573	18,869	24,506	28,132	19,336				18,635
71 - 75	14,465	13,583	11,174	14,751	19,973	13,761	13,776	22,844	23,493	10,401	7,021		15,424
76 - 80	5,784	9,973	11,328	16,718	10,638	11,862	13,462	12,672	19,170	18,631	7,326		13,563
81 - 85	6,811	6,533	12,261	13,310	11,506	11,115	12,849	11,762	11,667	15,338	10,130		12,072
86 - 90		4,836	5,209	25,281	27,517	12,635	8,702	10,298	9,734	10,934	8,455		10,338
91 & Over						9,590		8,493	8,059	6,424	4,835		6,039
Average	22,787	23,399	22,961	23,555	23,985	19,582	16,120	15,395	13,789	12,370	6,199		18,616

PLAN A - DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											Total	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 30													0
31 - 35					1								1
36 - 40		2		2		4							8
41 - 45	2	2	3	2	1	8							18
46 - 50	2	5	4	4	4	12		4					46
51 - 55	12	8	6	7	6	34	11	10					101
56 - 60	8	2	10	10	12	35	26	20	5				140
61 - 65	2	8	5	5	8	46	16	17	5	3			107
66 - 70		1		1	3	11	17	10	6	1			50
71 - 75					2	1	6	6	5				20
76 - 80						1	2	3	4	1			11
81 - 85								1	5				6
86 - 90									1				1
91 & Over									1				1
Totals	26	28	28	31	37	152	91	71	39	5	2		510

PLAN A - AVERAGE ANNUAL BENEFITS PAYABLE TO DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											Average Benefit	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 30													0
31 - 35					9,444								9,444
36 - 40		13,399		19,103		9,413							12,832
41 - 45	17,943	20,930	15,222	13,560	5,857	9,243							12,796
46 - 50	12,413	23,414	16,843	12,245	20,339	16,572	7,921	6,824					14,193
51 - 55	20,992	20,538	23,624	22,717	11,867	15,203	10,357	8,002	6,236				15,356
56 - 60	12,728	12,495	15,552	19,792	16,276	14,348	13,794	11,105	8,798	6,316			13,734
61 - 65	4,239	4,254	7,490	16,268	11,042	12,947	13,461	10,490	15,599	3,483			12,102
66 - 70		8,318		3,132	9,068	7,030	8,728	13,365	11,169	7,778			9,456
71 - 75					3,537	4,229	4,911	6,388	6,802				5,655
76 - 80						3,276	2,724	4,494	4,921	8,921			4,619
81 - 85								8,868	4,359				5,111
86 - 90									3,088				3,088
91 & Over											550		550
Average	16,266	16,672	15,991	17,926	13,129	13,223	10,759	9,888	8,337	7,130	2,017		12,617

PLAN A - SURVIVING BENEFICIARIES OF FORMER MEMBERS:

Completed Years Since Retirement

Attained Ages	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 20	1		6	3		1	1					12
21 - 25												0
26 - 30						1		1				2
31 - 35	1			2								3
36 - 40												0
41 - 45		2	1		1	7	2					13
46 - 50		3	2		1	3	4			1		16
51 - 55	1	3	2	2	2	7	4	2				20
56 - 60	1	3	2	6	5	10	10	4	2			43
61 - 65	6	4	7	5	6	15	15	6	1	2	1	68
66 - 70	2	2	3	7	7	44	26	19	6	3	1	120
71 - 75		2	3	2	1	16	28	29	24	3	1	109
76 - 80	2	1	2	2	1	10	24	36	31	14	3	126
81 - 85			1			2	10	26	42	24	12	117
86 - 90				1			4	8	26	27	23	89
91 & Over								3	7	7	20	37
Totals	14	19	29	30	24	116	128	134	139	81	61	775

PLAN A - AVERAGE ANNUAL BENEFITS PAYABLE TO SURVIVORS OF FORMER MEMBERS:

Completed Years Since Retirement

Attained Ages	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 20	13,241		8,073	6,546		6,205	6,348					7,822
21 - 25												0
26 - 30								8,689				7,824
31 - 35	3,510			8,583		6,958						6,892
36 - 40												0
41 - 45		26,267	5,334		9,892	12,592	14,455					14,217
46 - 50		15,921	6,749		5,626	21,791	7,769					11,453
51 - 55	21,698	17,999	14,929	16,432	6,091	19,183	14,028	9,307		1,303		16,150
56 - 60	6,137	12,128	6,743	11,279	15,871	18,357	10,660	4,460	3,418			12,044
61 - 65	11,068	16,749	6,446	9,031	12,576	10,602	11,368	5,042	4,423	12,194	2,631	10,153
66 - 70	17,916	25,608	9,130	16,136	12,606	10,457	10,798	12,050	11,026	8,518	871	11,484
71 - 75		4,285	4,129	19,704	2,415	7,093	10,380	10,070	10,225	4,315	1,080	9,343
76 - 80	8,428	3,310	3,136	5,639	2,512	6,668	7,062	7,857	11,003	7,489	4,077	8,075
81 - 85			6,538			11,065	8,119	8,518	7,379	6,674	2,715	7,128
86 - 90				5,173			12,007	8,478	7,563	4,335	2,978	5,654
91 & Over								6,519	3,585	6,594	2,786	3,960
Average	11,692	15,936	7,184	11,710	11,487	11,259	9,919	8,866	8,601	6,079	2,846	8,938

EXHIBIT XI
PLAN A: YEAR-TO-YEAR COMPARISON

	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Number of Active Members	14,795	14,373	13,650	13,244
Number of Retirees & Survivors	5,413	5,235	5,083	4,978
Number of Terminated Due Deferred Benefits	562	545	497	522
Number Terminated Due Refunds	6,611	6,464	6,122	6,140
Active Lives Payroll	\$ 536,408,372	\$ 511,891,487	\$ 454,741,830	\$ 420,104,038
Retiree Benefits in Payment	\$ 90,207,961	\$ 84,492,940	\$ 77,403,146	\$ 73,102,892
Market Value of Assets	\$ 1,904,114,041	\$ 1,565,934,957	\$ 2,087,385,378	\$ 1,921,293,624
Ratio of AVA to GASB-25 Accrued Liability	97.55%	96.99%	96.83%	95.04%
Actuarial Value of Assets	\$ 2,135,230,590	\$ 1,943,569,363	\$ 2,027,214,660	\$ 1,718,754,962
Frozen Unfunded Actuarial Accrued Liability	\$ 53,552,388	\$ 60,381,793	\$ 66,328,358	\$ 89,762,521
Present Value of Future Employer Normal Cost	\$ 552,376,261	\$ 613,635,252	\$ 288,883,382	\$ 280,817,883
Present Value of Future Employee Contrib.	\$ 355,947,027	\$ 339,052,728	\$ 302,732,846	\$ 279,197,353
Funding Deposit Account Credit Balance	\$ 25,331,924	\$ 23,564,580	\$ 0	\$ 0
Present Value of Future Benefits	\$ 3,071,774,342	\$ 2,933,074,556	\$ 2,685,159,246	\$ 2,368,532,719

	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007
Employee Contribution Rate	9.50%	9.50%	9.50%	9.50%
Projected Tax Contribution as % of Payroll	1.13%	1.15%	1.11%	1.05%
Actuarially Required Net Direct Employer Contribution Rate	13.46%	15.40%	8.98%	9.58%
Actual Employer Contribution Rate	15.75%	12.25%	12.75%	13.25%

Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001	Fiscal 2000
13,470	13,868	13,934	13,570	13,497	13,570
4,845	4,739	4,602	4,507	4,412	4,325
448	374	320	323	289	263
5,723	5,641	5,439	5,528	5,272	5,187
\$ 429,459,653	\$ 407,022,806	\$ 396,330,869	\$ 372,814,126	\$ 352,458,011	\$ 337,142,274
\$ 66,724,243	\$ 62,543,026	\$ 57,594,474	\$ 54,500,856	\$ 51,579,364	\$ 48,515,498
\$ 1,695,523,143	\$ 1,577,051,547	\$ 1,415,543,422	\$ 1,218,826,920	\$ 1,247,510,633	\$ 1,255,743,424
94.29%	93.46%	92.83%	92.47%	92.29%	91.39%
\$ 1,535,416,950	\$ 1,364,795,086	\$ 1,261,191,242	\$ 1,214,971,041	\$ 1,224,465,306	\$ 1,169,592,667
\$ 92,910,853	\$ 95,449,152	\$ 97,437,098	\$ 98,929,395	\$ 102,275,043	\$ 110,257,598
\$ 422,308,841	\$ 351,288,808	\$ 354,769,127	\$ 291,266,682	\$ 165,256,537	\$ 112,077,577
\$ 291,917,848	\$ 269,026,244	\$ 263,620,074	\$ 250,687,770	\$ 239,981,493	\$ 233,305,082
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 2,342,554,492	\$ 2,080,559,290	\$ 1,977,017,541	\$ 1,855,854,888	\$ 1,731,978,389	\$ 1,625,232,924

Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001
9.50%	9.50%	9.50%	9.50%	9.50%	9.50%
0.94%	1.02%	0.96%	0.97%	0.98%	0.87%
13.12%	12.39%	12.66%	11.22%	7.32%	5.68%
12.75%	12.75%	11.75%	7.75%	7.75%	7.75%

EXHIBIT XII
PLAN B: ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	\$ 226,845,489
2.	Funding Deposit Account Credit Balance.....	\$ 311,308
3.	Actuarial Value of Assets.....	\$ 150,446,497
4.	Present Value of Future Employee Contributions.....	\$ 16,221,775
5.	Present Value of Future Employer Normal Costs (1+2-3-4)	\$ 60,488,525
6.	Present Value of Future Salaries	\$ 582,990,983
7.	Employer Normal Cost Accrual Rate (5 ÷ 6).....	10.375551%
8.	Projected Fiscal 2010 Salary for Current Membership.....	\$ 72,590,835
9.	Employer Normal Cost as of January 1, 2010 (7 x 8).....	\$ 7,531,699
10.	Normal Cost Interest Adjusted for Midyear Payment.....	\$ 7,809,032
11.	Estimated Administrative Cost for Fiscal 2010	\$ 156,424
12.	TOTAL Administrative and Interest Adjusted Actuarial Costs (10 + 11).....	\$ 7,965,456
13.	Projected Ad Valorem Tax Contributions for Fiscal 2010	\$ 901,045
14.	Projected Revenue Sharing Funds for Fiscal 2010	\$ 20,737
15.	Employers' Net Direct Actuarially Required Contribution for Fiscal 2010 (12 – 13 – 14).....	\$ 7,043,674
16.	Projected Payroll for Fiscal 2010	\$ 81,900,499
17.	Employers' Net Direct Actuarially Required Contribution as a % of Projected Payroll for 2010 (15 ÷ 16).....	8.60%
18.	Actual Employer Contribution Rate for Fiscal 2010	10.00%
19.	Contribution Shortfall (Excess) as a Percentage of Payroll (17 - 18).....	(1.40%)
20.	Increase (Reduction) to Following Year Payment for Contribution Shortfall (Excess)	(0.17%)
21.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2011 (17 + 20 Rounded to Nearest .25%)	8.50%

EXHIBIT XIII
PLAN B: PRESENT VALUE OF FUTURE BENEFITS

PRESENT VALUE OF FUTURE BENEFITS FOR ACTIVE MEMBERS:

Retirement Benefits.....	\$151,657,919
Survivor Benefits	5,627,724
Disability Benefits.....	6,194,686
Vested Termination Benefits.....	10,460,462
Refunds of Contributions	2,879,043

TOTAL Present Value of Future Benefits for Active Members..... \$ 176,819,834

PRESENT VALUE OF FUTURE BENEFITS FOR TERMINATED MEMBERS:

Terminated Vested Members Due Benefits at Retirement	\$ 4,891,802
Terminated Members with Reciprocals	
Due Benefits at Retirement.....	21,121
Terminated Members Due a Refund.....	445,134

TOTAL Present Value of Future Benefits for Terminated Members \$ 5,358,057

PRESENT VALUE OF FUTURE BENEFITS FOR PENSIONERS:

Regular Retirees by Option Selected:

Maximum.....	\$ 17,431,188
Option 1	186,826
Option 2	14,684,648
Option 3	3,245,961
Option 4	549,721

TOTAL Regular Retirees \$ 36,098,344

TOTAL Disability Retirees \$ 4,251,779

TOTAL Survivors & Widows \$ 4,308,394

Reserve for Accrued Retiree DROP Account Balances \$ 0

Reserve for Fixed Annuities \$ 9,081

TOTAL Present Value of Future Benefits for Retirees & Survivors \$ 44,667,598

TOTAL Present Value of Future Benefits..... \$ 226,845,489

**EXHIBIT XIV – SCHEDULE A
PLAN B - MARKET VALUE OF ASSETS**

CURRENT ASSETS:

Cash in Banks	\$	855,801	
Contributions Receivable.....		1,216,767	
Ad Valorem Taxes Receivable & Revenue Sharing.....		795,531	
Accrued Interest and Dividends.....		116,167	
Due from Other Funds		291,159	
Investments Receivable.....		32,961	
Other Current Assets.....		1,420	
TOTAL CURRENT ASSETS.....	\$		3,309,806

INVESTMENTS:

Common Trust Funds.....	\$	64,293,060	
Common Stocks		24,898,234	
Foreign Equity Fund		24,811,056	
Mortgage Backed Securities		5,363,762	
Government Securities.....		4,923,533	
Cash Equivalents.....		3,848,339	
Hedge Funds		2,670,386	
Corporate Bonds		1,768,094	
TOTAL INVESTMENTS.....	\$		132,576,464
TOTAL ASSETS	\$		135,886,270

CURRENT LIABILITIES:

Retirements Payable.....	\$	413,686	
Due to Plan A		292,578	
Investments Payable.....		128,221	
Accounts Payable		74,602	
Refunds Payable.....		36,900	
TOTAL CURRENT LIABILITIES	\$		945,987
MARKET VALUE OF ASSETS.....	\$		134,940,283

**EXHIBIT XIV – SCHEDULE B
PLAN B - ACTUARIAL VALUE OF ASSETS**

Excess (Shortfall) of invested income
for current and previous 4 years:

Fiscal year 2009	\$ 14,683,472
Fiscal year 2008	\$ (47,079,799)
Fiscal year 2007	277,886
Fiscal year 2006	4,871,547
Fiscal year 2005	(2,671,761)

Total for five years \$ (29,918,655)

Deferral of excess (shortfall) of invested income:

Fiscal year 2009 (80%)	\$ 11,746,778
Fiscal year 2008 (60%)	(28,247,879)
Fiscal year 2007 (40%)	111,154
Fiscal year 2006 (20%)	974,309
Fiscal year 2005 (0%)	<u>0</u>

Total deferred for year..... \$ (15,415,638)

Market value of plan net assets, end of year..... \$ 134,940,283

Preliminary actuarial value of plan assets, end of year \$ 150,355,921

Actuarial value of assets corridor

85% of market value, end of year	\$ 114,699,241
115% of market value, end of year	\$ 155,181,325

Modified actuarial value of plan net assets, end of year..... \$ 150,355,921

Allocated share of the expense fund..... \$ 90,576

Final actuarial value of plan net assets, end of year \$ 150,446,497

EXHIBIT XV
PLAN B: PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	\$	16,221,775
Employer Normal Contributions to the Pension Accumulation Fund.....		60,488,525
Funding Deposit Account Credit Balance		(311,308)
 TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	 \$	 76,398,992

EXHIBIT XVI
PLAN B: RECONCILIATION OF CONTRIBUTIONS

Employer Normal Cost for Prior Year.....	\$7,915,424	
Interest on Normal Cost.....	593,657	
Administrative Expenses and Expense Fund Adjustment	152,787	
Interest on Expenses	5,626	
 TOTAL Interest Adjusted Actuarially Required Contributions	 \$	 8,667,494
 Direct Employer Contributions.....	 \$ 4,838,201	
Interest on Employer Contributions.....	178,153	
Ad Valorem Taxes and Revenue Sharing Funds	960,607	
Interest on Taxes and Revenue Sharing Funds.....	35,372	
 TOTAL Interest Adjusted Employer Contributions	 \$	 6,012,333
 Contribution Shortfall (Surplus).....	 \$	 2,655,161

EXHIBIT XVII
PLAN B: ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets (December 31, 2008)	\$	136,139,102
INCOME:		
Employer Contributions	\$	4,838,201
Member Contributions		2,281,211
Ad Valorem Taxes		940,848
Purchases and Transfers of Service Credit.....		248,483
Revenue Sharing.....		19,759
Total Contributions	\$	8,328,502
Net Appreciation in Fair Value of Investments.....	\$19,787,478	
Interest & Dividends.....	3,554,975	
Other Income	8,079	
Investment Expense	(355,019)	
Net Investment Income.....	\$	22,995,513
TOTAL Income	\$	31,324,015
EXPENSES:		
Retirement Benefits	\$	4,842,028
Refunds of Contributions.....		387,198
DROP Disbursements.....		377,754
Transfer to Expense Fund.....		171,360
Funds Transferred to another System		62,156
Transfer to Plan A.....		292,578
TOTAL Expenses	\$	6,133,074
Net Market Value Income for Fiscal 2009 (Income - Expenses)	\$	25,190,941
Unadjusted Fund Balance as of December 31, 2009 (Fund Balance Previous Year + Net Income).....	\$	161,330,043
Net Additional Credit (Charge) for Allocated Expenses.....	\$	(36,825)
Adjustments for Change in Allocated Share of Expense Fund	\$	10,262
Adjustment for Actuarial Smoothing.....	\$	(10,856,983)
Actuarial Value of Assets (December 31, 2009).....	\$	150,446,497

**EXHIBIT XVIII
PLAN B: FUND BALANCES**

PRESENT ASSETS OF THE SYSTEM CREDITABLE TO:

Annuity Savings Fund	\$	14,955,605
Annuity Reserve Fund		44,667,598
Pension Accumulation Account		73,335,356
Deferred Retirement Option Plan Account.....		1,670,416
Funding Deposit Account		311,308
NET MARKET VALUE OF ASSETS	\$	134,940,283
ALLOCATED SHARE OF THE EXPENSE FUND		90,576
ADJUSTMENT FOR ACTUARIAL SMOOTHING		15,415,638
ACTUARIAL VALUE OF ASSETS	\$	150,446,497

**EXHIBIT XIX – Schedule A
PLAN B: PENSION BENEFIT OBLIGATION**

Present Value of Credited Projected Benefits Payable to Current Employees.....	\$	106,870,967
Present Value of Benefits Payable to Terminated Employees		5,358,057
Present Value of Benefits Payable to Current Retirees and Beneficiaries		44,667,598
TOTAL PENSION BENEFIT OBLIGATION	\$	156,896,622
NET ACTUARIAL VALUE OF ASSETS	\$	150,446,497
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation.....		95.88%

**EXHIBIT XIX – Schedule B
ENTRY AGE NORMAL ACCRUED LIABILITIES**

Accrued Liability for Active Employees	\$	121,134,818
Accrued Liability for Terminated Employees		5,358,057
Accrued Liability for Current Retirees and Beneficiaries		44,667,598
TOTAL ENTRY AGE NORMAL ACCRUED LIABILITY	\$	171,160,473
NET ACTUARIAL VALUE OF ASSETS.....	\$	150,446,497
Ratio of Net Actuarial Value of Assets to Entry Age Normal Accrued Liability		87.90%

EXHIBIT XX
PLAN B: COST OF LIVING ADJUSTMENTS - TARGET RATIO

Actuarial Value of Assets Divided by PBO as of 1986:.....		100.23%
Amortization of Unfunded Balance over 30 years:		-0.18%
Adjustments in Funded Ratio Due to Mergers or Changes in Methods or Assumption(s):		
Changes for Fiscal 1987	13.61%	
Changes for Fiscal 1988.....	-3.15%	
Changes for Fiscal 1989.....	0.13%	
Changes for Fiscal 1990.....	-3.81%	
Changes for Fiscal 1995.....	-3.33%	
Changes for Fiscal 1997.....	4.20%	
Changes for Fiscal 1998.....	-3.43%	
Changes for Fiscal 1999.....	-3.95%	
Changes for Fiscal 2001.....	-0.11%	
Changes for Fiscal 2003.....	-0.23%	
Changes for Fiscal 2005.....	-3.19%	
Changes for Fiscal 2006.....	-0.65%	
Changes for Fiscal 2007.....	-0.58%	
Changes for Fiscal 2008.....	10.41%	
TOTAL Adjustments		5.92%
Amortization of Adjustments in Funded Ratio over 30 years:		
Changes for Fiscal 1987.....	-9.98%	
Changes for Fiscal 1988.....	2.21%	
Changes for Fiscal 1989.....	-0.09%	
Changes for Fiscal 1990.....	2.41%	
Changes for Fiscal 1995.....	1.55%	
Changes for Fiscal 1997.....	-1.68%	
Changes for Fiscal 1998.....	1.26%	
Changes for Fiscal 1999.....	1.32%	
Changes for Fiscal 2001.....	0.03%	
Changes for Fiscal 2003.....	0.05%	
Changes for Fiscal 2005.....	0.43%	
Changes for Fiscal 2006.....	0.07%	
Changes for Fiscal 2007.....	0.04%	
Changes for Fiscal 2008.....	-0.35%	
TOTAL Amortization of Adjustments		-2.73%
Target Ratio for Current Fiscal Year (Not more than 100%).....		100.00%
Actuarial Value of Assets Divided by PBO as of 2009.....		95.88%

EXHIBIT XXI
CENSUS DATA - PLAN B

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of December 31, 2008	2,162	1,518	32	548	4,260
Additions to Census					
Initial membership	325	2			327
Omitted in error last year					
Death of Another Member				7	7
Change in Status during Year					
Actives terminating service	(94)	94			
Actives who retired	(22)			22	
Actives entering DROP	(18)		18		
Term. members rehired	11	(11)			
Term. members who retire		(5)		5	
Retirees who are rehired					
Refunded who are rehired	11	2			13
DROP participants retiring			(5)	5	
DROP returned to work	8		(8)		
Omitted in error last year					
Eliminated from Census					
Refund of contributions	(129)	(54)			(183)
Deaths	(1)	(2)		(27)	(30)
Included in error last year					
Adjustment for multiple records					
Number of members as of December 31, 2009	2,253	1,544	37	560	4,394

PLAN B - ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	9	4	13	20,344	264,476
21 - 25	62	51	113	23,867	2,696,980
26 - 30	95	120	215	29,927	6,434,398
31 - 35	79	107	186	31,586	5,875,010
36 - 40	98	138	236	34,498	8,141,643
41 - 45	129	165	294	36,302	10,672,651
46 - 50	170	152	322	36,403	11,721,662
51 - 55	182	160	342	37,041	12,667,962
56 - 60	168	133	301	36,834	11,087,074
61 - 65	112	69	181	37,921	6,863,742
66 - 70	36	24	60	36,504	2,190,229
71 - 75	16	5	21	30,373	637,833
76 - 80	1	1	2	16,833	33,666
81 - 85	2	1	3	22,856	68,569
86 - 90	1	0	1	18,000	18,000
TOTAL	1,160	1,130	2,290	34,661	79,373,895

THE ACTIVE CENSUS INCLUDES 1,011 ACTIVES WITH VESTED BENEFITS, INCLUDING 37 DROP PARTICIPANTS AND 25 ACTIVE FORMER DROP PARTICIPANTS.

PLAN B - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	2	0	2	4,771	9,541
36 - 40	5	2	7	6,926	48,480
41 - 45	6	14	20	8,389	167,786
46 - 50	15	13	28	8,549	239,359
51 - 55	10	18	28	8,890	248,926
56 - 60	5	13	18	10,875	195,744
61 - 65	8	2	10	4,820	48,201
66 - 70	0	1	1	3,607	3,607
71 - 75	1	1	2	1,458	2,916
76 - 80	1	0	1	3,497	3,497
81 - 85	1	0	1	5	5
TOTAL	54	64	118	8,204	968,062

PLAN B - TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging		Number	Total Contributions
From	To		
0	- 99	1,022	24,684
100	- 499	222	52,558
500	- 999	70	51,042
1000	- 1999	42	62,240
2000	- 4999	50	160,745
5000	- 9999	19	114,649
10000	- 19999	1	16,116
TOTAL		1,426	482,034

PLAN B - REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
56 - 60	7	4	11	24,697	271,671
61 - 65	38	26	64	12,175	779,186
66 - 70	63	42	105	10,593	1,112,250
71 - 75	73	41	114	7,631	869,905
76 - 80	26	33	59	8,257	487,141
81 - 85	19	28	47	7,568	355,704
86 - 90	3	24	27	7,890	213,017
91 - 99	2	9	11	3,785	41,637
TOTAL	231	207	438	9,430	4,130,511

PLAN B - DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	1	0	1	5,293	5,293
41 - 45	2	0	2	6,153	12,306
46 - 50	1	0	1	5,335	5,335
51 - 55	8	3	11	7,686	84,550
56 - 60	16	4	20	6,855	137,102
61 - 65	13	4	17	6,806	115,694
66 - 70	5	2	7	7,174	50,221
TOTAL	46	13	59	6,958	410,501

PLAN B - SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
0 - 25	0	1	1	5,808	5,808
26 - 30	0	1	1	3,490	3,490
31 - 35	0	1	1	12,078	12,078
51 - 55	1	7	8	8,801	70,404
56 - 60	0	5	5	10,248	51,240
61 - 65	0	9	9	12,111	108,997
66 - 70	0	10	10	6,441	64,410
71 - 75	0	13	13	4,298	55,869
76 - 80	0	3	3	4,614	13,842
81 - 85	1	8	9	5,515	49,632
86 - 90	0	1	1	4,077	4,077
91 - 99	0	2	2	2,618	5,236
TOTAL	2	61	63	7,065	445,083

PLAN B - ACTIVE MEMBERS:

Attained Ages	Completed Years of Service											Total	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 20	8	5											13
21 - 25	53	26	23	6	4	1							113
26 - 30	56	45	33	24	18	36	3						215
31 - 35	38	38	27	16	9	37	21						186
36 - 40	25	40	25	23	8	57	37	19					236
41 - 45	43	30	22	26	16	57	56	23	2				294
46 - 50	38	33	23	18	8	64	45	28	18	3			322
51 - 55	24	29	28	14	16	73	54	35	30	31	4		342
56 - 60	19	29	20	15	17	69	45	35	29	28	12		301
61 - 65	11	14	9	9	10	42	26	21	14	16	9		181
66 - 70	2	4	3	3	2	12	11	10	7	4	2		60
71 & Over		3		1	1	5	6	5	1	1	4		27
Totals	317	296	213	155	109	453	304	176	127	100	40		2290

PLAN B - AVERAGE ANNUAL SALARY OF ACTIVE MEMBERS:

Attained Ages	Completed Years of Service											Average Salary	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 20	19,456	21,765											20,344
21 - 25	22,193	23,951	25,666	24,395	31,773	34,258							23,867
26 - 30	27,641	31,657	31,073	29,552	28,666	31,257	28,678						29,927
31 - 35	25,216	33,604	29,426	30,099	34,303	35,951	34,516						31,586
36 - 40	27,792	32,862	32,393	42,437	27,648	35,076	34,344	40,594	41,970				34,498
41 - 45	30,356	36,883	35,923	36,527	39,945	35,150	39,443	35,362	40,052	45,034			36,302
46 - 50	29,898	31,069	41,072	33,370	27,916	33,552	37,668	36,829	45,892	44,247			36,403
51 - 55	27,586	37,038	32,417	34,279	32,658	36,880	34,737	41,149	39,713	45,452	42,393		37,041
56 - 60	33,295	35,889	33,449	34,522	33,301	35,975	36,701	36,504	41,016	43,461	49,095		36,834
61 - 65	45,897	51,786	26,232	26,403	43,620	33,324	33,473	38,910	40,418	38,479	50,604		37,921
66 - 70	51,388	31,138	28,802	27,578	44,909	41,203	35,670	34,010	37,904	17,188	71,477		36,504
71 & Over		39,909		17,967	21,323	20,814	29,444	23,365	53,838	35,047	28,152		28,077
Average	28,002	33,661	32,179	33,546	33,683	34,906	36,027	37,544	41,612	42,377	47,845		34,661

PLAN B - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility											Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	
0 - 30												0
31 - 35											1	2
36 - 40							1		3		3	7
41 - 45								16	4			20
46 - 50							22	6				28
51 - 55						19	9					28
56 - 60	3	3	2	4	2	3	1					18
61 - 65	4	4	2	1	2							10
66 - 70	1											1
71 - 75	2											2
76 - 80	1											1
81 - 85	1											1
86 & Over												0
Totals	11	7	2	5	4	22	33	22	7	4	1	118

PLAN B - AVERAGE ANNUAL BENEFITS OF TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility											Average Benefit
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	
0 - 30												0
31 - 35											4,987	4,771
36 - 40							5,186		8,958		5,474	6,926
41 - 45								9,431	4,222			8,389
46 - 50							9,577	4,779				8,549
51 - 55						10,341	5,827					8,890
56 - 60	13,167	7,066	5,454	10,967	16,774	8,770	20,407					10,875
61 - 65	7,545	3,713		3,988	3,364							4,820
66 - 70	3,607											3,607
71 - 75	1,458											1,458
76 - 80	3,497											3,497
81 - 85	5											5
86 & Over												0
Average	6,560	5,150	5,454	9,571	10,069	10,127	8,749	8,162	6,251	5,352	4,555	8,204

PLAN B - SERVICE RETIREES:

Completed Years Since Retirement

Attained Ages	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 55												0
56 - 60	5	1	1	2	1	1						11
61 - 65	13	17	12	8	5	9						64
66 - 70	5	12	10	12	12	49	4	1				105
71 - 75	5	6	2	5	8	51	32	5				114
76 - 80	1					9	25	18	5	1		59
81 - 85				1		5	1	20	20			47
86 - 90							1	6	14	6		27
91 & Over										7	4	11
Totals	29	36	25	28	26	124	63	50	39	14	4	438

PLAN B - AVERAGE ANNUAL BENEFITS PAYABLE TO SERVICE RETIREES:

Completed Years Since Retirement

Attained Ages	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 55												0
56 - 60	19,806	12,336	72,152	29,107	16,193	13,748						24,697
61 - 65	14,026	12,276	8,107	15,265	6,259	15,273						12,175
66 - 70	9,333	6,487	11,692	11,856	9,621	10,767	20,498	3,501				10,593
71 - 75	10,238	9,481	7,916	9,557	5,372	7,505	7,875	4,102				7,631
76 - 80	5,719					7,608	7,510	9,015	12,239	1,727		8,257
81 - 85				11,522		6,995	7,686	8,691	6,385			7,568
86 - 90							8,186	6,982	10,049	3,709		7,890
91 & Over										3,685	3,960	3,785
Average	13,274	9,882	12,087	13,640	7,920	9,395	8,534	8,040	8,451	3,556	3,960	9,430

PLAN B - DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											Total	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 30													0
31 - 35						1							1
36 - 40													0
41 - 45				2									2
46 - 50						1							1
51 - 55			3	2	1	3	1	1					11
56 - 60	2	2	4	2	2	5	3						20
61 - 65			1	2	3	7	3	1					17
66 - 70				2	1	3	1						7
71 & Over													0
Totals	2	2	8	10	7	20	8	2	0	0	0	0	59

PLAN B - AVERAGE ANNUAL BENEFITS PAYABLE TO DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											Average Benefit	
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over		
0 - 30													0
31 - 35						5,293							5,293
36 - 40													0
41 - 45				6,153									6,153
46 - 50						5,335							5,335
51 - 55			11,576	6,814	8,763	5,406	4,941	6,270					7,686
56 - 60	8,826	5,938	5,237	5,715	7,262	9,369	4,608						6,855
61 - 65			4,359	4,064	4,435	8,899	5,580	10,866					6,806
66 - 70				3,457	7,584	10,247	4,980						7,174
71 & Over													0
Average	8,826	5,938	7,505	5,241	6,311	8,337	5,061	8,568	0	0	0	0	6,958

PLAN B - SURVIVING BENEFICIARIES OF FORMER MEMBERS:

Attained Ages	Completed Years Since Retirement											Total
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	
0 - 20												0
21 - 25				1								1
26 - 30							1					1
31 - 35				1								1
36 - 40												0
41 - 45												0
46 - 50												0
51 - 55			2	2		3		1				8
56 - 60		1				3		1				5
61 - 65		2	1	1		4		1				9
66 - 70		1	2	1		2		3	1			10
71 - 75	2	2				4		4	1			13
76 - 80						1		1				3
81 - 85	2								4		3	9
86 - 90											1	1
91 & Over										2		2
Totals	4	6	5	6	0	17	11	4	4	6	0	63

PLAN B - AVERAGE ANNUAL BENEFITS PAYABLE TO SURVIVORS OF FORMER MEMBERS:

Attained Ages	Completed Years Since Retirement											Average Benefit
	0	1	2	3	4	5-9	10-14	15-19	20-24	25-29	30&Over	
0 - 20												0
21 - 25				5,808								5,808
26 - 30							3,490					3,490
31 - 35												12,078
36 - 40												0
41 - 45												0
46 - 50												0
51 - 55			19,506	4,914		4,669		7,556				8,801
56 - 60		10,887				12,228		3,669				10,248
61 - 65		11,025	9,209	17,455		12,901		8,682				12,111
66 - 70		8,052	4,333	2,100		10,514		7,551	1,912			6,441
71 - 75	1,455	3,038				3,171		6,122	9,711			4,298
76 - 80						6,626		1,832	5,384			4,614
81 - 85	10,347								6,356	1,171		5,515
86 - 90										4,077		4,077
91 & Over										2,618		2,618
Average	5,901	7,844	11,377	7,878	0	8,390	5,892	6,141	6,356	2,138	0	7,065

EXHIBIT XXII
PLAN B: YEAR-TO-YEAR COMPARISON

	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Number of Active Members	2,290	2,194	2,030	1,990
Number of Retirees & Survivors	560	548	530	508
Number of Terminated Due Deferred Benefits	118	108	97	98
Number Terminated Due Refunds	1,426	1,410	1,353	1,369
Active Lives Payroll	\$ 79,373,895	\$ 74,891,671	\$ 62,859,807	\$ 59,155,664
Retiree Benefits in Payment	\$ 4,986,096	\$ 4,744,664	\$ 4,400,123	\$ 4,029,570
Market Value of Assets	\$ 134,940,283	\$ 109,749,342	\$ 144,163,791	\$ 132,695,110
Actuarial Value of Assets	\$ 150,446,497	\$ 136,139,102	\$ 141,756,387	\$ 123,781,772
Present Value of Future Employer Normal Cost	\$ 60,488,525	\$ 63,985,978	\$ 36,302,827	\$ 30,194,074
Present Value of Future Employee Contrib.	\$ 16,221,775	\$ 15,422,566	\$ 13,275,174	\$ 12,440,078
Funding Deposit Account Credit Balance	\$ 311,308	\$ 289,589	\$ 0	\$ 0
Present Value of Future Benefits	\$ 226,845,489	\$ 215,258,057	\$ 191,334,388	\$ 166,415,924

	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007
Employee Contribution Rate	3.00%	3.00%	3.00%	3.00%
Projected Tax Contribution as % of Payroll	1.13%	1.13%	1.11%	1.05%
Actuarially Required Net Direct Employer Contribution Rate	8.60%	9.56%	6.13%	5.39%
Actual Employer Contribution Rate	10.00%	6.25%	6.00%	6.00%

Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001	Fiscal 2000
1,970	2,062	2,189	2,122	2,046	1,922
486	461	417	404	401	395
91	69	64	64	44	42
1,298	1,243	1,182	1,199	1,099	1,062
\$ 54,810,437	\$ 54,325,541	\$ 54,823,785	\$ 52,863,764	\$ 48,507,063	\$ 43,079,182
\$ 3,588,698	\$ 3,313,829	\$ 2,898,810	\$ 2,704,346	\$ 2,542,212	\$ 2,373,678
\$ 117,661,283	\$ 110,700,198	\$ 99,612,361	\$ 85,214,085	\$ 84,474,861	\$ 82,785,072
\$ 111,443,610	\$ 99,526,756	\$ 90,234,749	\$ 84,572,863	\$ 83,407,668	\$ 79,249,113
\$ 30,452,448	\$ 30,454,650	\$ 31,528,445	\$ 28,501,122	\$ 19,615,292	\$ 13,032,125
\$ 11,815,922	\$ 12,600,693	\$ 12,689,583	\$ 12,282,205	\$ 11,353,565	\$ 6,859,540
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
\$ 153,711,980	\$ 142,582,099	\$ 134,452,777	\$ 125,356,190	\$ 114,376,525	\$ 99,140,778

Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001
3.00%	3.00%	3.00%	3.00%	3.00%	2% over \$1200
1.03%	1.00%	0.95%	0.96%	0.96%	0.85%
5.90%	5.45%	5.61%	5.18%	3.62%	2.47%
5.75%	5.75%	5.25%	3.75%	2.75%	2.75%

SUMMARY OF PRINCIPAL PLAN PROVISIONS

All members of the Parochial Employees' Retirement System are participants in either Plan A or Plan B according to the provisions of the agreement entered into by their employer. All employees of a participating employer must participate in the same plan. The principal provisions of each plan are given below. The following summary of plan provisions is for general informational purposes only and does not constitute a guarantee of benefits.

PLAN A:

CONTRIBUTION RATES - The Plan A fund is financed by employee contributions of 9.50% of member's earnings and employer contributions as determined by the Public Retirement Systems' Actuarial Committee. In addition, each sheriff and ex-officio tax collector deducts one-fourth of one percent of the aggregate amount of the tax shown to be collected by the tax roll of each respective parish, excepting Orleans Parish and East Baton Rouge Parish, and remits the money to the system on an annual basis. The system also receives revenue sharing funds each year as appropriated by the legislature. In any fiscal year in which employer contribution rate as actuarially determined is scheduled to decrease, the Board of Trustees may elect to maintain the existing rate or any rate between the existing and minimum rates.

RETIREMENT BENEFITS – Members hired on or before December 31, 2007, with seven years of creditable service may retire at age sixty-five; ten years of creditable service may retire at age sixty; members with twenty-five years of service may retire at age fifty-five; members with thirty years of service may retire regardless of age. Members hired on or after January 1, 2007, with seven years of creditable service may retire at age sixty-seven; ten years of creditable service may retire at age sixty-two; members with thirty years of service may retire at age fifty-five. The retirement allowance is equal to three percent of the member's final compensation multiplied by his years of creditable service; however, any employee who was a member of the supplemental plan only prior to the revision date has the benefit earned for service credited prior to the revision date on the basis of one percent of final compensation plus two dollars per month for each year of service credited prior to the revision date, and three percent of final compensation for each year of service credited after the revision date. All accumulated annual leave for which payment cannot be made in accordance with law and all unused sick leave accumulated at the time of retirement is included in the member's creditable service for retirement computation purposes. The retirement allowance may not exceed the greater of one hundred percent of member's final salary or final compensation.

DISABILITY BENEFITS - Five years of creditable service are required in order to be eligible for disability benefits for members hired on or before December 31, 2007. Seven years of creditable service are required in order to be eligible for disability benefits for members hired on or after January 1, 2007. Disabled members receive a normal retirement allowance if eligible. Otherwise, the member receives the lesser of three percent of compensation multiplied by his years of service, not to be less than fifteen years, or the accrual percentage as defined for retirement benefits multiplied by final compensation multiplied by years of service assuming continued service to age sixty for members hired on or before December 31, 2007 or age sixty-two for members hired on or after January 1, 2007.

SURVIVOR BENEFITS - Five years of creditable service is required in order to be eligible for survivor benefits. If a member is eligible for normal retirement at the time of death, the surviving

spouse receives an automatic option 2 benefit. If the member was not eligible for a normal retirement, the surviving unmarried spouse with minor children receives sixty percent of final compensation. If the member was not eligible for a normal retirement, the surviving unmarried spouse with no minor children receives forty percent of final compensation payable upon the attainment of age sixty by the spouse, or upon becoming disabled. Minor children with no unmarried spouse receive thirty percent of final compensation each, not to exceed a total of sixty percent of final compensation.

CONTRIBUTION REFUNDS - Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the system. If a member receives a refund of contributions and is subsequently rehired on or after January 1, 2007, the provisions applicable to members initially hired on or after January 1, 2007 will apply.

PLAN B:

CONTRIBUTION RATES - The Plan B fund is financed by employee contributions of 3% of member's annual earnings and employer contributions as determined by the Public Retirement Systems' Actuarial Committee. In addition, each sheriff and ex officio tax collector deducts one-fourth of one percent of the aggregate amount of the tax shown to be collected by the tax roll of each respective parish excepting, Orleans Parish and East Baton Rouge Parish, and remits the money to the system on an annual basis. The system also receives revenue sharing funds each year as appropriated by the legislature. In any fiscal year in which the employer contribution rate as actuarially determined is scheduled to decrease, the Board of Trustees may elect to maintain the existing rate or any rate between the existing and minimum rates.

RETIREMENT BENEFITS: - Members hired on or before December 31, 2007, with seven years of creditable service may retire at age sixty-five; ten years of creditable service may retire at age sixty; members with thirty years of service may retire at age fifty-five. Members hired on or after January 1, 2007, with seven years of creditable service may retire at age sixty-seven; ten years of creditable service may retire at age sixty-two; members with thirty years of service may retire at age fifty-five. The retirement allowance is equal to two percent of the member's final compensation multiplied by the years of creditable service. All accumulated annual leave for which payment cannot be made in accordance with law and all unused sick leave accumulated at the time of retirement is included in the member's creditable service for retirement computation purposes.

DISABILITY BENEFITS - Five years of creditable service is required in order to be eligible for disability benefits for members hired on or before December 31, 2007. Seven years of creditable service is required in order to be eligible for disability benefits for members hired on or after January 1, 2007. Disabled members receive a normal retirement allowance, if eligible. Otherwise, the member receives the lesser of two percent of compensation multiplied by the years of service, not to be less than fifteen years, or two percent of final compensation multiplied by the years of service assuming continued service to age sixty for members hired on or before December 31, 2007 or age sixty-two for members hired on or after January 1, 2007.

SURVIVOR BENEFITS - The surviving spouse of a member who was eligible for normal retirement at the time of death receives an automatic option 2 benefit. The surviving spouse of a member with ten

or more years of creditable service and not eligible for normal retirement at the time of death receives an option 2 benefit payable at attainment of age fifty by the spouse.

CONTRIBUTION REFUNDS - Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the system. If a member receives a refund of contributions and is subsequently rehired on or after January 1, 2007, the provisions applicable to members initially hired on or after January 1, 2007 will apply.

DEFERRED RETIREMENT OPTION PLAN:

In lieu of terminating employment and accepting a service retirement allowance, any member of Plan A or Plan B who is eligible for a normal retirement may elect to participate in the Deferred Retirement Option Plan (DROP) for up to three years and defer the receipt of benefits. In terms of DROP eligibility, any member whose service, when combined with service in any other state or statewide public retirement system exceeds thirty years will be eligible to include reciprocally recognized service credit. Upon commencement of participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would have been payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP fund. This fund does earn interest once the member terminates participation in DROP but continues their employment. The interest rate is based upon the rate of return of a short-term U.S. Treasury security, a group of short-term U.S. Treasury Securities, or an index of short-term U.S. Treasury securities to be selected by the board of trustees. This interest is to be credited to the individual's account balance on an annual basis. Additionally, no cost-of-living increases are payable to the participants until employment which made them eligible to become members of the system has been terminated for at least one full year. Upon termination of employment prior to, or at the end of, the specified period of participation, a participant in the plan may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or any other method of payment if approved by the board of trustees. The monthly benefits that were being paid into the Deferred Retirement Option Plan fund will begin to be paid to the retiree. If a participant dies during the participation in the plan, a lump sum equal to his account balance in the plan fund shall be paid to his named beneficiary or, if none, to his estate. If employment is not terminated at the end of the three years, payments into the plan fund cease and the person resumes active contributing membership in the system. Additional accrued benefits are based on final average compensation used to calculate the member's original benefit unless the additional period of service is at least thirty-six months for those individuals hired on or before December 31, 2007; or at least sixty months for those individuals hired on or after January 1, 2007.

ACTUARIAL ASSUMPTIONS

In determining actuarial costs, certain assumptions must be made regarding future experience under the plan. These assumptions include the rate of investment return, mortality of plan members, rates of salary increase, rates of retirement, rates of termination, rates of disability, and various other factors that have an impact on the cost of the plan. To the extent that future experience varies from the assumptions selected for valuation, future costs will be either higher or lower than anticipated. The following chart illustrates the effect of emerging experience on the plan.

<u>Factor</u>	<u>Increase in Factor Results in</u>
Investment Earnings Rate	Decrease in Cost
Annual Rate of Salary Increase	Increase in Cost
Rates of Retirement	Increase in Cost
Rates of Termination	Decrease in Cost
Rates of Disability	Increase in Cost
Rates of Mortality	Decrease in Cost

The following assumptions apply to both Plan A and Plan B unless stated otherwise.

ACTUARIAL COST METHOD: Plan A: Frozen Attained Age Normal Actuarial Method with allocation based on earnings. The normal cost is interest adjusted for midyear payment. The normal costs are calculated by aggregating present values of benefits and salaries for active members. The frozen actuarial accrued liability was calculated on the Projected Unit Credit Cost Method.

Plan B: The Aggregate Actuarial Cost Method with allocation based on earnings. The normal cost is interest adjusted for midyear payment.

ACTUARIAL ASSET VALUES: Invested assets are valued at market value adjusted to defer four-fifths of all earnings above or below the valuation interest rate in the valuation year, three-fifths of all earnings above or below the valuation interest rate in the prior year, two-fifths of all earnings above or below the valuation interest rate from two years prior, and one-fifth of all earnings above or below the valuation interest rate from three years prior. The resulting smoothed values are subject to a corridor of 85% to 115% of the market value of assets. If the smoothed value falls outside the corridor, the preliminary actuarial value is set equal to the average of the corridor limit and the smoothed value. The final value is determined by adding a pro-rata share of the expense fund assets to each plan in proportion to current salaries.

VALUATION INTEREST RATE: 7.50%

ANNUAL SALARY INCREASE RATE: 5.75% (2.50% Merit /3.25% Inflation)

ANNUITANT, BENEFICIARY AND ACTIVE MORTALITY: For males 1983 Group Annuity Male Mortality Table with no margins. Females are based on a six-year set back of the male table.

RETIREE COST OF LIVING INCREASE: The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

RATES OF RETIREMENT: The table of these rates is included later in the report. All eligible persons age 80 and over in both plans are assumed to retire immediately. These rates apply only to those individuals eligible to retire. Rates are multiplied by a constant of 2 in the first year in which members become eligible for retirement.

RATES OF WITHDRAWAL: The rates of withdrawal are applied based upon completed years of service:

PLAN A:	Service	Factor	Service	Factor
	<1	0.25	11	0.04
	1	0.21	12	0.03
	2	0.15	13	0.03
	3	0.12	14	0.02
	4	0.10	15	0.02
	5	0.09	16	0.02
	6	0.08	17	0.02
	7	0.07	18	0.02
	8	0.06	19	0.02
	9	0.05	>19	0.01
	10	0.04		

PLAN B:	Service	Factor	Service	Factor
	<1	0.23	10	0.06
	1	0.20	11	0.06
	2	0.16	12	0.06
	3	0.15	13	0.06
	4	0.11	14	0.06
	5	0.10	15	0.03
	6	0.08	16	0.03
	7	0.08	17	0.03
	8	0.08	>17	0.01
	9	0.06		

Note: The withdrawal rate for individuals eligible to retire is assumed to be zero.

MARRIAGE STATISTICS: 80% of the members are assumed to be married; husbands are assumed to be three years older than wives.

FAMILY STATISTICS: Assumptions used in determining the cost of various survivor benefits are listed below:

Age at Death	% with Children	# of Children	Average Age
25	62%	1.7	6
35	82%	2.1	10
45	66%	1.8	13
55	19%	1.4	15
65	2%	1.4	15

DISABLED LIVES MORTALITY: RP-2000 Disabled Lives Mortality Tables for Males and Females

VESTING ELECTING PERCENTAGE: The percent of those vested who elect deferred benefits in lieu of contribution refunds are as follows:

Plan A:	Under Age 30:	35%
	Age 30 – 39:	40%
	Age 40 – 49:	45%
	Above Age 49:	65%
Plan B:	Under Age 40:	55%
	Age 40 – 49:	60%
	Above Age 49:	75%

SICK AND ANNUAL LEAVE: Retirees were assumed to convert one month of sick and annual leave to retirement credit for each ten years of service credit.

RATES OF DROP ENTRY: The table of these rates is included later in the report. These rates apply only to those individuals eligible to enter the DROP plan. Rates are multiplied by a constant in the first year in which a member becomes eligible to enter DROP. For members of Plan A who were first employed before January 1, 2007 and for members of Plan B this constant is 2. For members of Plan A who were first employed on or after January 1, 2007 the constant is 4.

DROP PARTICIPATION PERIOD: All DROP participants are assumed to participate for 3 years and to retire at the end of their DROP participation period.

RETIREMENT RATES FOR ACTIVE FORMER DROP PARTICIPANTS: Retirement rates for active former DROP participants are 25% for Plan A and 25% for Plan B provided the member is below age 80. For members age 80 or over, the retirement rate is set at 100%.

ACTUARIAL TABLES AND RATES

(For Participants Who Were First Hired Before January 1, 2007)

Age	Male Mortality Rates	Female Mortality Rates	Disability Rates	Plan A Retirement Rates	Plan B Retirement Rates	Plan A DROP Entry Rates	Plan B DROP Entry Rates	Remarriage Rates
18	0.00039	0.00034	0.00053	0.00000	0.00000	0.00000	0.00000	0.05665
19	0.00040	0.00034	0.00053	0.00000	0.00000	0.00000	0.00000	0.05665
20	0.00042	0.00035	0.00053	0.00000	0.00000	0.00000	0.00000	0.05665
21	0.00043	0.00036	0.00053	0.00000	0.00000	0.00000	0.00000	0.05213
22	0.00045	0.00037	0.00053	0.00000	0.00000	0.00000	0.00000	0.04834
23	0.00047	0.00038	0.00053	0.00000	0.00000	0.00000	0.00000	0.04522
24	0.00049	0.00039	0.00053	0.00000	0.00000	0.00000	0.00000	0.04270
25	0.00052	0.00040	0.00053	0.00000	0.00000	0.00000	0.00000	0.04070
26	0.00054	0.00042	0.00053	0.00000	0.00000	0.00000	0.00000	0.03915
27	0.00057	0.00043	0.00053	0.00000	0.00000	0.00000	0.00000	0.03799
28	0.00060	0.00045	0.00053	0.00000	0.00000	0.00000	0.00000	0.03714
29	0.00064	0.00047	0.00053	0.00000	0.00000	0.00000	0.00000	0.03654
30	0.00067	0.00049	0.00053	0.00000	0.00000	0.00000	0.00000	0.03611
31	0.00072	0.00052	0.00053	0.00000	0.00000	0.00000	0.00000	0.03578
32	0.00076	0.00054	0.00053	0.00000	0.00000	0.00000	0.00000	0.03549
33	0.00081	0.00057	0.00053	0.00000	0.00000	0.00000	0.00000	0.03515
34	0.00087	0.00060	0.00053	0.00000	0.00000	0.00000	0.00000	0.03471
35	0.00095	0.00064	0.00059	0.00000	0.00000	0.00000	0.00000	0.03409
36	0.00101	0.00067	0.00067	0.00000	0.00000	0.00000	0.00000	0.03286
37	0.00107	0.00072	0.00073	0.00000	0.00000	0.00000	0.00000	0.03139
38	0.00115	0.00076	0.00084	0.00000	0.00000	0.00000	0.00000	0.02973
39	0.00125	0.00081	0.00095	0.00000	0.00000	0.00000	0.00000	0.02787
40	0.00138	0.00087	0.00108	0.00000	0.00000	0.00000	0.00000	0.02585
41	0.00152	0.00095	0.00123	0.00000	0.00000	0.00000	0.00000	0.02352
42	0.00170	0.00101	0.00137	0.00000	0.00000	0.00000	0.00000	0.02111
43	0.00191	0.00107	0.00154	0.00000	0.00000	0.00000	0.00000	0.01868
44	0.00215	0.00115	0.00175	0.00000	0.00000	0.00000	0.00000	0.01629
45	0.00243	0.00125	0.00199	0.00000	0.00000	0.00000	0.00000	0.01400
46	0.00275	0.00138	0.00227	0.22000	0.00000	0.35000	0.00000	0.01208
47	0.00310	0.00152	0.00256	0.22000	0.00000	0.35000	0.00000	0.01034
48	0.00349	0.00170	0.00291	0.22000	0.00000	0.35000	0.00000	0.00879
49	0.00390	0.00191	0.00329	0.22000	0.00000	0.35000	0.00000	0.00744
50	0.00434	0.00215	0.00374	0.22000	0.00000	0.35000	0.00000	0.00629
51	0.00480	0.00243	0.00427	0.22000	0.00000	0.35000	0.00000	0.00551
52	0.00528	0.00275	0.00483	0.22000	0.00000	0.35000	0.00000	0.00493
53	0.00578	0.00310	0.00549	0.13000	0.00000	0.35000	0.00000	0.00451
54	0.00629	0.00349	0.00623	0.13000	0.00000	0.35000	0.00000	0.00423
55	0.00681	0.00390	0.00707	0.13000	0.22000	0.35000	0.19000	0.00000
56	0.00735	0.00434	0.00805	0.13000	0.22000	0.22000	0.19000	0.00000
57	0.00793	0.00480	0.00914	0.13000	0.22000	0.22000	0.19000	0.00000
58	0.00858	0.00528	0.01036	0.13000	0.22000	0.22000	0.19000	0.00000
59	0.00932	0.00578	0.01180	0.13000	0.17000	0.22000	0.15000	0.00000
60	0.01018	0.00629	0.01708	0.13000	0.17000	0.22000	0.15000	0.00000
61	0.01118	0.00681	0.01708	0.13000	0.17000	0.10000	0.15000	0.00000
62	0.01237	0.00735	0.01708	0.13000	0.17000	0.10000	0.15000	0.00000
63	0.01377	0.00793	0.01708	0.13000	0.17000	0.10000	0.15000	0.00000
64	0.01541	0.00858	0.01708	0.13000	0.17000	0.10000	0.15000	0.00000
65	0.01732	0.00932	0.01708	0.13000	0.17000	0.10000	0.15000	0.00000

ACTUARIAL TABLES AND RATES

(For Participants Who Were First Hired On or After January 1, 2007)

Age	Male Mortality Rates	Female Mortality Rates	Disability Rates	Plan A Retirement Rates	Plan B Retirement Rates	Plan A DROP Entry Rates	Plan B DROP Entry Rates	Remarriage Rates
18	0.00039	0.00034	0.00038	0.00000	0.00000	0.00000	0.00000	0.05665
19	0.00040	0.00034	0.00038	0.00000	0.00000	0.00000	0.00000	0.05665
20	0.00042	0.00035	0.00038	0.00000	0.00000	0.00000	0.00000	0.05665
21	0.00043	0.00036	0.00038	0.00000	0.00000	0.00000	0.00000	0.05213
22	0.00045	0.00037	0.00038	0.00000	0.00000	0.00000	0.00000	0.04834
23	0.00047	0.00038	0.00038	0.00000	0.00000	0.00000	0.00000	0.04522
24	0.00049	0.00039	0.00038	0.00000	0.00000	0.00000	0.00000	0.04270
25	0.00052	0.00040	0.00038	0.00000	0.00000	0.00000	0.00000	0.04070
26	0.00054	0.00042	0.00038	0.00000	0.00000	0.00000	0.00000	0.03915
27	0.00057	0.00043	0.00038	0.00000	0.00000	0.00000	0.00000	0.03799
28	0.00060	0.00045	0.00038	0.00000	0.00000	0.00000	0.00000	0.03714
29	0.00064	0.00047	0.00038	0.00000	0.00000	0.00000	0.00000	0.03654
30	0.00067	0.00049	0.00038	0.00000	0.00000	0.00000	0.00000	0.03611
31	0.00072	0.00052	0.00038	0.00000	0.00000	0.00000	0.00000	0.03578
32	0.00076	0.00054	0.00038	0.00000	0.00000	0.00000	0.00000	0.03549
33	0.00081	0.00057	0.00038	0.00000	0.00000	0.00000	0.00000	0.03515
34	0.00087	0.00060	0.00038	0.00000	0.00000	0.00000	0.00000	0.03471
35	0.00095	0.00064	0.00043	0.00000	0.00000	0.00000	0.00000	0.03409
36	0.00101	0.00067	0.00048	0.00000	0.00000	0.00000	0.00000	0.03286
37	0.00107	0.00072	0.00053	0.00000	0.00000	0.00000	0.00000	0.03139
38	0.00115	0.00076	0.00060	0.00000	0.00000	0.00000	0.00000	0.02973
39	0.00125	0.00081	0.00068	0.00000	0.00000	0.00000	0.00000	0.02787
40	0.00138	0.00087	0.00078	0.00000	0.00000	0.00000	0.00000	0.02585
41	0.00152	0.00095	0.00088	0.00000	0.00000	0.00000	0.00000	0.02352
42	0.00170	0.00101	0.00098	0.00000	0.00000	0.00000	0.00000	0.02111
43	0.00191	0.00107	0.00110	0.00000	0.00000	0.00000	0.00000	0.01868
44	0.00215	0.00115	0.00125	0.00000	0.00000	0.00000	0.00000	0.01629
45	0.00243	0.00125	0.00143	0.00000	0.00000	0.00000	0.00000	0.01400
46	0.00275	0.00138	0.00163	0.00000	0.00000	0.00000	0.00000	0.01208
47	0.00310	0.00152	0.00183	0.00000	0.00000	0.00000	0.00000	0.01034
48	0.00349	0.00170	0.00208	0.00000	0.00000	0.00000	0.00000	0.00879
49	0.00390	0.00191	0.00235	0.00000	0.00000	0.00000	0.00000	0.00744
50	0.00434	0.00215	0.00268	0.00000	0.00000	0.00000	0.00000	0.00629
51	0.00480	0.00243	0.00305	0.00000	0.00000	0.00000	0.00000	0.00551
52	0.00528	0.00275	0.00345	0.00000	0.00000	0.00000	0.00000	0.00493
53	0.00578	0.00310	0.00392	0.00000	0.00000	0.00000	0.00000	0.00451
54	0.00629	0.00349	0.00445	0.00000	0.00000	0.00000	0.00000	0.00423
55	0.00681	0.00390	0.00505	0.22800	0.22000	0.09600	0.19000	0.00000
56	0.00735	0.00434	0.00575	0.22800	0.22000	0.09600	0.19000	0.00000
57	0.00793	0.00480	0.00653	0.22800	0.22000	0.09600	0.19000	0.00000
58	0.00858	0.00528	0.00740	0.22800	0.22000	0.09600	0.19000	0.00000
59	0.00932	0.00578	0.00843	0.22800	0.22000	0.09600	0.19000	0.00000
60	0.01018	0.00629	0.01220	0.22800	0.22000	0.09600	0.19000	0.00000
61	0.01118	0.00681	0.01220	0.22800	0.22000	0.09600	0.19000	0.00000
62	0.01237	0.00735	0.01220	0.19000	0.17000	0.08000	0.15000	0.00000
63	0.01377	0.00793	0.01220	0.19000	0.17000	0.08000	0.15000	0.00000
64	0.01541	0.00858	0.01220	0.19000	0.17000	0.08000	0.15000	0.00000
65	0.01732	0.00932	0.01220	0.19000	0.17000	0.08000	0.15000	0.00000

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 – The actuarial present value of benefits payable to members of the fund less 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 mortality, withdrawal, disablement, and retirement. Also included are rates of investment earnings, changes in compensation, as well as statistics related to marriage and family composition.

Actuarial Cost Method – A procedure for determining the portion of the cost of a pension plan to be allocated to each year. Each cost method allocates a certain portion of the actuarial present value of benefits between the actuarial accrued liability and future normal costs. Once this allocation is made, a determination of the normal cost attributable to a specific year can be made along with the payment to amortize any unfunded actuarial accrued liability. To the extent that a particular funding method allocates a greater (lesser) portion of the actual present value of benefits to the actuarial accrued liability it will allocate less (more) to future normal costs.

Actuarial Equivalence – Payments or receipts with equal actuarial value on a given date when valued using the same set of actuarial assumptions.

Actuarial Gain (Loss) – The financial effect on the fund of the difference between the expected and actual experience of the fund. The experience may be related to investment earnings above (or below) those expected or changes in the liability structure due to fewer (or greater) than the expected numbers of retirements, deaths, disabilities, or withdrawals. In addition, other factors such as pay increases above (or below) those forecast can result in actuarial gains or losses. The effect of such gains (or losses) is to decrease (or increase) future costs.

Actuarial Present Value - The value, as of a specified date, of an amount or series of amounts payable or receivable thereafter, with each amount adjusted to reflect the time value of money (through accrual of interest) and the probability of payments. For example: if \$600 invested today will be worth \$1,000 in 10 years and there is a 50% probability that a person will live 10 years, then the actuarial present value of \$1,000 payable to that person if he should survive 10 years is \$300.

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 the book value, market value, or some modification involving either or both book and market value. Adjustments to market values are often made to reduce the volatility of asset values.

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 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 Shortfall (Excess) - The difference between contributions recommended in the prior valuation and the actual amount received.

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

Employer Normal Cost - That portion of the normal cost not attributable to employee contributions. It includes both direct contributions made by the employer and contributions from other non-employee sources such as revenue sharing and revenues related to taxes.

Funded Ratio – A measure of the ratio of assets to liabilities of the system according to a specific definition of those two values. Typically the assets used in the measure are the actuarial value of assets; the liabilities are defined by reference to some recognized actuarial funding method. Thus the funded ratio of a plan depends not only on the financial strength of the plan but also on the funding method used to determine the liabilities and the asset valuation method used to determine the assets in the ratio.

Normal Cost - That portion of the actuarial present value of pension plan benefits and expenses allocated to a valuation year by the actuarial cost method. This is analogous to one year's insurance premium.

Pension Benefit Obligation - The actuarial present value of benefits earned or credited to date based on the members expected final average compensation at retirement. For current retirees or terminated members this is equivalent to the actuarial present value of their accrued benefit.

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.

Unfunded Actuarial Accrued Liability - The excess of the actuarial accrued liability over the actuarial value of assets.

Vested Benefits - Benefits that the members are entitled to even if they withdraw from service.

NOTES