MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

ACTUARIAL VALUATION AS OF
JUNE 30, 2010

G. S. CURRAN & COMPANY, LTD.

Actuarial Services

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December 14, 2010

Board of Trustees
Municipal Employees' Retirement System
7937 Office Park Blvd.
Baton Rouge, LA 70809

Ladies and Gentlemen:

We are pleased to present our report on the actuarial valuation of the Municipal Employees' Retirement System for the fiscal year ending June 30, 2010. Our report is based on the actuarial assumptions specified and relies on the data supplied by the system's administrative director and auditors. This report was prepared at the request of the Board of Trustees of the Municipal Employees' Retirement System. The primary purposes of the report are to determine the actuarially required contribution for the retirement system for the fiscal year ending June 30, 2011, to recommend the net direct employer contribution rate for fiscal 2012, and to provide information for the system's financial statements. This report was prepared exclusively for the Municipal Employees' Retirement System for a specific limited purpose. It is not for the use or benefit of any third party for any purpose.

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 have met the qualification standards for the American Academy of Actuaries to render the actuarial opinions incorporated in this report, and are available to provide further information or answer any questions with respect to this valuation.

Sincerely,

G. S. CURRAN & COMPANY, LTD.

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

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

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SUMMARY OF VALUATION RESULTS
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM - PLAN A

Valuation Date:		June 30, 2010	June 30, 2009
Census Summary:	Active Members	5,068	5,052
	Retirees and Beneficiaries	2,907	2,861
	Terminated Due a Deferred Benefit	183	172
	Terminated Due a Refund	2,590	2,596
Payroll:		$ 162,546,523	$ 157,082,727
Benefits in Payment:		$ 41,527,971	$ 39,834,118
Frozen Unfunded Actuarial Accrued Liability:		$ 75,064,492	$ 74,616,607
Market Value of Assets:		$ 624,427,505	$ 568,167,813
Actuarial Asset Value:		$ 704,735,602	$ 670,910,030
Actuarial Accrued Liability (as defined by GASB-25)		$ 779,800,094	$ 745,526,637
Ratio of Actuarial Value of Assets to Actuarial Accrued Liability:		90.37%	89.99%

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	FISCAL 2011	FISCAL 2010
Employer Normal Cost (July 1):	$ 25,342,972	$ 20,316,266
Amortization Cost (July 1):	$ 5,329,727	$ 5,112,448
Interest Adjusted Gross Employer Actuarially Required Contribution Including Estimated Administrative Costs:	$ 32,574,340	$ 27,098,834
Projected Ad Valorem and Revenue Sharing Funds	$ 5,130,645	$ 4,936,292
Net Direct Employer Actuarially Required Contribution:	$ 27,443,695	$ 22,162,542
Actuarially Required Net Direct Employer Contribution Rate	16.41%	13.78%
Actual Net Direct Employer Contribution Rate:	14.25%	13.50%

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Minimum Recommended Net Direct Employer Contribution Rate Fiscal 2012: 16.75% Fiscal 2011: 13.75%

Employee Contribution Rate: 9.25% of Payroll

Actuarial Cost Method: Frozen Attained Age Normal Actuarial Cost Method

Valuation Interest Rate: 8% (Net of Investment Expense)

Exclusions from Census: None

Basis of Actuarial Asset Value: The actuarial value of assets is based on the market value of investment securities adjusted to phase in asset earnings above or below the assumed rate of return over a five-year period with limits set at 85% and 115% of the market value of assets. When the adjusted value falls outside of the limits, the actuarial value is set equal to the average of the limited and adjusted value.

Changes in Valuation Methods, Assumptions, and/or Amortization Periods: A change was made to the mortality assumption for actives and retirees. In addition, changes were made to the assumed rates of disability and the assumed rate of post-DROP retirement.

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
MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM - PLAN B

Valuation Date:		June 30, 2010	June 30, 2009
Census Summary:	Active Members	2,197	2,269
	Retirees and Beneficiaries	836	833
	Terminated Due a Deferred Benefit	72	67
	Terminated Due a Refund	1,062	1,022
Payroll:		$ 65,241,810	$ 64,816,945
Benefits in Payment:		$ 7,339,269	$ 7,149,177
Frozen Unfunded Actuarial Accrued Liability:		$ 4,633,960	$ 4,912,541
Market Value of Assets:		$ 130,596,777	$ 117,258,410
Actuarial Asset Value:		$ 147,046,143	$ 138,441,127
Actuarial Accrued Liability (as defined by GASB-25)		$ 151,680,103	$ 143,353,668
Ratio of Actuarial Value of Assets to Actuarial Accrued Liability:		96.94%	96.57%

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	FISCAL 2011	FISCAL 2010
Employer Normal Cost (July 1):	$ 6,123,501	$ 4,885,791
Amortization Cost (July 1):	$ 609,400	$ 621,837
Interest Adjusted Gross Employer Actuarially Required Contribution Including Estimated Administrative Costs:	$ 7,277,329	$ 6,001,204
Projected Ad Valorem and Revenue Sharing Funds	$ 2,059,304	$ 2,036,859
Net Direct Employer Actuarially Required Contributions:	$ 5,218,025	$ 3,964,345
Actuarially Required Net Direct Employer Contribution Rate	7.78%	5.95%
Actual Net Direct Employer Contribution Rate:	6.75%	6.75%

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Minimum Recommended Net Direct Employer Contribution Rate Fiscal 2012 8.00% Fiscal 2011: 6.00%

Employee Contribution Rate: 5.00% of Payroll

Actuarial Cost Method: Frozen Attained Age Normal Actuarial Cost Method

Valuation Interest Rate: 8% (Net of Investment Expense)

Exclusions from Census: None

Basis of Actuarial Asset Value: The actuarial value of assets is based on the market value of investment securities adjusted to phase in asset earnings above or below the assumed rate of return over a five-year period with limits set at 85% and 115% of the market value of assets. When the adjusted value falls outside of the limits, the actuarial value is set equal to the average of the limited and adjusted value.

Changes in Valuation Methods, Assumptions, and/or Amortization Periods: A change was made to the mortality assumption for actives and retirees. In addition, changes were made to the assumed rates of DROP entry, disability, and the assumed rate of post-DROP retirement.

Method of Recognizing Gains and Losses: Under the Frozen Attained Age Normal 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 compact disk 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 5,068 active members in Plan A of whom 2,193 have vested retirement benefits including 229 participants in the Deferred Retirement Option Plan (DROP); 2,907 former Plan A members or their beneficiaries are receiving retirement benefits. An additional 2,773 Plan A members have contributions remaining on deposit with the system; of this number, 183 have vested rights for future retirement benefits. Census data on Plan B members may be found in Exhibit XXI. There are 2,197 active members in Plan B of whom 795 have vested retirement benefits including 84 participants in the Deferred Retirement Option Plan (DROP); 836 former Plan B members or their beneficiaries are receiving retirement benefits. An additional 1,134 Plan B members have contributions remaining on deposit with the system; of this number, 72 have vested rights 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 administrative staff 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 $624,427,505 as of June 30, 2010. Net investment income for fiscal 2010 measured on a market value basis for Plan A amounted to $62,068,289. Contributions to the Plan for the fiscal year totaled $42,066,336; benefits and expenses paid by Plan A amounted to $47,874,933. The net market value of Plan B's assets was $130,596,777 as of June 30, 2010. Net investment income for fiscal 2010 measured on a market value basis for Plan B amounted to $12,784,993. Contributions to the Plan for the fiscal year totaled $9,590,240; benefits and expenses

paid by Plan B amounted to $8,994,247. In addition to the two benefit trust funds the system maintains an expense fund for payment of certain investment and administrative expenses. The balance in this fund at the beginning of the year was $482,868 and at the end of the year the balance was $341,267.

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 is based on the Frozen Attained Age Normal actuarial cost method with the unfunded actuarial accrued liability frozen as of June 30, 1989. Under the provisions of Louisiana R.S. 11:103 the unfunded accrued liability for Plan A, which was determined to be $48,466,297 as of June 30, 1989, was amortized over forty years with payments increasing at 4.25% per year. The unfunded accrued liability for Plan B, which was determined to be $9,853,175 as of June 30, 1989, was amortized over forty years with payments decreasing at 2% per year. In Plan A, payroll growth less than 4.25% per year will increase future amortization payments as a percent of payroll. In Plan B, any payroll growth or payroll decline less than 2% per year will reduce future amortization payments as a percent of payroll. Under the Frozen Attained Age Normal 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 addition, changes in benefits and assumptions are also spread over future normal costs.

Prior to the June 30, 2009 valuation, in any year in which the net direct employer contribution was set above the actuarially required employer contribution rate, excess funds collected, if any, were used to reduce the frozen unfunded actuarial accrued liability. In Plan B, the board elected to freeze the employer contribution rate in fiscal 2001. As a result of the additional contributions generated by this freeze in rates, the unfunded accrued liability will be fully amortized by June 30, 2023. Effective with the June 30, 2009 valuation, any excess funds collected as a result of a freeze in employer contributions are credited to the Funding Deposit Account. Funds deposited into the Funding Deposit Account can be used to reduce the unfunded accrued liability, reduce future normal costs, or offset net direct employer contributions as determined by the board of trustees.

The current and prior year actuarial assumptions utilized for the report are outlined on pages sixty-four through seventy. In the aggregate the assumptions represent our "best estimate" of future long-term experience for the fund. To the extent that prospective experience differs from that assumed, adjustments to contribution levels will be required.

An experience study was conducted to re-examine decrement experience for the fund over the last five years. Ratios of actual to expected decrements were calculated for disability, withdrawal, retirement, and DROP entry. The relatively small size of the Fund does not provide sufficient data to creditably build full tabular decrement rates at each age based on recent experience. In addition, the unique benefit structure makes the use of standard tables impractical. Thus, the newly

developed rates are set by subjective adjustments to the existing tabular rates based on the experience of the five prior fiscal years.

As a result of this analysis for Plan A, assumed rates of disability and post-DROP retirement were reduced, while withdrawal rates, DROP entry rates, and retirement rates were left unchanged. For Plan B, assumed rates of disability, DROP entry, and post-DROP retirement were reduced. Withdrawal rates and retirement rates were left unchanged. A review of salary increases over the most recent five years showed average salary increases near projected levels in both plans. Therefore, no change was made in the assumed rate of salary increase.

In the case of mortality, new mortality assumptions were set for both plans after reviewing the study performed on plan data for the period of 1999 through 2004, as well as, an updated study using data for the period of 2004 through 2009. Based upon the results of these studies, a projected mortality table was created using the liability duration of the Plan for the projection period. The resulting projected mortality table was compared to several standard tables and the RP2000 healthy annuitant table was selected for non-disabled annuitants and beneficiaries. The RP2000 employee table was selected for active lives. A determination was made that these tables would produce liability values approximating the appropriate generational mortality tables.

The aggregate effect of all changes to assumptions was to increase the normal cost accrual rate by 2.9107% in Plan A and 1.9805% in Plan B.

CHANGES IN PLAN PROVISIONS

The following changes in plan provisions were enacted during the 2010 Regular Session of the Louisiana Legislature:

Act 93 created a Funding Review Panel charged with meeting to collect information relative to the Municipal Employees' Retirement System, the Municipal Police Employees' Retirement System, and the Firefighters' Retirement System. The Funding Review Panel shall then submit a report by March 15, 2011 to the House and Senate committees on retirement and to the legislative auditor with recommendations for increasing the actuarial soundness of each system and providing affordable benefits to members of each system.

Act 306 makes changes to the membership section of the statute. It provides that any employee first employed on or after November 1, 2010 by any department created by the Home Rule Charter for the Lafayette City-Parish Consolidated Government, other than employees first employed by the police and fire departments who are enrolled in the Municipal Police Employees' Retirement System or the Firefighters' Retirement System, and any employee first employed on or after November 1, 2010 by the City Court of Lafayette, inclusive of the office of the marshal, but exclusive of the judges of the city court, shall, as a condition of employment, become members of the Municipal Employees' Retirement System of Louisiana, if they otherwise satisfy the membership eligibility requirements.

Act 634 added to the limited provisions of garnishment of retirement benefits and contribution refunds court-ordered restitution, fines, costs of incarceration, probation, or parole imposed on

members, former members, or retirees as a result of a guilty plea or *nolo contendere* to the commission of a felony for misconduct associated with such person's service as an elected official or public employee for which credit in the fund was earned or accrued for felonies committed on or after July 1, 2010. The act does not impinge on the community property interest of a spouse or former spouse.

Act 874 makes certain changes to the Public Retirement System's Actuarial Committee. The act sets a deadline for determining the employee contribution rate of the first Monday in February. The act changes one of the members of the committee from the Legislative Actuary to the Legislative Auditor or his designee. The act also states that each agency represented by a member of the committee shall provide clerical staff as requested by any member of the committee in fulfillment of the duties of the committee. In addition, the act makes several technical changes to the statutes governing the committee.

Act 1004 provides for guidelines in asset allocation studies, investment policy, and selecting investments for all state and statewide retirement systems and calls for such systems to submit quarterly reports on investment results to the House and Senate Retirement Committees.

Act 1048 amended the state constitution to require that any public retirement system benefit provision having an actuarial cost must receive a two-thirds majority of the elected members of each house of the legislature in order to pass.

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 and are based on values provided by the system's auditors.

		Market Value	Actuarial Value
PLAN A	2001	-4.2%	4.5%
	2002	-1.8%	1.1%
	2003	4.4%	-1.0% *
	2004	9.6%	3.5%
	2005	7.2%	9.6% *
	2006	8.6%	10.7% *
	2007	18.1% †	10.8% †
	2008	1.1%	9.0%
	2009	-13.8% †*	0.9% †*
	2010	11.0%	5.9%

		Market Value	Actuarial Value
PLAN B	2001	-4.2%	4.2%
	2002	-2.8%	0.3%
	2003	3.8%	-1.8% *
	2004	9.7%	3.1%
	2005	7.2%	6.4% *

2006	8.5%		13.7%	*
2007	17.4%	†	10.6%	†
2008	1.3%		8.8%	
2009	-13.7%	†*	0.9%	†*
2010	10.9%		5.8%	

* Includes the effect of a change in asset valuation method.

† Includes the impact of inclusion of the prior period adjustment for investment income as income in fiscal year.

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 2010, the fund earned $9,361,893 of dividends and interest and other recurring income for Plan A and $1,935,813 for Plan B. Net income was increased by realized and unrealized capital gains of $58,120,482 for Plan A and $11,969,881 for Plan B and further reduced by net investment expenses of $5,414,086 for Plan A and $1,120,701 for Plan B. The geometric mean of the market value rates of return measured over the last ten years was 3.7% for Plan A and 3.5% for Plan B.

The actuarial rate of return is presented for comparison to the assumed long-term rate of return of 8% used for the valuation. This rate is calculated based on the actuarial value of assets and all interest, dividends, other investment income, and capital gains or losses as given in Exhibit VI for Plan A and Exhibit XVII for Plan B, adjusted for any change in asset determination methodology. Investment income used to calculate this yield is based upon a smoothing of gains or losses over a five-year period. The difference between rates of return on an actuarial and market value basis results from the smoothing of gains or losses on investments relative to the valuation interest rate. In addition to the smoothing of investment returns above or below the assumed rate of return of 8.0%, the actuarial and market rates of return differ due to the allocation of expense fund assets and income to both Plan A and Plan B. Yields in excess of the 8% assumption will reduce future costs; yields below 8% will increase future costs. Plan A experienced net actuarial investment earnings of $13,707,795 less than the actuarial assumed earnings rate of 8%. Plan B experienced net actuarial investment earnings of $3,000,031 less than the actuarial assumed earnings rate of 8%. These actuarial losses increased the normal cost accrual rate by 1.1827% and 0.6253% respectively for Plan A and Plan B.

At the end of each fiscal year, a review of the data is made to identify current members of Plan A and Plan B who have consecutive service credit in both plans that have not been addressed in previous transfers of assets and liabilities between the Plan A and Plan B trust funds pursuant to the provisions of R.S. 11: 1862(F). In the course of reviewing data for the June 30, 2010 valuation we found three members of Plan A and no members of Plan B with such service and therefore recommend a transfer of $42,619 be made from the Plan B trust to the Plan A trust for fiscal 2010.

PLAN A – DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for Plan A is given in Exhibit X. The average active member is 48 years old with 10.49 years of service and an annual salary of $32,073. The Plan's active

membership increased during the fiscal year by 16 members. The plan has experienced a decline in the active plan population of 221 members between 2005 and 2010. Should the five year trend in plan population continue, a change in the structure of the amortization of the frozen unfunded actuarial accrued liability will be required to prevent continual increases in contributions as a percentage of payroll. 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 over-fifty increased. Over the same ten-year period the plan showed a decrease in the percentage of members with service greater than five but less than fifteen years; the percentage of members with service over fifteen years and less than five years of service has increased.

The average retiree is 70 years old with a monthly benefit of $1,378. The number of retirees and beneficiaries receiving benefits from the system increased by 46 during the fiscal year. Over the last five years the number of retirees has increased by 395; during this same period, annual benefits in payment increased by $10,972,511.

Plan liability experience for fiscal 2010 was favorable. The primary factors contributing to the reduction in cost were retirements and disabilities below projected levels and salary increases below projected levels. Partially offsetting these factors were withdrawals and retiree deaths which were below projections, and DROP entries above projections. The net effect of all of these elements was a decrease in costs. Plan liability gains decreased the normal cost accrual rate by 0.9625%.

PLAN B – DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for Plan B is given in Exhibit XXI. The average active member is 48 years old with 9.44 years of service and an annual salary of $29,696. The Plan's active membership decreased during the fiscal year by 72 members. Over the last five years the active population increased by 159 members. A review of the active census by age indicates that over the last ten years the population in the under 50 age group has decreased while the proportion of active members over age 60 has increased. Over the same ten-year period the system showed a decrease in the percentage of members with service of five to fourteen years and a corresponding increase in the percentage of members with service under five years and over twenty-five years.

The average retiree is 73 years old with a monthly benefit of $822. The number of retirees and beneficiaries receiving benefits from the system increased by three. Over the last five years this group increased by 91; during this same period, annual benefits in payment increased by $1,689,285.

Plan liability experience for fiscal 2010 was favorable. Salary increases were below projected levels. Retirements and disabilities were below projected levels. These factors tend to decrease costs. Partially offsetting these factors were DROP entries significantly exceeding projected levels, withdrawals slightly below projected levels, and retiree deaths below projections. Plan liability gains decreased the normal cost accrual rate by 0.4202%.

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.

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 2011 as of July 1, 2010, is $25,342,972. The amortization payment on the plan's frozen unfunded actuarial accrued liability as of July 1, 2010, is $5,329,727. 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 2011 is $32,574,340. When this amount is reduced by projected tax contributions and revenue sharing funds the resulting employers' net direct actuarially required contribution for fiscal 2011 is $27,443,695. This is 16.41% of the projected Plan A payroll for fiscal 2011.

Liability and asset experience as well as changes in assumptions and benefits can increase or lower plan costs. In addition to these factors, any COLA granted in the prior fiscal year will increase required contributions. New entrants to the system can also increase or lower 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.

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

Normal Cost Accrual Rate – Fiscal 2010	13.9231%
Factors Increasing the Normal Cost Accrual Rate:	
Contribution Loss	0.0423%
Liability Assumption Loss	2.9170%
Investment Loss	1.1827%
Factors Decreasing the Normal Cost Accrual Rate:	

New Members	-0.4691%
Liability Experience	-0.9624%
Normal Cost Accrual Rate – Fiscal 2011	16.6336%

For Plan B, the derivation of the actuarially required contribution for the current fiscal year is given in Exhibit XII. The normal cost for fiscal 2011 as of July 1, 2010, is $6,123,501. The amortization payment on the plan's frozen unfunded actuarial accrued liability as of July 1, 2010, is $609,400. 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 XII, the total actuarially required contribution for fiscal 2011 is $7,277,329. When this amount is reduced by projected tax contributions and revenue sharing funds the resulting employers' net direct actuarially required contribution for fiscal 2011 is $5,218,025. This is 7.78% of the projected Plan B payroll for fiscal 2011.

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

Normal Cost Accrual Rate – Fiscal 2010	8.1774%
Factors Increasing the Normal Cost Accrual Rate:	
Liability Assumption Loss	1.9805%
Asset Experience	0.6253%
Factors Decreasing the Normal Cost Accrual Rate:	
New Members	-0.2237%
Liability Experience	-0.4202%
Normal Cost Accrual Rate – Fiscal 2011	10.1393%

In addition to the above factors, 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 2011, the net effect of the change in payroll on amortization costs was an increase of 0.01% of payroll for Plan A; and a reduction of 0.03% for Plan B. 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 these funds collected in fiscal 2011 will be level as a percent of payroll in Plan A and will increase by 0.01% of payroll in Plan B. Although the actuarially required net direct employer contribution rate for Plan A for fiscal 2011 is 16.41%, the actual employer contribution rate for fiscal 2011 is 14.25% of payroll. After accounting for the anticipated contribution shortfall in fiscal 2011 and rounding the result to the nearest 0.25% as required by R. S. 11:103, we recommend a minimum net direct employer contribution rate of 16.75% for fiscal 2012 for Plan A. Although the actuarially required net direct employer contribution rate in Plan B is 7.78%, the actual employer contribution rate for fiscal 2010 is 6.75% of payroll. After accounting for the anticipated contribution shortfall in fiscal 2011 and rounding the result to the nearest 0.25% as required by R.S. 11:103, we recommend a minimum net direct employer contribution rate of 8.00% for fiscal 2012 for Plan B.

Although the actuarially required net direct employer contribution rate for Plan B for fiscal 2011 is 7.78%, the actual employer contribution rate for fiscal 2011 is 6.75% of payroll. After accounting for the anticipated contribution shortfall in fiscal 2011 and rounding the result to the nearest 0.25% as required by R.S. 11:103, we recommend a minimum net direct employer contribution rate of 8.00% for fiscal 2012 in Plan B.

As a result of the freeze in the employer contribution rate for fiscal 2010, Plan B collected excess employer contributions. In accordance with Act 296 of the 2009 legislative session, the excess contributions were credited to the Funding Deposit Account. The account balance as of June 30, 2009 was $6,105,938 for Plan A and $1,806,555 for Plan B. Interest at the valuation interest rate was added to each Funding Deposit Account. An additional contribution excess of $357,684 was added in Plan B.

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, we have determined that based on current assets and demographics, for each percentage earnings in a single year under (over) the assumed rate of return on the actuarial value of assets, there will be a corresponding increase (reduction) in the normal cost accrual rate of 0.61% for Plan A, and 0.31% for Plan B. We have also determined that a 1% reduction in the valuation interest rate for each Plan would increase the actuarially required contribution rate for fiscal 2011 by 9.10% in Plan A and 4.80% in Plan B.

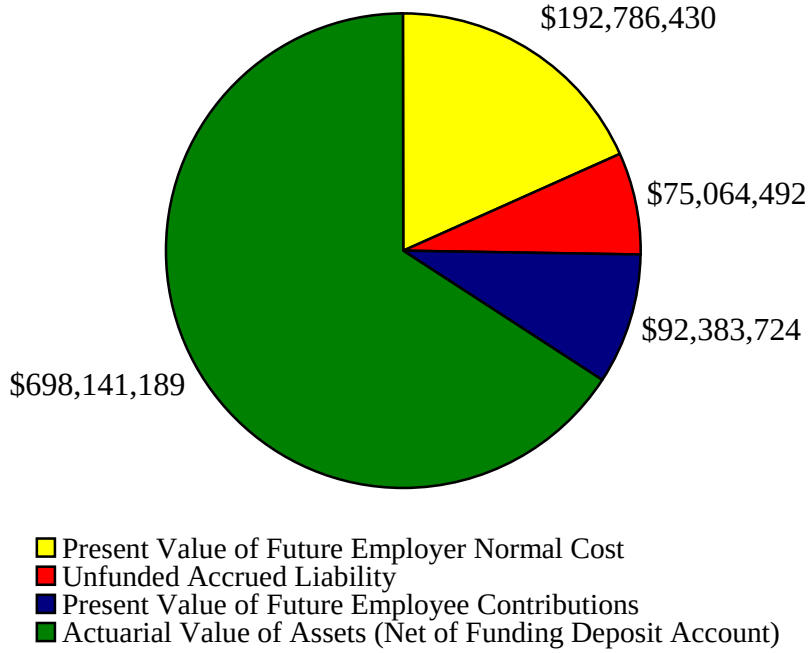
Notwithstanding recent contribution increases, a significant portion of investment losses incurred in fiscal 2009 have not yet been released into the actuarial value of assets due to the current asset smoothing methodology. These losses will be released over the next three years and, even when the investment gains for the fiscal 2010 are factored in, this will put upward pressure on costs as they are released into income unless they are offset by substantial asset or liability gains.

COST OF LIVING INCREASES

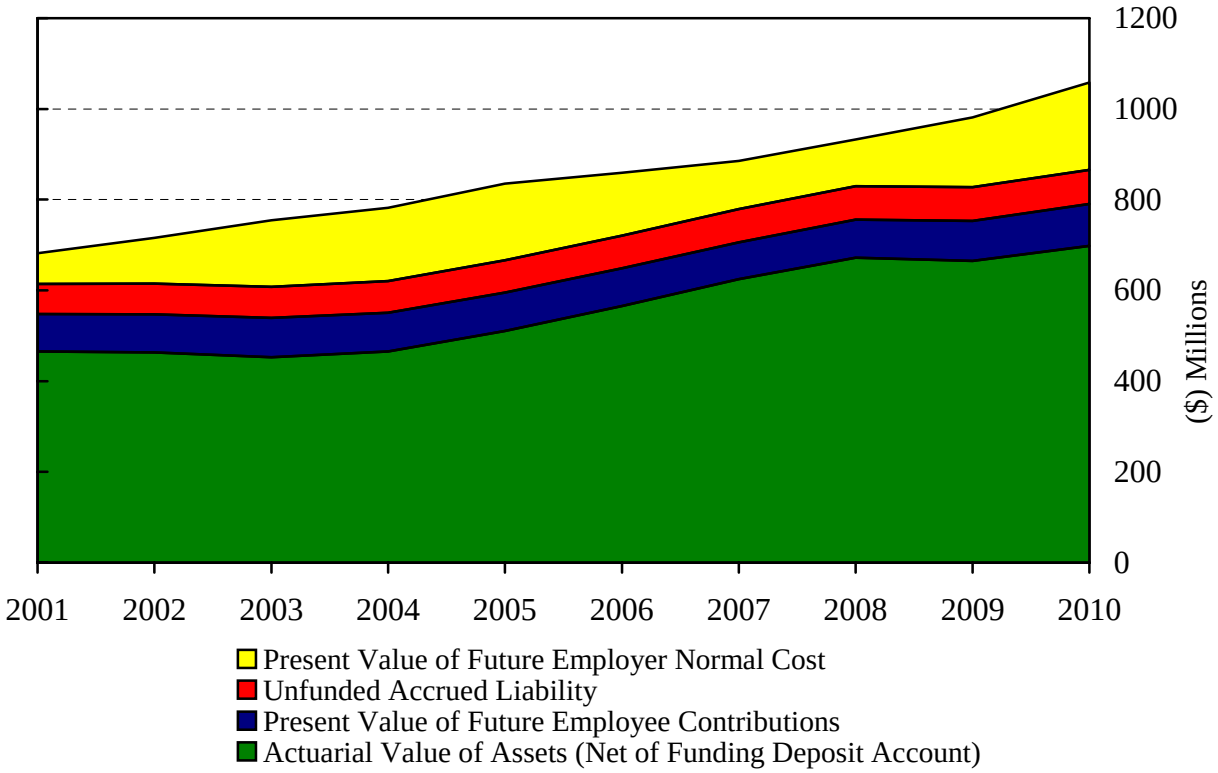
During fiscal 2010 the actual cost of living (as measured by the US Department of Labor CPI-U) increased by 1.05%. Cost of living provisions for the system are detailed in R.S. 11:1761 and R.S. 11:246. The former statute allows the board to use interest earnings in excess of the normal requirements to grant annual cost of living increases of 2% of each retiree's original benefit. R.S. 11:246 provides cost of living increases of 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×(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 June 30th 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 2010, neither plan met the target ratio. In addition, neither plan had excess interest earnings; hence no cost of living increase is payable to regular retirees.

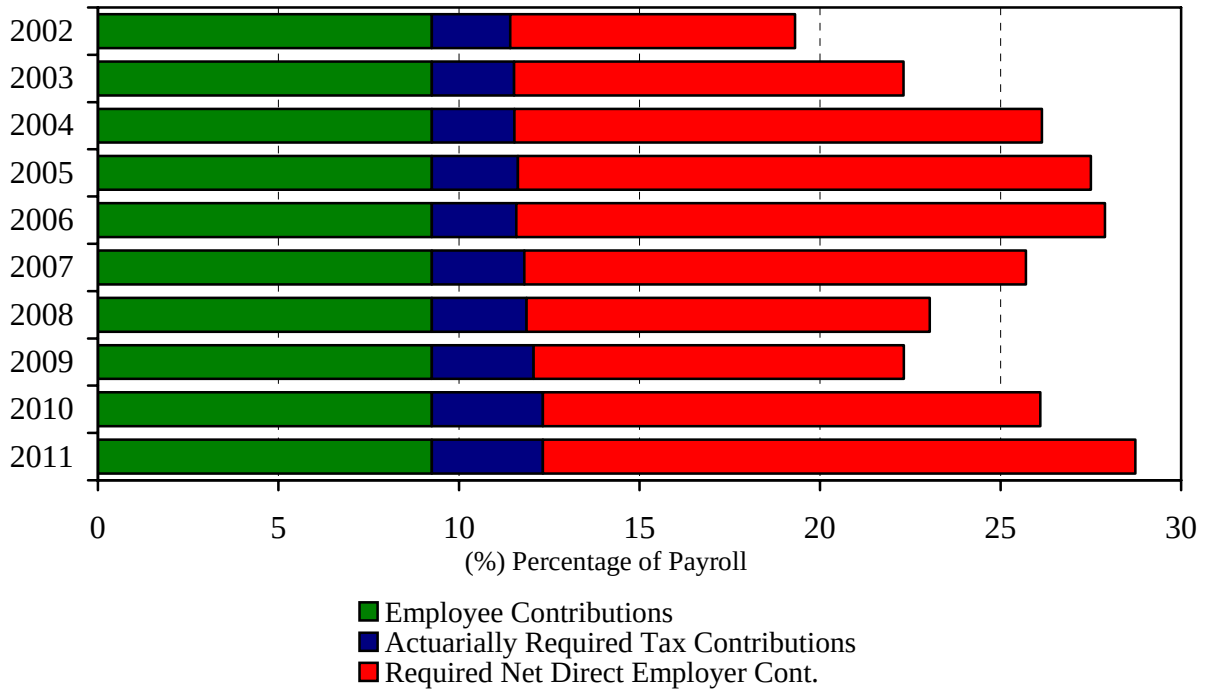
Plan A - Components of Present Value of Future Benefits
June 30, 2010



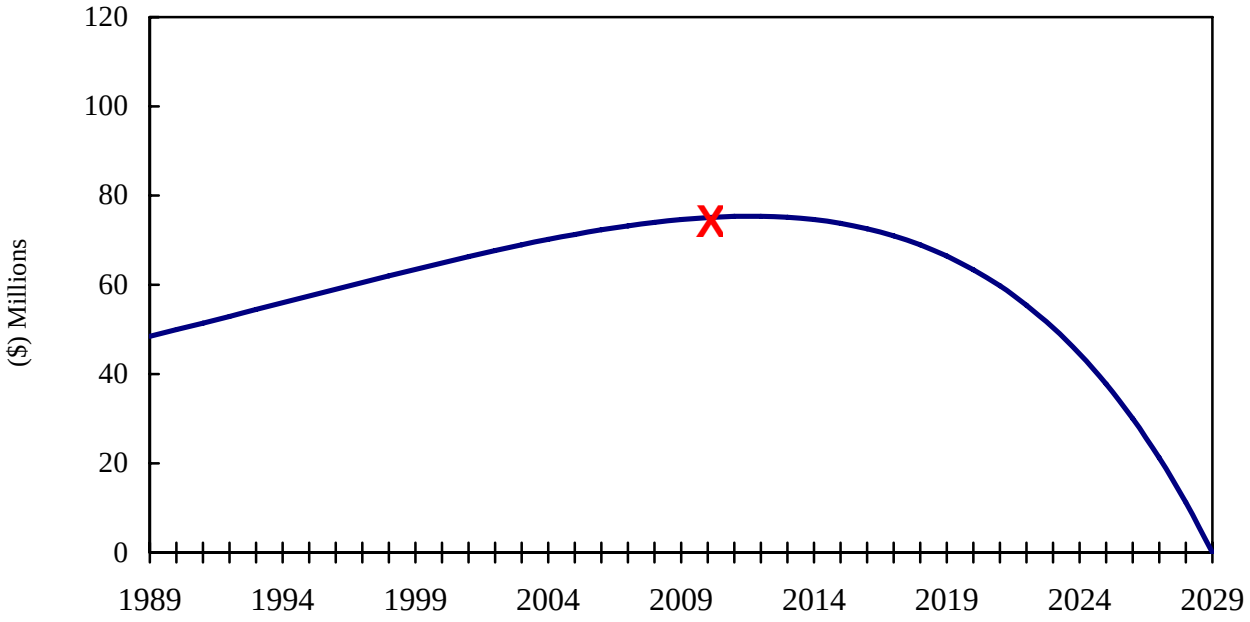
Plan A - Components of Present Value of Future Benefits



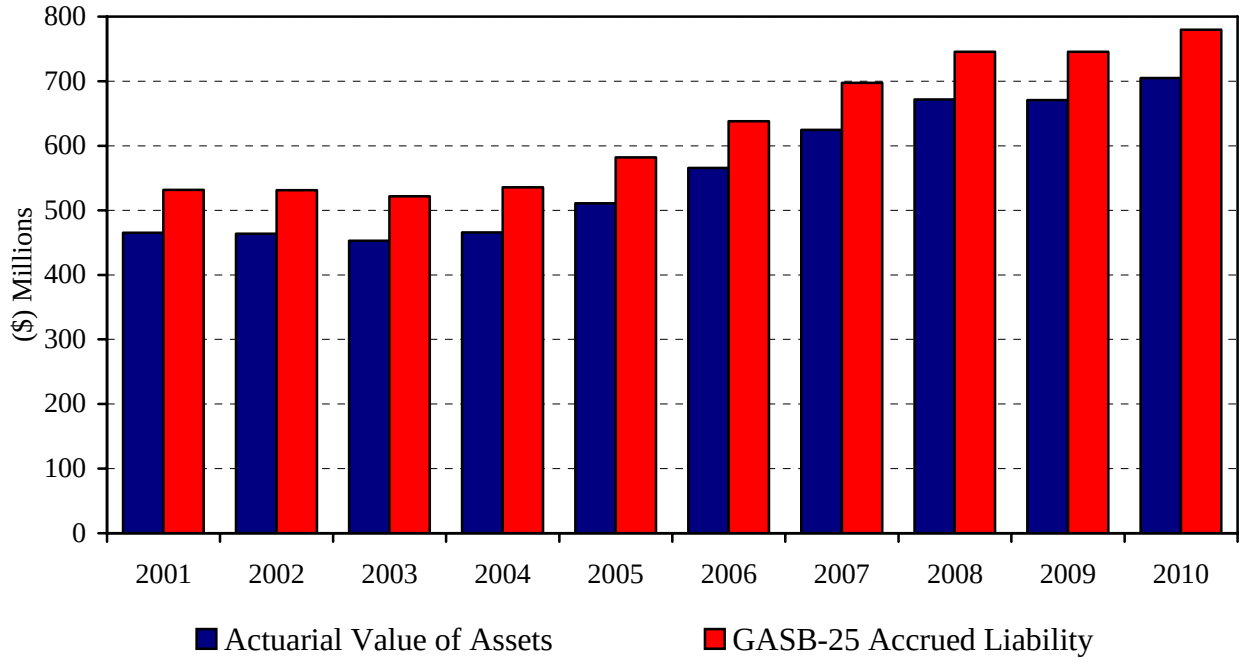
Plan A - Components of Actuarial Funding



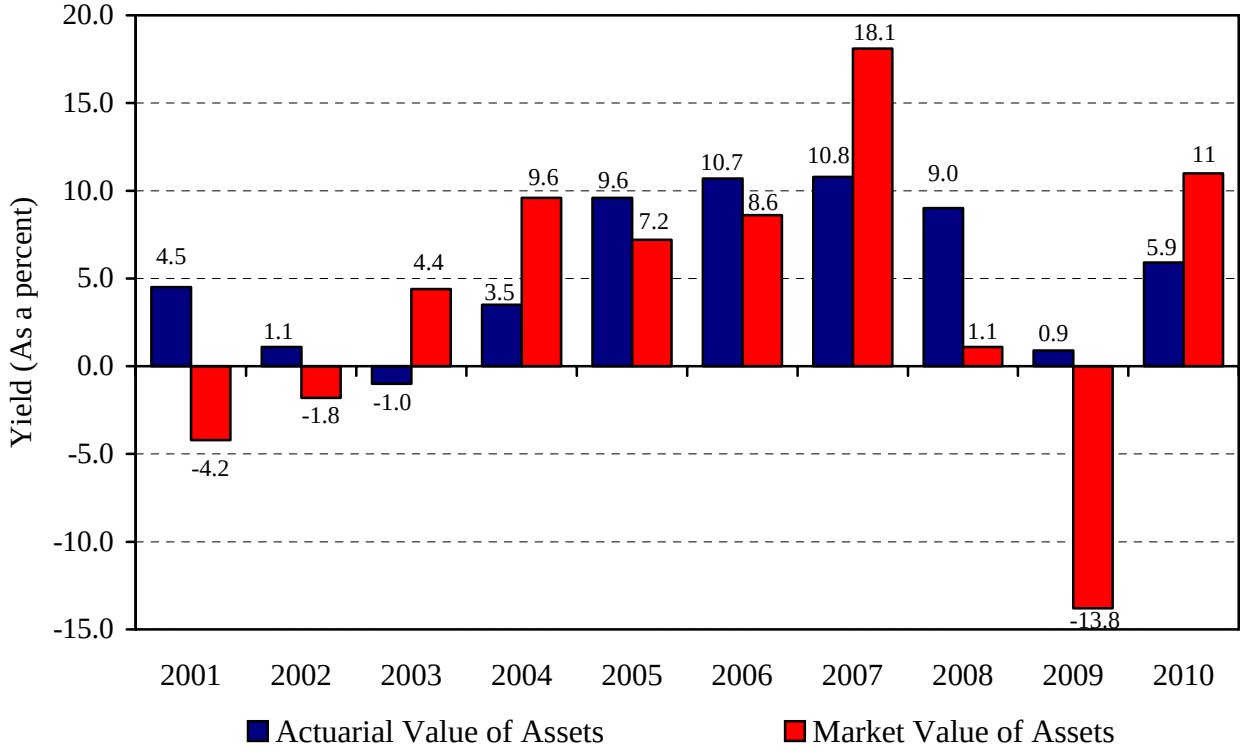
Plan A – Frozen Unfunded Accrued Liability



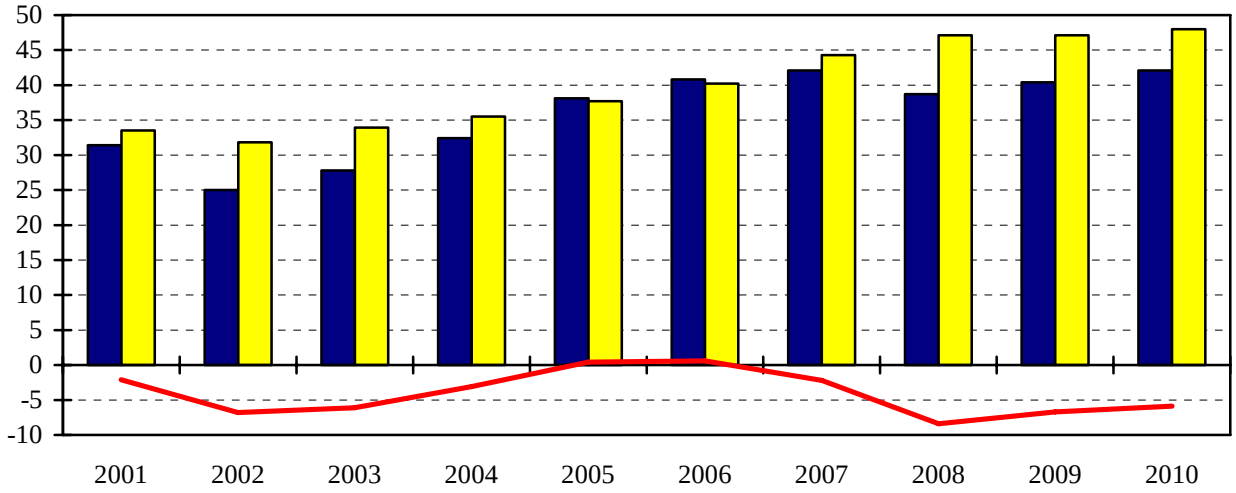
Plan A
Actuarial Value of Assets vs. GASB-25 Accrued Liability



Plan A – Historical Asset Yield

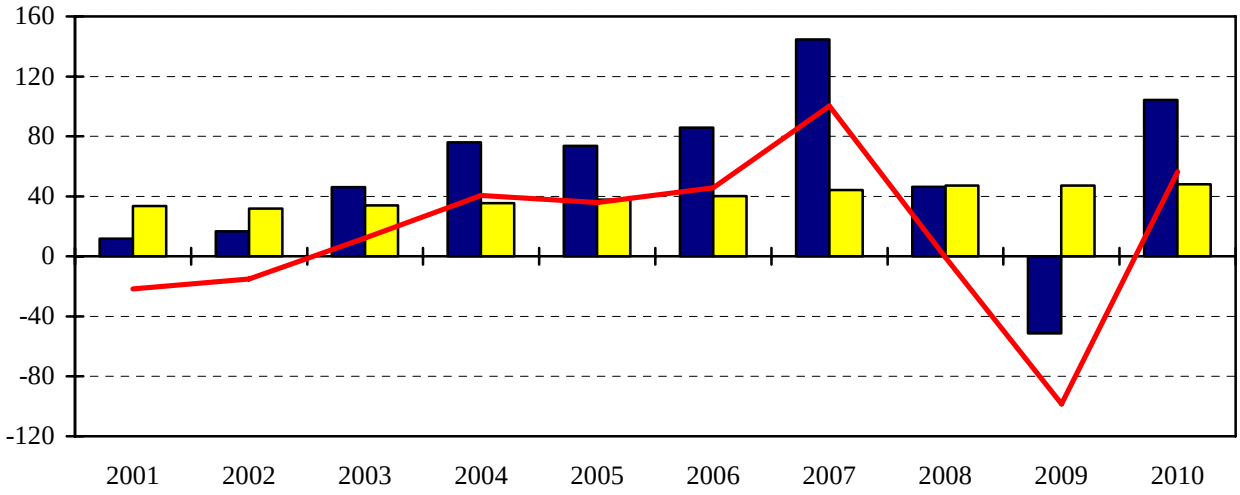


Plan A - Net Non-Investment Income



		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Non-Investment Income ($Mil)		31.4	25.0	27.8	32.4	38.1	40.8	42.1	38.7	40.4	42.1
Benefits and Expenses ($Mil)		33.5	31.8	33.9	35.5	37.7	40.2	44.3	47.1	47.1	48.0
Net Non-Investment Income ($Mil)		-2.1	-6.8	-6.1	-3.1	0.4	0.6	-2.2	-8.4	-6.7	-5.9

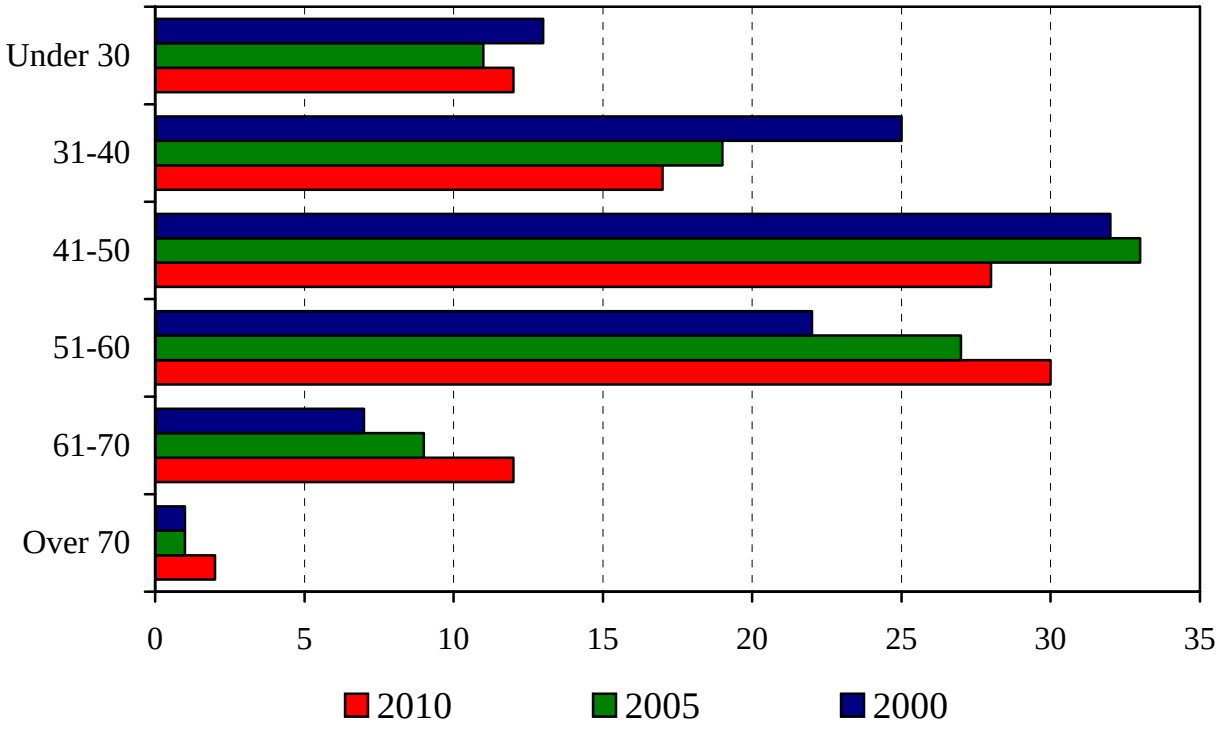
Plan A - Total Income vs. Expenses
(Based on Market Value of Assets)



		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Income ($Mil)		11.8	16.7	46.2	76.0	73.6	85.8	144.6	46.3	-51.3	104.3
Benefits and Expenses ($Mil)		33.5	31.8	33.9	35.5	37.7	40.2	44.3	47.1	47.1	48.0
Net Change in MVA ($Mil)		-21.7	-15.1	12.3	40.5	35.9	45.6	100.3	-0.8	-98.4	56.3

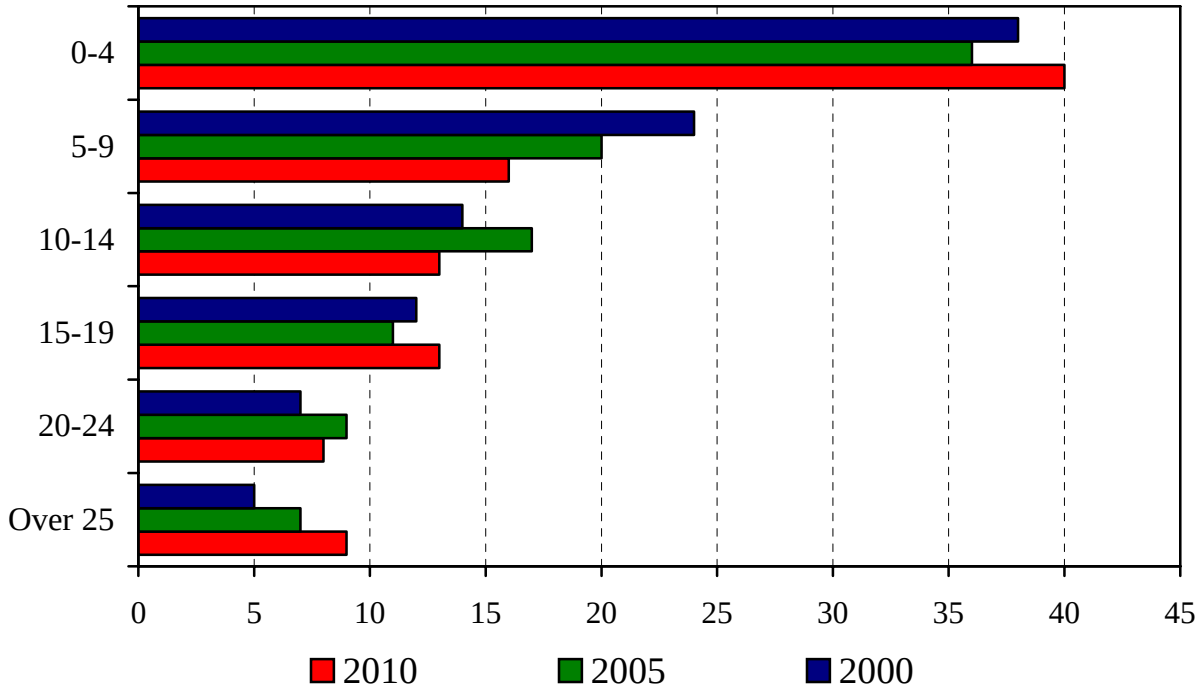
Plan A - Active – Census By Age

(as a percent)

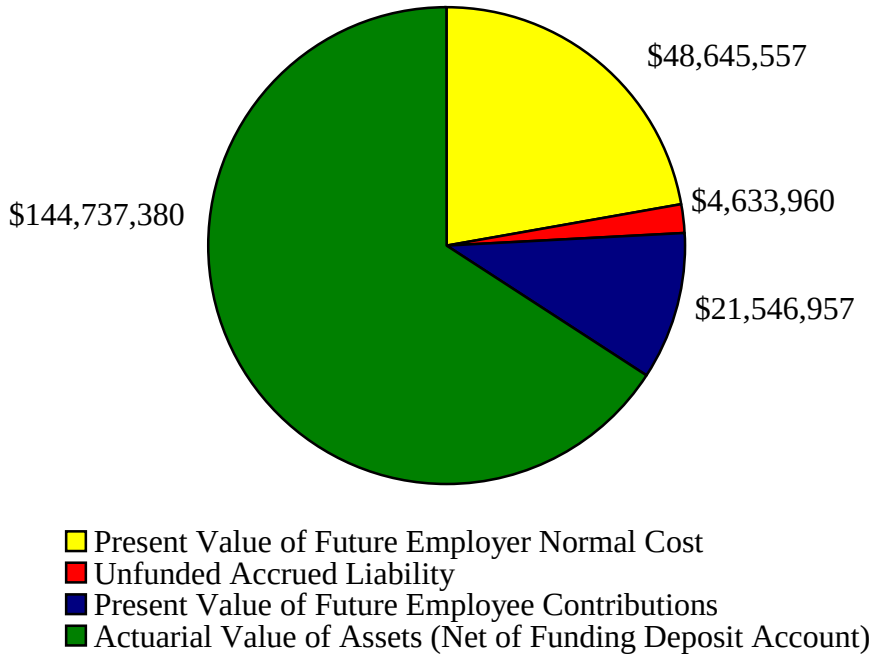


Plan A - Active – Census By Service

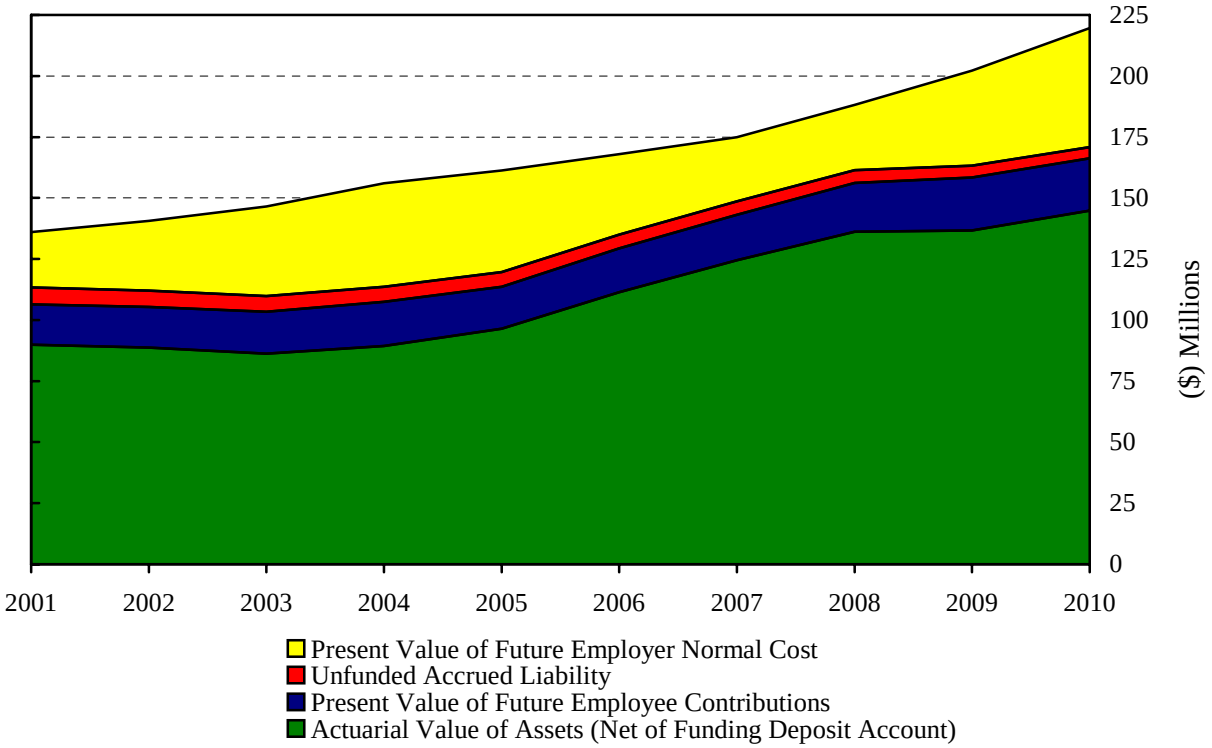
(as a percent)



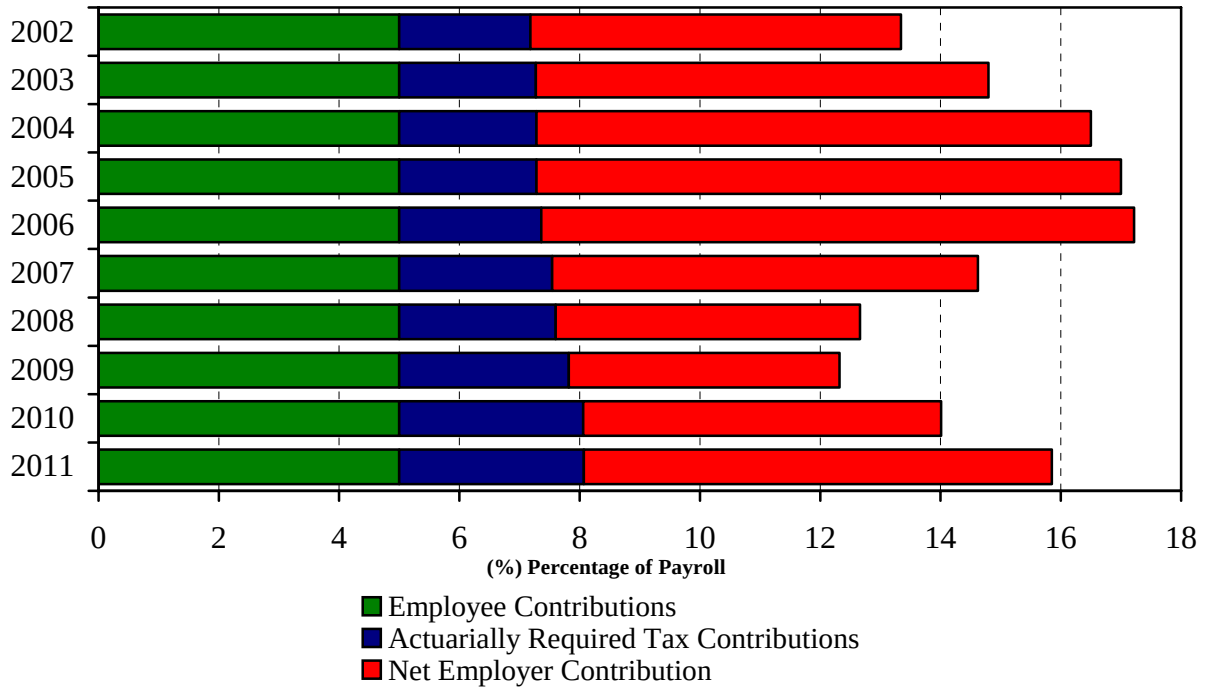
Plan B - Components of Present Value of Future Benefits
June 30, 2010



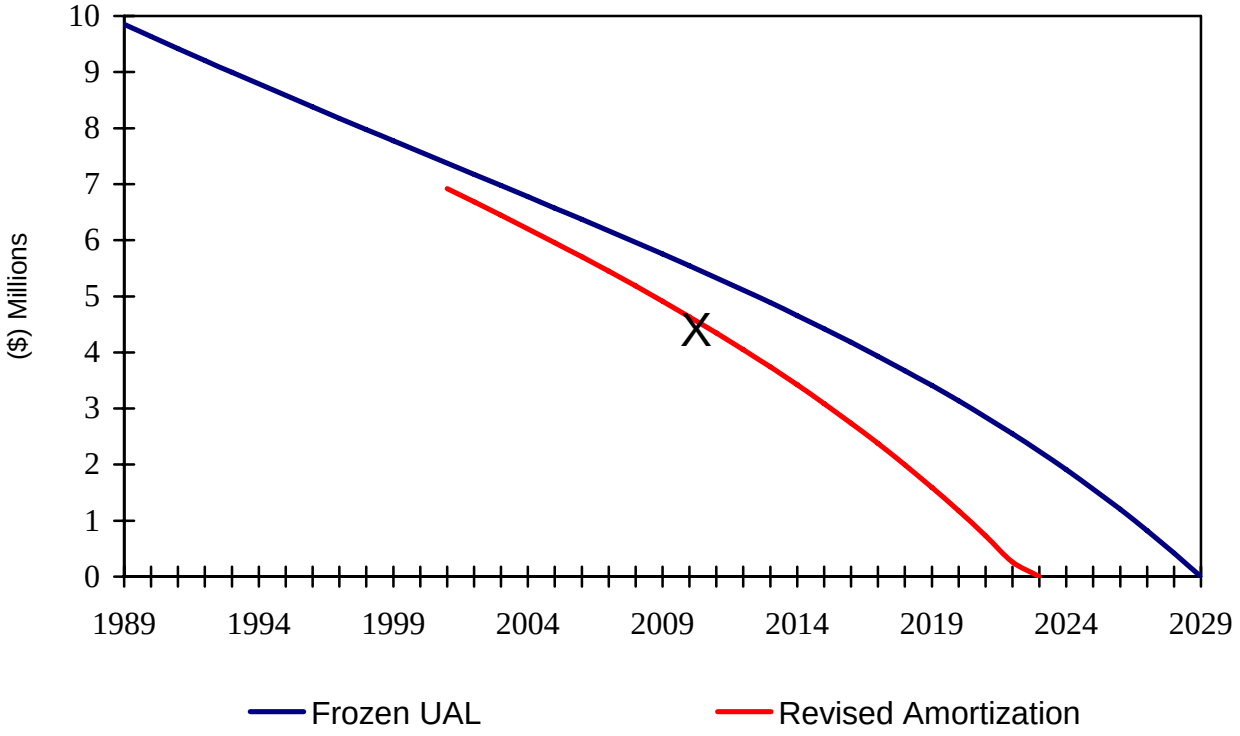
Plan B - Components of Present Value of Future Benefits



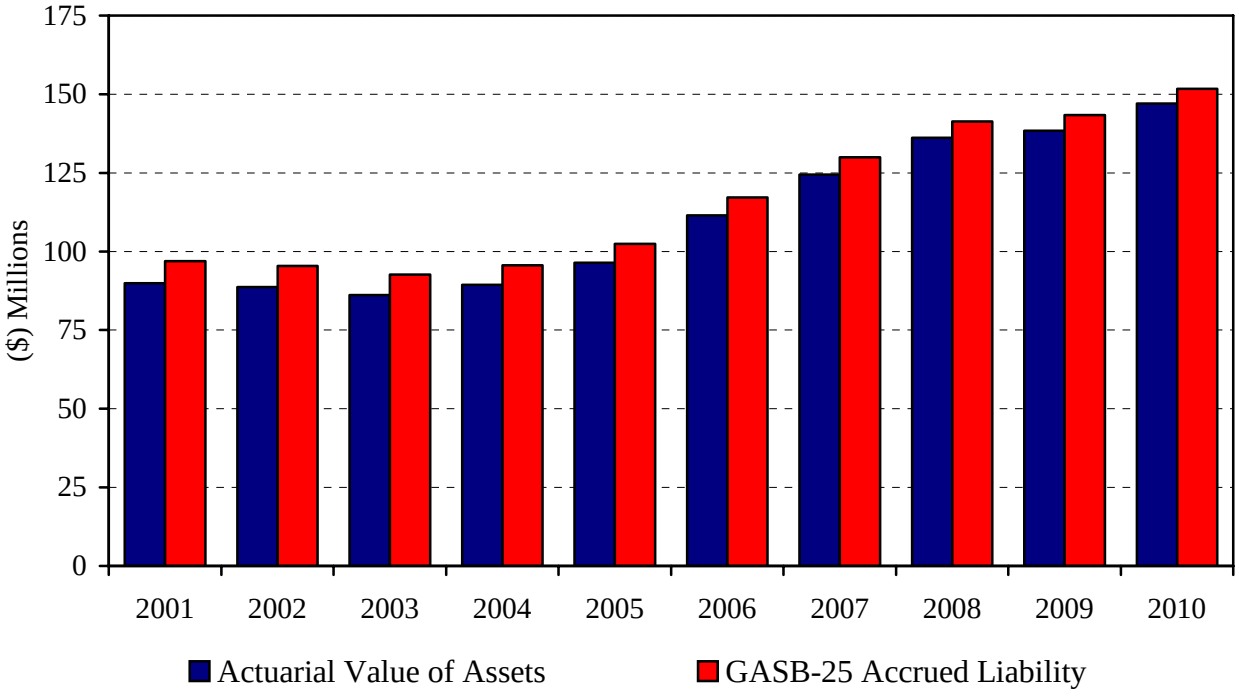
Plan B - Components of Actuarial Funding



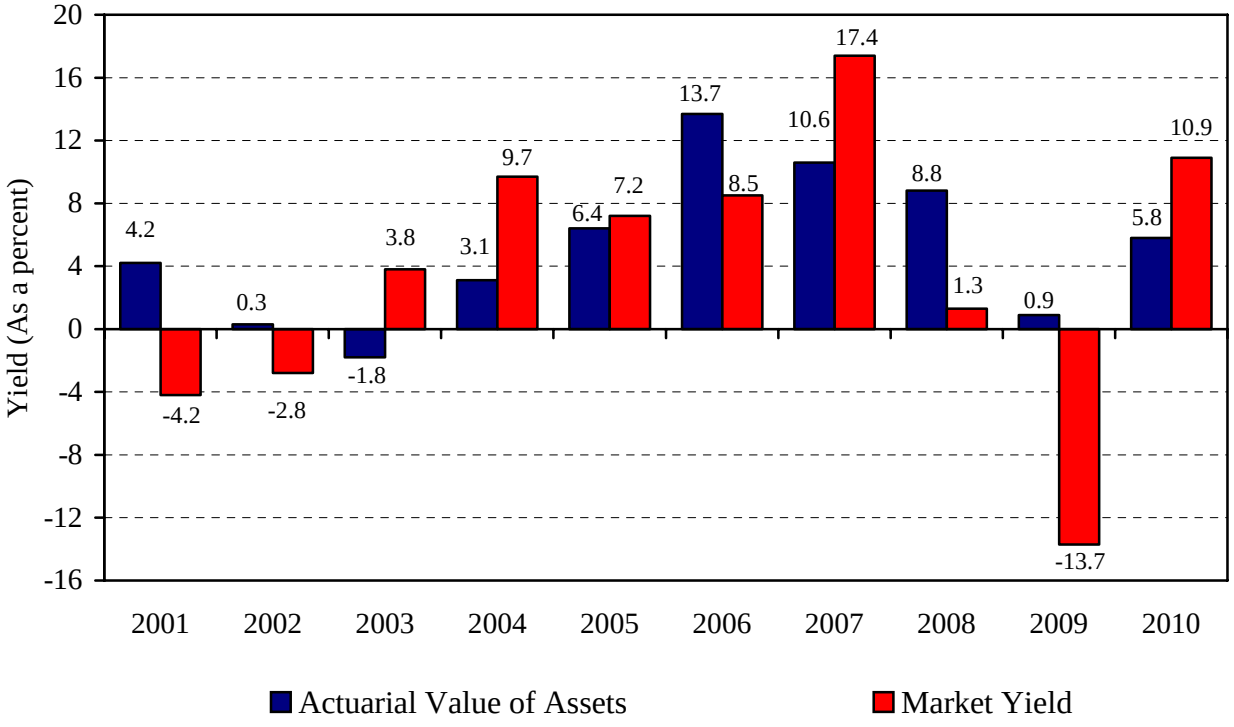
Plan B – Frozen Unfunded Accrued Liability



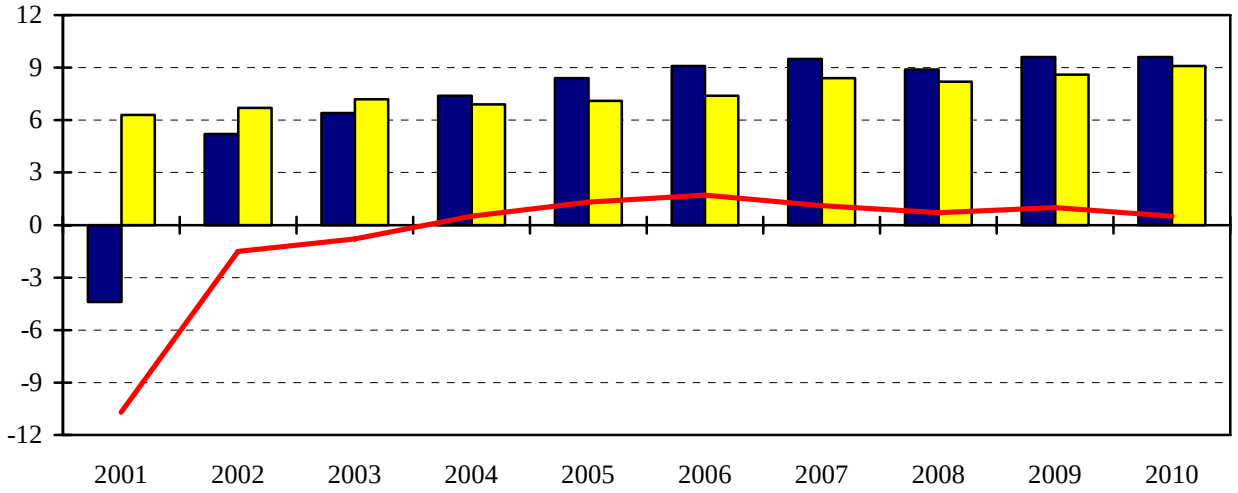
Plan B
Actuarial Value of Assets vs. GASB-25 Accrued Liability



Plan B – Historical Asset Yield

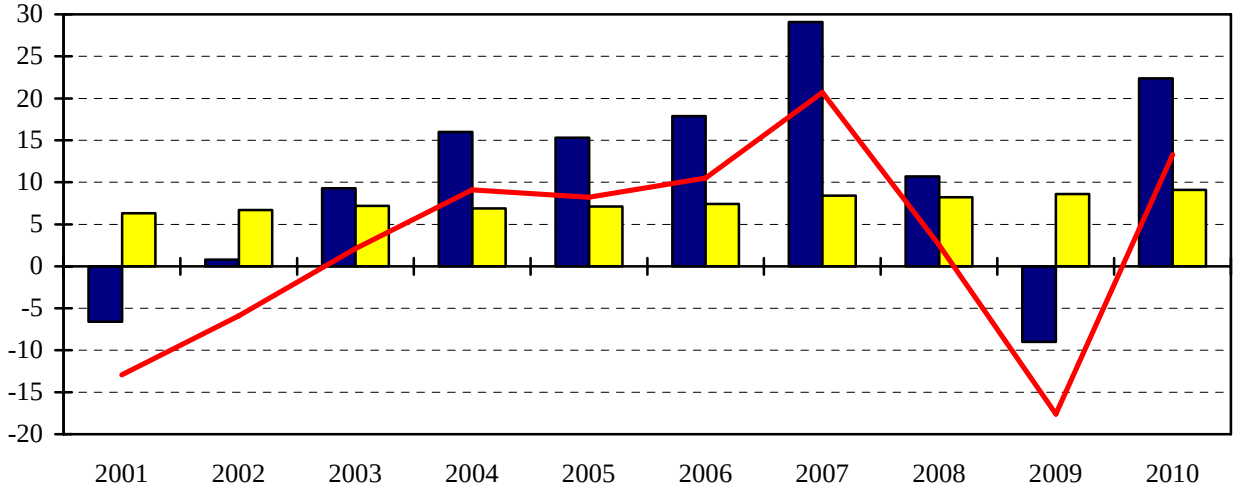


Plan B - Net Non-Investment Income



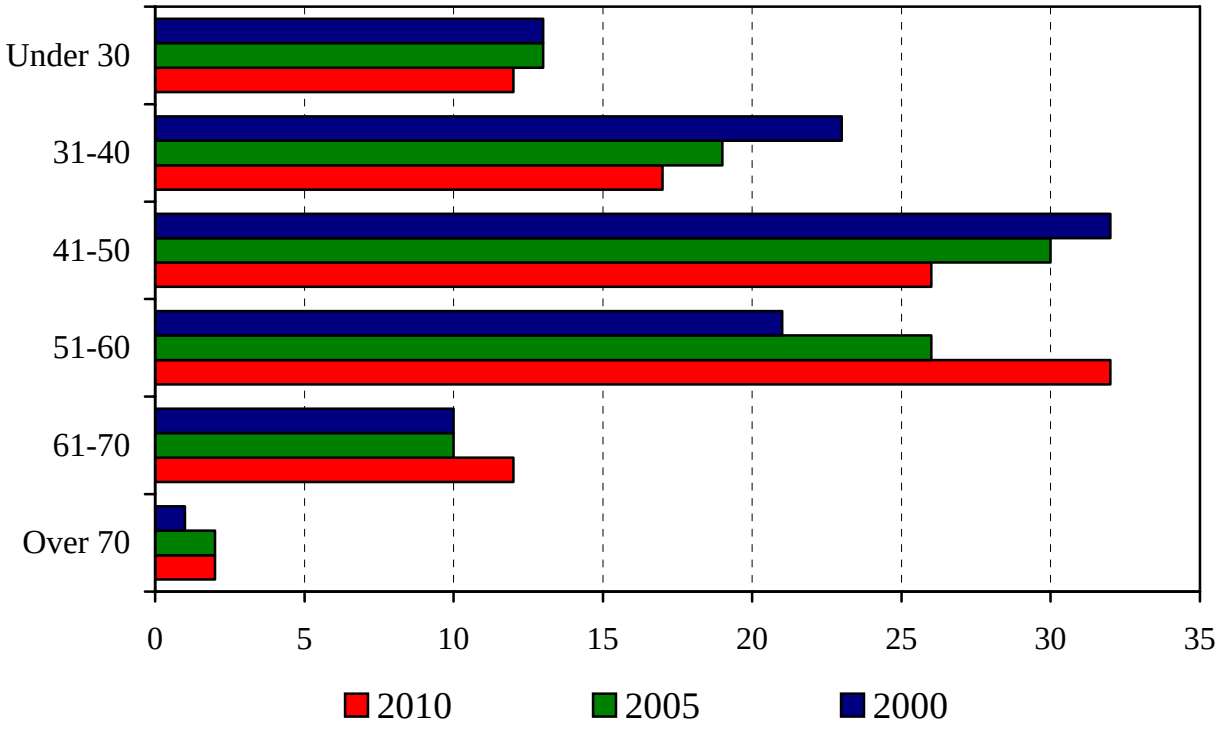
		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Non-Investment Income ($Mil)		-4.4	5.2	6.4	7.4	8.4	9.1	9.5	8.9	9.6	9.6
Benefits and Expenses ($Mil)		6.3	6.7	7.2	6.9	7.1	7.4	8.4	8.2	8.6	9.1
Net Non-Investment Income ($Mil)		-10.7	-1.5	-0.8	0.5	1.3	1.7	1.1	0.7	1.0	0.5

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

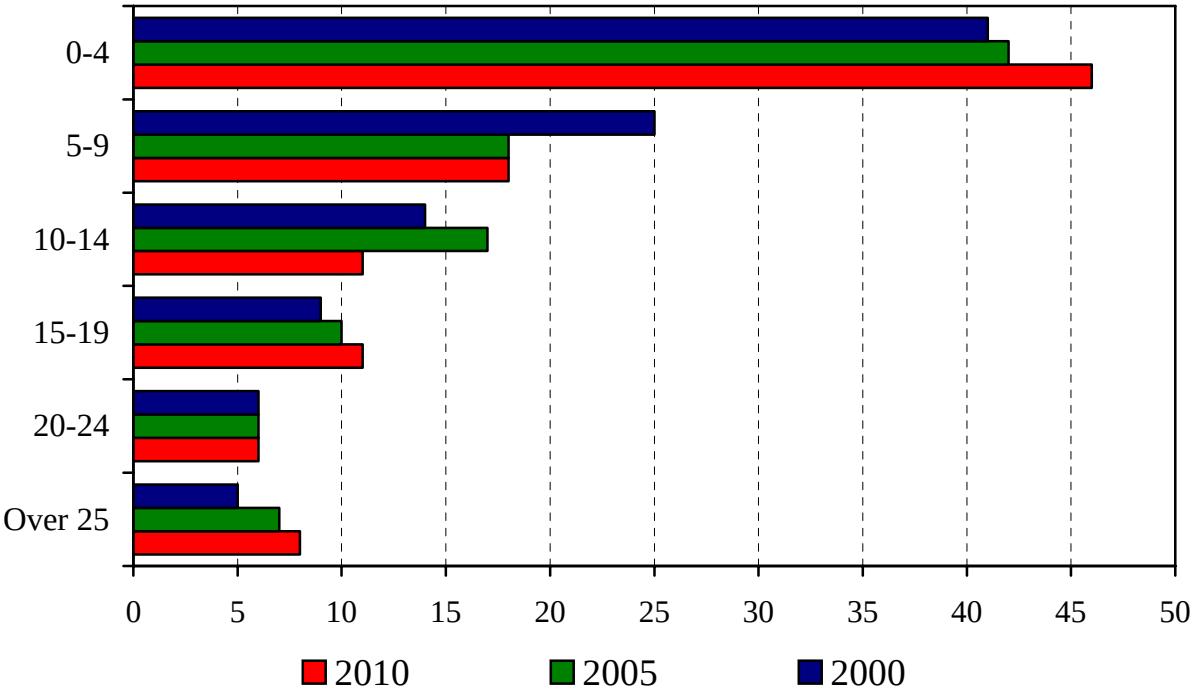


		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Income ($Mil)		-6.6	0.8	9.3	16.0	15.3	17.9	29.1	10.7	-9.0	22.4
Benefits and Expenses ($Mil)		6.3	6.7	7.2	6.9	7.1	7.4	8.4	8.2	8.6	9.1
Net Change in MVA ($Mil)		-12.9	-5.9	2.1	9.1	8.2	10.5	20.7	2.5	-17.6	13.3

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



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



EXHIBITS

EXHIBIT I
PLAN A: ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	$ 1,058,375,835
2.	Frozen Unfunded Actuarial Accrued Liability	$ 75,064,492
3.	Actuarial Value of Assets	$ 704,735,602
4.	Present Value of Future Employee Contributions	$ 92,383,724
5.	Funding Deposit Account Credit Balance	$ 6,594,413
6.	Present Value of Future Employer Normal Costs (1-2-3-4+5)	$ 192,786,430
7.	Present Value of Future Salaries	$ 1,159,019,327
8.	Employer Normal Cost Accrual Rate (6 ÷ 7)	16.633582%
9.	Projected Fiscal 2011 Salary for Current Membership	$ 152,360,280
10.	Employer Normal Cost as of July 1, 2010 (8 x 9)	$ 25,342,972
11.	Amortization Payment on Frozen Unfunded Accrued Liability of $75,064,492 with Payments increasing at 4.25% per year	$ 5,329,727
12.	Total Employer Normal Cost & Amortization Payment (10 + 11)	$ 30,672,699
13.	Employer Normal Cost and Amortization Payment Interest Adjusted for Midyear Payment	$ 31,876,004
14.	Estimated Administrative Cost for Fiscal 2011	$ 698,336
15.	Gross Employer Actuarially Required Contribution for Fiscal 2011 (13 + 14)	$ 32,574,340
16.	Projected Tax Contributions for Fiscal 2011	$ 5,015,153
17.	Projected Revenue Sharing Funds for Fiscal 2011	$ 115,492
18.	Net Direct Employer Actuarially Required Contribution for Fiscal 2011 (15 - 16 - 17)	$ 27,443,695
19.	Projected Payroll (July 1, 2010 through June 30, 2011)	$ 167,246,424
20.	Employers Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2011 (18 ÷19)	16.41%
21.	Actual Employer Contribution Rate for Fiscal 2011	14.25%
22.	Contribution Shortfall (Excess) as a % of Payroll (20 - 21)	2.16%
23.	Increase (Reduction) to Following Year Payment for Contribution Shortfall (Excess)	0.28%
24.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2012 (20 + 23 Rounded to nearest .25%)	16.75%

EXHIBIT II
PLAN A: PRESENT VALUE OF FUTURE BENEFITS

Present Value of Future Benefits for Active Members:

Retirement Benefits	$ 618,846,896	
Survivor Benefits	10,632,205	
Disability Benefits	8,026,562	
Vested Deferred Termination Benefits	12,801,204	
Contribution Refunds	17,928,550	
TOTAL Present Value of Future Benefits for Active Members		$ 668,235,417

Present Value of Future Benefits for Terminated Members:

Terminated Vested Members Due Benefits at Retirement	$ 12,379,401	
Terminated Members with Reciprocals Due Benefits at Retirement	1,338,874	
Terminated Members Due a Refund	1,757,765	
TOTAL Present Value of Future Benefits for Terminated Members		$ 15,476,040

Present Value of Future Benefits for Retirees:

Regular Retirees	$ 308,845,057	
Disability Retirees	17,418,670	
Survivors & Widows	44,058,745	
Reserve for Accrued Retiree DROP Account Balances	4,341,906	
TOTAL Present Value of Future Benefits for Retirees & Survivors		$ 374,664,378

TOTAL Present Value of Future Benefits $1,058,375,835

EXHIBIT III – Schedule A
PLAN A: MARKET VALUE OF ASSETS

Current Assets:		
Cash	$ 7,084,913	
Accrued Alternative Investments	2,973,987	
Accrued Interest and Dividends on Investments	2,604,185	
Investment Receivable	1,512,747	
Contributions Receivable from Employers	1,470,140	
Contributions Receivable from Members	951,335	
Other Receivables	358,599	
Due From Plan B (accrued)	42,619	
Due From Plan B	19,159	
TOTAL CURRENT ASSETS		$ 17,017,684
Property Plant & Equipment		$ 698,936
Mitigation Bank Capitalized Project Costs		$ 1,042,866
Prepaid Expense		$ 125,525
Loan Fees		$ 22,828
Investments:		
Co-Mingled Funds	$ 180,251,509	
Limited Partnerships	93,085,034	
Mutual Fund – Equities	76,835,651	
Cash Equivalents	60,619,517	
Common Stock	54,275,893	
Mitigation Credits	48,048,159	
Mutual Fund – Fixed Income	36,843,308	
Real Estate-Mitigation Banks and LLC	35,551,854	
Bonds	20,656,429	
Notes Receivable	13,237,190	
Line of Credit	6,055,241	
Limited Liability Companies	4,412,180	
TOTAL INVESTMENTS		$ 629,871,965
TOTAL ASSETS		$ 648,779,804
Current Liabilities:		
Notes Payable	$ 5,132,049	
Bank Overdraft	980,289	
Investment Payable	480,053	
Mitigation Bank Unearned Revenue	312,238	
Refunds Payable	218,190	
Accounts Payable	198,506	
Due to Related Parties	127,121	
Long-Term Mitigation Liability	100,880	
Accrued Real Estate Taxes Payable	19,397	
TOTAL CURRENT LIABILITIES		$ 7,568,723
OTHER CONTROLLING INTEREST		$ (16,783,576)
MARKET VALUE OF ASSETS		$ 624,427,505

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

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

Fiscal year 2010	$ 16,842,738
Fiscal year 2009	(144,474,440)
Fiscal year 2008	(45,633,930)
Fiscal year 2007	56,997,359
Fiscal year 2006	2,926,741
Total for five years	$ (113,341,532)

Deferral of excess (shortfall) of invested income:

Fiscal year 2010 (80%)	$ 13,474,190
Fiscal year 2009 (60%)	(86,684,664)
Fiscal year 2008 (40%)	(18,253,572)
Fiscal year 2007 (20%)	11,399,472
Fiscal year 2006 (0%)	0
Total deferred for year	$ (80,064,574)

Market value of plan net assets, end of year	$ 624,427,505
Preliminary actuarial value of plan assets, end of year	$ 704,492,079

Actuarial value of assets corridor

85% of market value, end of year	$ 530,763,379
115% of market value, end of year	$ 718,091,631
Allocated Share of the Expense Fund	$ 243,523
Final actuarial value of plan net assets, end of year (average of preliminary actuarial value of plan assets and 115% of market value plus allocated share of the expense fund)	$ 704,735,602

EXHIBIT IV
PLAN A: PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	$ 92,383,724
Employer Normal Contributions to the Pension Accumulation Fund	192,786,430
Employer Amortization Payments to the Pension Accumulation Fund	75,064,492
Funding Deposit Account Credit Balance	(6,594,413)
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	$353,640,233

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

Prior Year Frozen Unfunded Accrued Liability		$ 74,616,607
Interest on Frozen Unfunded Accrued Liability	$ 5,969,329	
Employer Normal Cost for Prior Year	20,316,266	
Interest on the Normal Cost	1,625,301	
Administrative Expenses	748,784	
Interest on Expenses	29,375	
Credit to Funding Deposit Account	0	
TOTAL Increases to Frozen Unfunded Accrued Liability		$ 28,689,055
Gross Regular Employer Contributions	$ 26,703,525	
Interest on Employer Contributions	1,047,591	
Contribution Shortfall (Excess)	471,555	
Interest on Contribution Shortfall (Excess)	18,499	
TOTAL Decreases to Frozen Unfunded Accrued Liability		$ 28,241,170
CURRENT YEAR FROZEN UNFUNDED ACCRUED LIABILITY		$ 75,064,492

EXHIBIT VI
PLAN A: ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets (June 30, 2009)			$	670,910,030
Income:				
Member Contributions	$	14,260,631		
Employer Contributions		22,018,054		
Ad Valorem Taxes		4,568,048		
Revenue Sharing Funds		117,423		
Irregular Contributions		1,059,561		
Transfer From Plan B (accrued)		42,619		
Total Contribution Income			$	42,066,336
Net Appreciation in Fair Value of Investments	$	62,529,432		
Interest and Dividend Income		7,966,813		
Income from Alternative Investments		1,353,329		
Securities Lending		41,751		
Investment Income Allocated from Expense Fund		779		
Investment Expense		(5,414,086)		
Net appreciation attributable to non controllable interest		(4,408,950)		
Net Investment Income			$	62,069,068
TOTAL Income			$	104,135,404
Expenses:				
Retirement Benefits	$	40,559,812		
Funds Transferred to Another System		870,202		
Refunds of Contributions		2,188,212		
DROP Disbursements		3,609,935		
Allocated Share of Administrative Expenses		725,561		
Transfer of Funds from Plan B		(2,935)		
Depreciation		27,351		
TOTAL Expenses			$	47,978,138
Net Market Income for Fiscal 2010 (Income - Expenses)			$	56,157,266
Adjustment for Change in Allocated Expense Fund Balance			$	4,128
Adjustment for Actuarial Smoothing			$	(22,335,822)
Actuarial Value of Assets (June 30, 2010)			$	704,735,602

EXHIBIT VII
PLAN A: FUND BALANCE

Present Assets of the System Creditable to:

Annuity Savings Fund	$	106,936,703
Annuity Reserve Fund		370,322,472
Pension Accumulation Fund		116,219,959
Deferred Retirement Option Plan Account		24,353,958
Funding Deposit Account		6,594,413
NET MARKET VALUE OF ASSETS	$	624,427,505
ADJUSTMENT FOR ACTUARIAL SMOOTHING		80,064,574
ALLOCATED SHARE OF THE EXPENSE FUND		243,523
ACTUARIAL VALUE OF ASSETS	$	704,735,602

EXHIBIT VIII
PLAN A: PENSION BENEFIT OBLIGATION

Present Value of Credited Projected Benefits Payable to Current Employees	$	466,233,179
Present Value of Benefits Payable to Terminated Employees		15,476,040
Present Value of Benefits Payable to Current Retirees and Beneficiaries		374,664,378
TOTAL PENSION BENEFIT OBLIGATION		856,373,597
TOTAL ACTUARIAL VALUE OF ASSETS		704,735,602
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation		82.29%

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

1. Actuarial Value of Assets Divided by PBO as of Fiscal 1986:..... 65.05%

2. Amortization of Unfunded Balance over 30 years:..... 27.96%

Adjustments in Funded Ratio Due to Changes in Assumption(s):

Changes for Fiscal 1988	4.97%
Changes for Fiscal 1989	(1.98%)
Changes for Fiscal 1995	(1.38%)
Changes for Fiscal 1997	(3.44%)
Changes for Fiscal 1998	(3.63%)
Changes for Fiscal 2000	(1.35%)
Changes for Fiscal 2003	0.89%
Changes for Fiscal 2005	0.02%
Changes for Fiscal 2006	2.66%
Changes for Fiscal 2009	5.73%
Changes for Fiscal 2010	(2.81%)

3. TOTAL Adjustments ..... (0.32%)

Amortization of Adjustments in Funded Ratio over 30 years:

Changes for Fiscal 1988	(3.64%)
Changes for Fiscal 1989	1.39%
Changes for Fiscal 1995	0.69%
Changes for Fiscal 1997	1.49%
Changes for Fiscal 1998	1.45%
Changes for Fiscal 2000	0.45%
Changes for Fiscal 2003	(0.21%)
Changes for Fiscal 2005	(0.00%)
Changes for Fiscal 2006	(0.35%)
Changes for Fiscal 2009	(0.19%)
Changes for Fiscal 2010	(0.00%)

4. TOTAL Amortization of Adjustments 1.08%

5. Target Ratio for Current Fiscal Year (Lesser of 1+2+3+4 or 100%)..... 93.77%

6. Actuarial Value of Assets Divided by PBO as of June 30, 2010 ..... 82.29%

EXHIBIT X
PLAN A: CENSUS DATA

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of June 30, 2009	4,829	2,768	223	2,861	10,681
Additions to Census					
Initial membership	508	33			541
Death of another member			(1)	40	39
Omitted in error last year				(3)	(3)
Adjustment for multiple records	4			1	5
Change in Status during Year					
Actives terminating service	(105)	105			
Actives who retired	(72)			72	
Actives entering DROP	(94)		94		
Term. members rehired	14	(14)			
Term. members who retire		(13)		13	
Retirees who are rehired					
Refunded who are rehired	16	1			17
DROP participants retiring			(36)	36	
DROP returned to work	51		(51)		
Eliminated from Census					
Refund of contributions	(292)	(107)			(399)
Deaths	(20)			(113)	(133)
Included in error last year					
Suspended Benefits					
Adjustment for multiple records					
Number of members as of June 30, 2010	4,839	2,773	229	2,907	10,748

PLAN A - ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	30	5	35	19,994	699,794
21 - 25	155	51	206	21,421	4,412,632
26 - 30	228	115	343	25,583	8,774,976
31 - 35	229	140	369	27,194	10,034,442
36 - 40	307	169	476	30,444	14,491,440
41 - 45	393	202	595	31,441	18,707,663
46 - 50	522	278	800	33,741	26,992,567
51 - 55	573	280	853	34,907	29,775,931
56 - 60	461	221	682	35,797	24,413,465
61 - 65	291	141	432	35,750	15,443,795
66 - 70	135	52	187	33,212	6,210,690
71 - 75	44	14	58	29,934	1,736,178
76 - 80	19	4	23	29,687	682,806
81 - 85	4	2	6	25,457	152,744
86 - 90	3	0	3	5,800	17,400
TOTAL	3,394	1,674	5,068	32,073	162,546,523

THE ACTIVE CENSUS INCLUDES 2,193 ACTIVES WITH VESTED BENEFITS, INCLUDING 229 DROP PARTICIPANTS AND 200 ACTIVE FORMER DROP PARTICIPANTS.

PLAN A - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	1	1	2	7,156	14,311
36 - 40	2	5	7	13,232	92,623
41 - 45	13	15	28	12,176	340,924
46 - 50	22	17	39	13,325	519,674
51 - 55	29	14	43	13,109	563,678
56 - 60	31	18	49	15,513	760,134
61 - 65	3	3	6	7,030	42,177
66 - 70	6	2	8	7,427	59,415
71 - 75	1	0	1	32,163	32,163
TOTAL	108	75	183	13,252	2,425,099

PLAN A - TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging From		To	Number	Total Contributions
0	-	99	1,842	103,683
100	-	499	338	83,916
500	-	999	122	86,048
1000	-	1999	92	132,670
2000	-	4999	94	305,196
5000	-	9999	57	398,676
10000	-	19999	35	492,978
20000	-	99999	10	272,653
	TOTAL		2,590	1,875,820

PLAN A - REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
41 - 45	0	1	1	25,913	25,913
46 - 50	44	14	58	20,572	1,193,176
51 - 55	79	41	120	23,171	2,780,533
56 - 60	135	39	174	23,975	4,171,702
61 - 65	220	108	328	19,293	6,327,940
66 - 70	299	94	393	16,155	6,348,931
71 - 75	291	96	387	14,870	5,754,721
76 - 80	209	60	269	13,374	3,597,632
81 - 85	131	57	188	12,376	2,326,667
86 - 90	73	23	96	11,270	1,081,940
91 - 99	25	12	37	8,032	297,169
TOTAL	1,506	545	2,051	16,532	33,906,324

PLAN A - DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	0	1	1	11,249	11,249
36 - 40	2	0	2	10,668	21,335
41 - 45	4	2	6	14,621	87,725
46 - 50	14	1	15	10,218	153,269
51 - 55	23	8	31	13,337	413,433
56 - 60	33	14	47	10,180	478,464
61 - 65	34	4	38	10,517	399,635
66 - 70	14	7	21	9,020	189,428
71 - 75	12	2	14	6,977	97,674
76 - 80	7	1	8	7,602	60,813
81 - 85	1	2	3	4,470	13,410
86 - 90	1	0	1	6,410	6,410
TOTAL	145	42	187	10,336	1,932,845

PLAN A - SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
0 - 25	2	5	7	6,182	43,273
31 - 35	2	0	2	5,576	11,152
36 - 40	1	3	4	6,327	25,308
41 - 45	5	10	15	4,247	63,702
46 - 50	6	17	23	8,345	191,943
51 - 55	1	33	34	8,288	281,795
56 - 60	5	33	38	8,071	306,706
61 - 65	3	51	54	9,190	496,283
66 - 70	7	84	91	9,913	902,099
71 - 75	7	93	100	9,423	942,309
76 - 80	2	114	116	8,706	1,009,930
81 - 85	1	94	95	9,327	886,100
86 - 90	4	50	54	6,745	364,222
91 - 99	1	35	36	4,555	163,980
TOTAL	47	622	669	8,503	5,688,802

PLAN A - ACTIVE MEMBERS:

Attained Ages	Completed Years of Service 0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 20	28	6	1									35
21 - 25	65	58	46	21	12	4						206
26 - 30	85	71	60	31	28	63	5					343
31 - 35	58	50	58	46	31	84	38	4				369
36 - 40	61	43	51	38	36	83	72	85	7			476
41 - 45	55	63	57	40	32	84	102	103	50	9		595
46 - 50	63	61	52	48	36	128	97	119	90	94	12	800
51 - 55	52	55	48	46	36	125	136	115	101	93	46	853
56 - 60	29	46	40	29	20	106	107	109	85	61	50	682
61 - 65	9	22	31	28	12	93	55	62	60	32	28	432
66 - 70	8	7	10	11	6	37	29	30	17	19	13	187
71 & Over	1	3	1	2	7	18	17	18	7	9	7	90
Totals	514	485	455	340	256	825	658	645	417	317	156	5068

PLAN A - AVERAGE ANNUAL SALARY OF ACTIVE MEMBERS:

Attained Ages	Completed Years of Service 0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Salary
0 - 20	19,290	22,030	27,506									19,994
21 - 25	20,448	20,970	21,353	22,292	26,426	24,936						21,421
26 - 30	22,967	23,308	25,935	25,622	25,621	31,068	28,580					25,583
31 - 35	22,772	22,163	26,430	31,323	25,290	29,528	31,981	38,015				27,194
36 - 40	21,506	24,109	26,842	32,798	27,572	31,223	32,887	38,086	48,327			30,444
41 - 45	22,861	24,301	25,843	26,859	25,414	30,192	34,014	38,654	43,345	44,946		31,441
46 - 50	23,798	25,356	26,221	26,927	27,335	30,421	32,843	37,325	45,028	45,050	41,499	33,741
51 - 55	25,405	22,517	29,440	26,516	28,322	31,369	31,724	37,388	42,952	47,628	49,159	34,907
56 - 60	27,345	28,325	29,002	32,031	26,595	32,360	33,776	36,848	40,508	43,438	50,864	35,797
61 - 65	26,338	26,956	25,686	35,469	32,634	33,663	33,358	37,632	42,266	35,926	51,735	35,750
66 - 70	37,017	22,974	30,202	38,199	33,077	33,226	32,210	27,991	28,184	43,505	40,319	33,212
71 & Over	17,822	28,874	20,294	19,630	23,536	34,016	27,366	20,336	31,135	36,262	38,932	28,768
Average	23,105	23,933	26,365	29,170	27,011	31,373	32,741	36,694	42,140	44,230	48,383	32,073

PLAN A - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 30												0
31 - 35										2		2
36 - 40									7			7
41 - 45								28				28
46 - 50							39					39
51 - 55						41	2					43
56 - 60	5	8	10	10	15	1						49
61 - 65	5					1						6
66 - 70	8											8
71 - 75	1											1
76 & Over												0
Totals	19	8	10	10	15	43	41	28	7	2	0	183

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 - 30												0
31 - 35										7,155		7,155
36 - 40									13,232			13,232
41 - 45								12,176				12,176
46 - 50							13,325					13,325
51 - 55						13,257	10,080					13,109
56 - 60	20,954	11,041	18,095	15,863	13,843	19,813						15,513
61 - 65	8,240					976						7,030
66 - 70	7,427											7,427
71 - 75	32,163											32,163
76 & Over												0
Average	12,502	11,041	18,095	15,863	13,843	13,123	13,167	12,176	13,232	7,155	0	13,252

PLAN A - SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 50	11	9	13	6	7	13						59
51 - 55	17	16	21	20	15	27	3		1			120
56 - 60	17	18	20	30	20	57	10		2			174
61 - 65	46	43	43	47	26	91	30	1	1			328
66 - 70	19	25	23	43	31	178	48	21	4	1		393
71 - 75	5	15	6	20	15	117	130	44	31	4		387
76 - 80	5	2	1	4	2	37	79	93	36	10		269
81 - 85	1			4	4	12	17	60	74	12	4	188
86 - 90				1		8	3	10	42	23	9	96
91 & Over				1		2	1	2	5	17	9	37
Totals	121	128	127	176	120	542	321	231	196	67	22	2051

PLAN A - AVERAGE ANNUAL BENEFITS PAYABLE TO SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 50	22,911	22,611	22,747	18,577	20,505	16,374						20,663
51 - 55	32,064	24,544	22,193	23,165	25,374	17,999	13,591		6,042			23,171
56 - 60	25,673	26,371	24,469	23,233	20,919	24,935	22,221		6,160			23,975
61 - 65	18,431	17,616	16,385	16,925	20,045	21,349	24,206	26,401	6,109			19,292
66 - 70	15,167	14,395	13,101	14,497	15,553	15,159	20,747	24,629	18,729	7,680		16,155
71 - 75	21,301	12,275	11,159	14,965	14,764	12,622	13,713	20,964	21,318	8,405		14,870
76 - 80	13,728	4,805	11,793	2,206	13,357	10,236	12,200	13,689	17,744	21,764		13,374
81 - 85	15,187			12,281	18,029	9,144	12,538	12,553	11,701	15,203	16,466	12,376
86 - 90				9,771		7,243	9,505	10,887	12,717	10,848	10,357	11,270
91 & Over				4,619		17,345	7,496	4,596	8,162	9,286	4,723	8,032
Average	21,156	18,609	18,392	17,399	18,884	16,271	15,516	15,629	14,489	12,668	9,163	16,532

PLAN A - DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 30												0
31 - 35					1							1
36 - 40	1						1					2
41 - 45			2	2			2					6
46 - 50			1	2	2	3	3	3	1			15
51 - 55	2	2	3	2	4	9	7	1	1			31
56 - 60	3	1	2	5	3	11	15	5	1	1		47
61 - 65	1		2		1	7	14	10	1		2	38
66 - 70				1	1	4	5	7	1	2		21
71 - 75		2	1			2		6		1	2	14
76 - 80						1	1	2	2	2		8
81 - 85								3				3
86 - 90											1	1
91 & Over												0
Totals	7	5	11	12	12	37	48	37	7	6	5	187

PLAN A - AVERAGE ANNUAL BENEFITS PAYABLE TO DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 30												0
31 - 35					11,249							11,249
36 - 40	12,839						8,496					10,667
41 - 45			20,605	10,156			13,101					14,621
46 - 50			9,784	16,637	13,310	8,945	7,803	9,018	6,293			10,218
51 - 55	10,071	14,535	16,338	15,447	17,116	13,623	10,254	13,274	8,189			13,337
56 - 60	14,496	8,338	11,466	10,215	19,729	7,600	9,304	10,725	10,413	6,242		10,180
61 - 65	9,951		10,420		20,832	8,959	10,814	11,948	8,115		3,154	10,517
66 - 70				4,190	5,411	6,633	8,170	12,502	6,516	9,206		9,020
71 - 75		6,983	5,321			7,267		7,115		9,154	6,004	6,977
76 - 80						4,223	5,433	4,657	11,087	9,835		7,602
81 - 85								4,470				4,470
86 - 90											6,410	6,410
91 & Over												0
Average	12,346	10,275	13,555	11,645	15,980	9,218	9,732	9,902	8,814	8,913	4,945	10,336

PLAN A - SURVIVING BENEFICIARIES OF FORMER MEMBERS:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 20	1		1			2	1	1				6
21 - 25						1						1
26 - 30												0
31 - 35	1					1						2
36 - 40						2	1	1				4
41 - 45	4		1			1	2	1	1		5	15
46 - 50			1	2	1	7	4	6		2		23
51 - 55	2		1	1	1	6	9	6	6	2		34
56 - 60	1	2	1	1	3	9	7	8	6			38
61 - 65		2	2	1	3	14	13	12	7			54
66 - 70		1	3	3	6	19	21	17	16	4	1	91
71 - 75	1	1	4	1		9	29	26	23	4	2	100
76 - 80						7	12	33	32	21	11	116
81 - 85						1	5	19	36	22	12	95
86 - 90							1	1	10	16	26	54
91 & Over								1	2	5	28	36
Totals	10	6	14	9	14	79	105	132	139	76	85	669

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

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 20	8,342		5,620			5,476	4,422	4,138				5,579
21 - 25						9,798						9,798
26 - 30												0
31 - 35	6,127					5,025						5,576
36 - 40						7,234	3,675	7,164				6,327
41 - 45	7,017		9,715			4,069	6,122	3,625	1,900		817	4,247
46 - 50			5,329	10,015	8,406	8,561	14,270	5,665		3,592		8,345
51 - 55	8,007		9,348	1,051	6,854	13,696	8,501	7,617	5,238	6,356		8,288
56 - 60	15,472	8,679	4,665	1,905	9,149	11,129	9,603	5,868	4,255			8,071
61 - 65		9,706	7,217	16,211	6,247	12,021	11,295	6,999	4,051			9,190
66 - 70		15,113	8,316	13,139	9,083	14,337	10,528	8,350	5,810	7,201	10,908	9,913
71 - 75	18,334	4,825	8,832	13,273		7,971	9,309	10,112	10,327	4,537	5,131	9,423
76 - 80						7,791	7,149	8,638	11,737	7,703	4,293	8,706
81 - 85						28,940	7,138	8,484	10,425	10,093	5,245	9,327
86 - 90							3,218	8,032	7,705	8,709	5,253	6,745
91 & Over								11,511	5,803	6,357	3,896	4,555
Average	9,236	9,452	7,814	10,210	8,282	11,171	9,369	8,305	9,045	8,181	4,483	8,503

EXHIBIT XI
PLAN A: YEAR-TO-YEAR COMPARISON

	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007
Number of Active Members	5,068	5,052	5,030	4,965
Number of Retirees and Survivors	2,907	2,861	2,794	2,721
Number Terminated Due Deferred Benefits	183	172	184	209
Number Terminated Due Refund	2,590	2,596	2,561	2,553
Active Lives Payroll	$ 162,546,523	$ 157,082,727	$ 148,644,512	$ 141,232,448
Retiree Benefits in Payment	$ 41,527,971	$ 39,834,118	$ 37,650,335	$ 34,978,923
Market Value of Assets	$ 624,427,505	$ 568,167,813	$ 666,534,551	$ 667,345,480
Ratio of Actuarial Value of Assets to Actuarial Accrued Liability	90.37%	89.99%	90.08%	89.51%
Actuarial Accrued Liability (As defined by GASB– 25)	$ 779,800,094	$ 745,526,637	$ 745,714,562	$ 697,658,641
Actuarial Value of Assets	$ 704,735,602	$ 670,910,030	$ 671,721,084	$ 624,442,059
Unfunded Actuarial Accrued Liability	$ 75,064,492	$ 74,616,607	$ 73,993,478	$ 73,216,582
Present Value of Future Employer Normal Cost	$ 192,786,430	$ 154,002,240	$ 102,751,307	$ 106,821,650
Present Value of Future Employee Contributions	$ 92,383,724	$ 88,362,181	$ 84,164,497	$ 81,084,751
Funding Deposit Account Credit Balance	$ 6,594,413	$ 6,105,938	N/A	N/A
Present Value of Future Benefits	$1,058,375,835	$ 981,785,120	$ 932,630,366	$ 885,565,042

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	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
Employee Contribution Rate	9.25%	9.25%	9.25%	9.25%
Proj. Tax Contribution as % of Projected Payroll	3.07%	3.07%	2.82%	2.62%
Actuarially Req'd Net Direct Employer Cont. Rate	16.41%	13.78%	10.25%	11.17%
Actual Employer Direct Contribution Rate	14.25%	13.50%	13.50%	13.50%

Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001
5,109	5,289	5,325	5,533	5,481	5,455
2,588	2,512	2,448	2,372	2,316	2,255
179	186	193	192	193	189
2,148	2,263	2,266	2,185	2,158	2,122
$ 140,773,796	$ 140,020,164	$ 135,925,550	$ 135,876,426	$ 130,191,230	$ 125,304,827
$ 32,315,373	$ 30,555,460	$ 29,043,640	$ 27,431,127	$ 26,145,224	$ 24,838,273
$ 567,015,013	$ 521,411,279	$ 485,539,046	$ 444,996,698	$ 432,669,352	$ 447,796,046
88.67%	87.75%	86.90%	86.79%	87.26%	87.53%
$ 637,909,978	$ 581,801,281	$ 535,579,287	$ 521,766,411	$ 531,127,529	$ 531,562,970
$ 565,604,518	$ 510,523,409	$ 465,429,341	$ 452,830,104	$ 463,477,324	$ 465,259,344
$ 72,305,460	$ 71,277,872	$ 70,149,946	$ 68,936,307	$ 67,650,205	$ 66,303,626
$ 138,753,419	$ 169,264,548	$ 161,387,026	$ 146,656,618	$ 100,815,782	$ 67,974,883
$ 82,859,110	$ 84,762,421	$ 85,111,124	$ 86,226,350	$ 83,902,996	$ 82,237,210
N/A	N/A	N/A	N/A	N/A	N/A
$ 859,522,507	$ 835,828,250	$ 782,077,437	$ 754,649,379	$ 715,846,307	$ 681,775,063

****

Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002
9.25%	9.25%	9.25%	9.25%	9.25%	9.25%
2.56%	2.34%	2.38%	2.29%	2.28%	2.17%
13.89%	16.30%	15.87%	14.61%	10.78%	7.89%
16.25%	16.00%	15.00%	11.00%	8.00%	7.00%

EXHIBIT XII
PLAN B: ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	$	219,563,854
2.	Frozen Unfunded Actuarial Accrued Liability	$	4,633,960
3.	Actuarial Value of Assets	$	147,046,143
4.	Present Value of Future Employee Contributions	$	21,546,957
5.	Funding Deposit Account Credit Balance	$	2,308,763
6.	Present Value of Future Employer Normal Costs (1 – 2 – 3 – 4 + 5)	$	48,645,557
7.	Present Value of Future Salaries	$	479,771,503
8.	Employer Normal Cost Accrual Rate (6 ÷ 7)		10.139318%
9.	Projected Fiscal 2011 Salary for Current Membership	$	60,393,619
10.	Employer Normal Cost as of July 1, 2010 (8 x 9)	$	6,123,501
11.	Amortization Payment on Frozen Unfunded Accrued Liability of $4,633,960 with Payments decreasing at 2% per year	$	609,400
12.	TOTAL Employer Normal Cost & Amortization Payment (10 + 11)	$	6,732,901
13.	Employer Normal Cost and Amortization Payment Interest Adjusted for Midyear Payment	$	6,997,036
14.	Estimated Administrative Cost for Fiscal 2011	$	280,293
15.	TOTAL Employer Actuarially Required Contribution for Fiscal 2011 (13 + 14)	$	7,277,329
16.	Projected Tax Contributions for Fiscal 2011	$	2,012,948
17.	Projected Revenue Sharing Funds for Fiscal 2011	$	46,356
18.	Net Direct Employer Actuarially Required Contribution for Fiscal 2011 (15-16-17)	$	5,218,025
19.	Projected Payroll (July 1, 2010 through June 30, 2011)	$	67,091,527
20.	Employers' Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2011 (18 ÷ 19)		7.78%
21.	Actual Employer Contribution Rate for Fiscal 2011		6.75%
22.	Contribution Shortfall (Excess) as a % of Payroll (20 - 21)		1.03%
23.	Increase (Reduction) to Following Year Payment for Contribution Shortfall (Excess)		0.13%
21.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2012 (20 Rounded to nearest .25%)		8.00%

EXHIBIT XIII
PLAN B: PRESENT VALUE OF FUTURE BENEFITS

Present Value of Future Benefits for Active Members:

Retirement Benefits	$ 136,179,255	
Survivor Benefits	2,946,706	
Disability Benefits	2,225,448	
Vested Deferred Termination Benefits	6,622,509	
Contribution Refunds	5,265,769	
TOTAL Present Value of Future Benefits for Active Members		$ 153,239,687

Present Value of Future Benefits for Terminated Members:

Terminated Vested Members Due Benefits at Retirement	$ 3,241,841	
Terminated Members with Reciprocals Due Benefits at Retirement	330,173	
Terminated Members Due a Refund	498,148	
TOTAL Present Value of Future Benefits for Terminated Members		$ 4,070,162

Present Value of Future Benefits for Retirees:

Regular Retirees	$ 47,341,066	
Disability Retirees	4,235,677	
Survivors & Widows	9,966,600	
Reserve for Accrued Retiree DROP Account Balances	710,662	
TOTAL Present Value of Future Benefits for Retirees & Survivors		$ 62,254,005
TOTAL Present Value of Future Benefits		$ 219,563,854

EXHIBIT XIV – Schedule A
PLAN B: MARKET VALUE OF ASSETS

Current Assets:		
Cash	$ 3,530,671	
Accrued Alternative Investments	587,091	
Contributions Receivable from Employers	354,032	
Accrued Interest on Investments	339,913	
Investments Receivable	313,217	
Contributions Receivable from Members	248,988	
Dividends Receivable	199,292	
Other	87,859	
Due To Other Funds	(19,159)	
TOTAL CURRENT ASSETS		$ 5,641,904
Property, Plant & Equipment		$ 234,302
Mitigation Bank Capitalized Project Costs		$ 215,929
Prepaid Expense		$ 25,990
Loan Fees		$ 4,727
Investments:		
Co-Mingled Funds	$ 37,351,391	
Limited Partnerships	19,252,077	
Mutual Fund – Equities	15,909,089	
Common Stock	11,715,736	
Cash Equivalents	11,238,013	
Mitigation Credits	9,948,539	
Mutual Fund – Fixed Income	7,628,535	
Real Estate-Mitigation Banks and LLC	7,361,135	
Bonds	4,276,985	
Notes Receivable	2,742,710	
Line of Credit	1,253,820	
Limited Liability Companies	893,181	
TOTAL INVESTMENTS		$ 129,571,211
TOTAL ASSETS		$ 135,694,063
Current Liabilities:		
Notes Payable	$ 1,062,609	
Bank Overdraft	203,020	
Investments Payable	99,392	
Mitigation Bank Unearned Revenue	64,650	
Refunds Payable	60,468	
Due to Plan A	42,619	
Accounts Payable	38,205	
Due to Related Parties	26,321	
Long-Term Mitigation Liability	20,888	
Accrued Real Estate Taxes Payable	4,016	
TOTAL CURRENT LIABILITIES		$ 1,622,188
OTHER CONTROLLING INTEREST		$ (3,475,098)
MARKET VALUE OF ASSETS		$ 130,596,777

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

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

Fiscal year 2010	$ 3,382,611
Fiscal year 2009	(29,319,546)
Fiscal year 2008	(8,919,684)
Fiscal year 2007	10,509,451
Fiscal year 2006	545,437
Total for five years	$ (23,801,731)

Deferral of excess (shortfall) of invested income:

Fiscal year 2010 (80%)	$ 2,706,089
Fiscal year 2009 (60%)	(17,591,727)
Fiscal year 2008 (40%)	(3,567,874)
Fiscal year 2007 (20%)	2,101,890
Fiscal year 2006 (0%)	0
Total deferred for year	$ (16,351,622)

Market value of plan net assets, end of year	$ 130,596,777
Preliminary actuarial value of plan assets, end of year	$ 146,948,399

Actuarial value of assets corridor

85% of market value, end of year	$ 111,007,260
115% of market value, end of year	$ 150,186,294
Allocated Share of the Expense Fund	$ 97,744
Final actuarial value of plan net assets, end of year (average of preliminary actuarial value of plan assets and 115% of market value plus allocated share of the expense fund)	$ 147,046,143

EXHIBIT XV
PLAN B: PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	$ 21,546,957
Employer Normal Contributions to the Pension Accumulation Fund	48,645,557
Employer Amortization Payments to the Pension Accumulation Fund	4,633,960
Funding Deposit Credit Account	(2,308,763)
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	$ 72,517,711

EXHIBIT XVI
PLAN B: CHANGE IN FROZEN UNFUNDED ACTUARIAL ACCRUED LIABILITY

Prior Year Frozen Unfunded Accrued Liability		$ 4,912,541
Interest on Frozen Unfunded Accrued Liability	$ 393,003	
Employer Normal Cost for Prior Year	4,885,791	
Interest on the Normal Cost	390,863	
Administrative Expenses	304,906	
Interest on Expenses	11,962	
Credit to Funding Deposit Account	357,684	
TOTAL Increases to Frozen Unfunded Accrued Liability		$ 6,344,209
Gross Employer Contributions	$ 6,372,782	
Interest on Employer Contributions	250,008	
Contribution Shortfall (Excess)	0	
Interest on Contribution Shortfall (Excess)	0	
TOTAL Decreases to Frozen Unfunded Accrued Liability		$ 6,622,790
CURRENT YEAR FROZEN UNFUNDED ACCRUED LIABILITY		$ 4,633,960

EXHIBIT XVII
PLAN B: ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets (June 30, 2009)		$ 138,441,127
Income:		
Member Contributions	$ 3,136,132	
Employer Contributions	4,440,363	
Ad Valorem Taxes	1,884,009	
Irregular Contributions	81,326	
Revenue Sharing Funds	48,410	
Total Contribution Income		$ 9,590,240
Net Appreciation in Fair Value of Investments	$ 12,882,769	
Interest and Dividend Income	1,649,213	
Income from Alternative Investments	277,987	
Securities Lending	8,613	
Investment Income Allocated from Expense Fund	312	
Investment Expense	(1,120,701)	
Net appreciation attributable to non controllable interest	(912,888)	
Net Investment Income		$ 12,785,305
TOTAL Income		$ 22,375,545
Expenses:		
Retirement Benefits	$ 7,280,297	
Refunds of Contributions	737,449	
Funds Transferred to Another System	56,409	
DROP Disbursements	655,866	
Allocated Share of Administrative Expenses	291,221	
Transfer to Plan A (accrued)	42,619	
Transfer to Plan A	2,935	
Depreciation	9,557	
TOTAL Expenses		$ 9,076,353
Net Market Income for Fiscal 2010 (Income - Expenses)		$ 13,299,192
Adjustment for Change in Allocated Expense Fund Balance		$ (4,128)
Adjustment for Actuarial Smoothing		$ (4,690,048)
Actuarial Value of Assets (June 30, 2010)		$ 147,046,143

EXHIBIT XVIII
PLAN B: FUND BALANCE

Present Assets of the System Creditable to:

Annuity Savings Fund	$	21,779,226
Annuity Reserve Fund		61,543,343
Pension Accumulation Fund		40,372,252
Deferred Retirement Option Plan Account		4,593,193
Funding Deposit Account		2,308,763
NET MARKET VALUE OF ASSETS	$	130,596,777
ADJUSTMENT FOR ACTUARIAL SMOOTHING		16,351,622
ALLOCATION OF EXPENSE FUND		97,744
ACTUARIAL VALUE OF ASSETS	$	147,046,143

EXHIBIT XIX
PLAN B: PENSION BENEFIT OBLIGATION

Present Value of Credited Projected Benefits Payable to Current Employees	$	100,426,901
Present Value of Benefits Payable to Terminated Employees		4,070,162
Present Value of Benefits Payable to Current Retirees and Beneficiaries		62,254,005
TOTAL PENSION BENEFIT OBLIGATION	$	166,751,068
NET ACTUARIAL VALUE OF ASSETS	$	147,046,143
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation		88.18%

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

1. Actuarial Value of Assets Divided by PBO as of Fiscal 1986:..... 63.44%

2. Amortization of Unfunded Balance over 30 years:..... 29.25%

Adjustments in Funded Ratio Due to Changes in Assumption(s):

Changes for Fiscal 1988	2.40%
Changes for Fiscal 1989	(2.94%)
Changes for Fiscal 1995	(1.22%)
Changes for Fiscal 1997	(3.84%)
Changes for Fiscal 1998	(3.71%)
Changes for Fiscal 2000	(2.29%)
Changes for Fiscal 2001	1.21%
Changes for Fiscal 2003	0.53%
Changes for Fiscal 2005	(1.12%)
Changes for Fiscal 2006	5.18%
Changes for Fiscal 2009	6.13%
Changes for Fiscal 2010	(3.99%)

3. TOTAL Adjustments ..... (3.66%)

Amortization of Adjustments in Funded Ratio over 30 years:

Changes for Fiscal 1988	(1.76%)
Changes for Fiscal 1989	2.06%
Changes for Fiscal 1995	0.61%
Changes for Fiscal 1997	1.66%
Changes for Fiscal 1998	1.48%
Changes for Fiscal 2000	0.76%
Changes for Fiscal 2001	(0.36%)
Changes for Fiscal 2003	(0.12%)
Changes for Fiscal 2005	0.19%
Changes for Fiscal 2006	(0.69%)
Changes for Fiscal 2009	(0.20%)
Changes for Fiscal 2010	0.00%

4. TOTAL Amortization of Adjustments 3.63%

5. Target Ratio for Current Fiscal Year (Lesser of 1+2+3+4 or 100%)..... 92.66%

6. Actuarial Value of Assets Divided by PBO as of June 30, 2010..... 88.18%

EXHIBIT XXI
PLAN B - CENSUS DATA

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of June 30, 2009	2,204	1,089	65	833	4,191
Additions to Census					
Initial membership	212	30			242
Death of another member				6	6
Omitted in error last year				(1)	(1)
Adjustment for multiple records					
Change in Status during Year					
Actives terminating service	(72)	72			
Actives who retired	(21)			21	
Actives entering DROP	(34)		34		
Term. members rehired	12	(12)			
Term. members who retire		(3)		3	
Retirees who are rehired					
Refunded who are rehired	9	2			11
DROP participants retiring			(5)	5	
DROP returned to work	10		(10)		
Eliminated from Census					
Refund of contributions	(203)	(42)			(245)
Deaths	(4)	(2)		(31)	(37)
Included in error last year					
Adjustment for multiple records					
Moved to Plan A					
Number of members as of June 30, 2010	2,113	1,134	84	836	4,167

PLAN B - ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	17	0	17	18,794	319,499
21 - 25	74	16	90	20,982	1,888,337
26 - 30	112	50	162	24,858	4,027,027
31 - 35	109	45	154	27,340	4,210,287
36 - 40	137	74	211	27,163	5,731,297
41 - 45	153	83	236	30,420	7,179,059
46 - 50	222	104	326	30,881	10,067,100
51 - 55	256	133	389	31,161	12,121,626
56 - 60	220	87	307	32,903	10,101,308
61 - 65	124	48	172	33,231	5,715,691
66 - 70	66	20	86	30,835	2,651,779
71 - 75	22	6	28	25,252	707,044
76 - 80	8	3	11	38,387	422,254
81 - 85	8	0	8	12,438	99,502
TOTAL	1,528	669	2,197	29,696	65,241,810

THE ACTIVE CENSUS INCLUDES 795 ACTIVES WITH VESTED BENEFITS, INCLUDING 84 DROP PARTICIPANTS AND 50 ACTIVE FORMER DROP PARTICIPANTS.

PLAN B - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
36 - 40	1	0	1	7,419	7,419
41 - 45	4	1	5	6,606	33,028
46 - 50	8	6	14	9,247	129,462
51 - 55	16	7	23	8,074	185,701
56 - 60	18	7	25	8,514	212,857
61 - 65	1	1	2	4,265	8,530
66 - 70	2	0	2	1,687	3,374
TOTAL	50	22	72	8,061	580,371

PLAN B - TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging From		To	Number	Total Contributions
0	-	99	724	20,931
100	-	499	187	42,181
500	-	999	49	32,692
1000	-	1999	30	44,363
2000	-	4999	40	128,529
5000	-	9999	23	159,399
10000	-	19999	9	120,189
		TOTAL	1,062	548,284

PLAN B - REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
46 - 50	2	0	2	16,007	32,014
51 - 55	6	0	6	17,794	106,761
56 - 60	14	4	18	18,112	326,010
61 - 65	61	22	83	12,432	1,031,821
66 - 70	73	27	100	10,003	1,000,297
71 - 75	105	37	142	9,696	1,376,816
76 - 80	76	28	104	8,892	924,777
81 - 85	47	18	65	7,923	514,965
86 - 90	25	11	36	6,985	251,466
91 - 99	9	5	14	4,290	60,065
TOTAL	418	152	570	9,868	5,624,992

PLAN B - DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
36 - 40	1	0	1	6,872	6,872
41 - 45	1	0	1	7,217	7,217
46 - 50	5	1	6	10,726	64,356
51 - 55	5	2	7	9,327	65,286
56 - 60	13	2	15	9,694	145,414
61 - 65	9	2	11	7,904	86,940
66 - 70	2	2	4	6,616	26,462
71 - 75	2	1	3	6,125	18,375
76 - 80	1	0	1	10,484	10,484
81 - 85	0	1	1	4,033	4,033
TOTAL	39	11	50	8,709	435,439

PLAN B - SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
36 - 40	0	1	1	4,280	4,280
41 - 45	1	1	2	2,217	4,434
46 - 50	1	4	5	6,483	32,416
51 - 55	2	10	12	6,005	72,054
56 - 60	1	15	16	7,678	122,845
61 - 65	0	19	19	5,886	111,834
66 - 70	1	30	31	6,847	212,245
71 - 75	1	31	32	5,491	175,712
76 - 80	1	32	33	7,303	241,014
81 - 85	0	30	30	5,516	165,490
86 - 90	1	25	26	4,464	116,066
91 - 99	0	9	9	2,272	20,448
TOTAL	9	207	216	5,921	1,278,838

PLAN B - ACTIVE MEMBERS:

Attained Ages	Completed Years of Service											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 20	12	4	1									17
21 - 25	23	30	21	10	5	1						90
26 - 30	30	39	28	21	9	31	4					162
31 - 35	15	28	22	19	16	29	23	2				154
36 - 40	28	28	18	15	21	46	26	27	2			211
41 - 45	24	25	18	30	10	52	34	29	12	2		236
46 - 50	34	36	30	27	15	58	42	40	12	28	4	326
51 - 55	26	32	24	34	18	63	45	59	32	33	23	389
56 - 60	16	22	24	22	8	66	29	38	32	18	32	307
61 - 65	9	15	5	17	8	39	18	28	18	6	9	172
66 - 70	1	5	7	5	8	10	11	13	13	7	6	86
71 & Over	1	2	1	1		4	8	9	11	4	6	47
Totals	219	266	199	201	118	399	240	245	132	98	80	2197

PLAN B - AVERAGE ANNUAL SALARY OF ACTIVE MEMBERS:

Attained Ages	Completed Years of Service											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Salary
0 - 20	17,692	20,152	26,590									18,794
21 - 25	20,478	21,498	20,289	20,583	24,293	19,040						20,982
26 - 30	23,182	23,167	24,058	26,294	29,711	26,583	27,706					24,858
31 - 35	20,615	23,711	24,650	35,404	22,925	28,634	33,500	27,245				27,340
36 - 40	21,198	23,555	26,709	25,061	27,205	27,344	33,205	32,128	30,808			27,163
41 - 45	20,331	26,939	28,019	32,637	31,575	27,956	32,658	34,743	45,175	52,331		30,420
46 - 50	22,111	27,155	23,104	33,933	33,557	29,941	31,304	35,463	41,907	39,631	35,669	30,881
51 - 55	22,484	22,246	22,486	29,548	28,458	30,341	31,245	34,357	34,802	42,043	40,129	31,161
56 - 60	25,941	23,024	25,452	34,237	27,119	30,672	32,147	35,021	38,866	38,385	43,021	32,903
61 - 65	28,647	23,746	38,048	26,767	26,125	31,779	33,280	34,978	44,468	37,783	44,721	33,231
66 - 70	35,940	22,207	20,531	32,804	36,714	39,901	27,581	24,747	26,493	37,081	45,877	30,835
71 & Over	17,506	19,756	25,404	20,160		31,879	20,021	18,546	29,278	38,933	32,306	26,145
Average	22,065	23,792	24,405	30,343	28,627	29,633	31,544	33,363	37,355	40,150	41,424	29,696

PLAN B - TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Attained Ages	Years Until Retirement Eligibility											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 35												0
36 - 40									1			1
41 - 45								5				5
46 - 50							14					14
51 - 55						23						23
56 - 60	2	6	8	2	7							25
61 - 65	2											2
66 - 70	2											2
71 & Over												0
Totals	6	6	8	2	7	23	14	5	1	0	0	72

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

Attained Ages	Years Until Retirement Eligibility											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 35												0
36 - 40									7,419			7,419
41 - 45								6,606				6,606
46 - 50							9,247					9,247
51 - 55						8,074						8,074
56 - 60	18,346	4,929	6,431	6,934	11,611							8,514
61 - 65	4,265											4,265
66 - 70	1,687											1,687
71 & Over												0
Average	8,099	4,929	6,431	6,934	11,611	8,074	9,247	6,606	7,419	0	0	8,061

PLAN B - SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 50	1	1										2
51 - 55	2				2	2						6
56 - 60	3	3	1	4	2	4	1					18
61 - 65	11	30	14	9	5	14						83
66 - 70	5	7	7	14	22	36	7	2				100
71 - 75	6	5	8	6	4	56	52	4	1			142
76 - 80	2	2	2	3		19	37	33	6			104
81 - 85		2			1	3	3	30	23	3		65
86 - 90				1		1		5	15	14		36
91 & Over						1	1		2	5	5	14
Totals	30	50	32	37	36	136	101	74	47	22	5	570

PLAN B - 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	18,036	13,978										16,007
51 - 55	25,596				13,448	14,337						17,793
56 - 60	13,057	15,646	28,820	22,198	26,666	15,178	8,243					18,112
61 - 65	11,756	11,180	8,072	18,813	14,015	15,336						12,432
66 - 70	6,584	9,560	12,542	9,533	9,531	10,225	12,021	8,641				10,003
71 - 75	11,091	7,694	7,026	9,252	11,615	10,711	8,638	16,044	457			9,696
76 - 80	8,162	3,995	15,084	6,397		9,570	7,794	9,247	12,630			8,892
81 - 85		7,197			1,192	3,621	6,908	9,034	6,706	14,175		7,923
86 - 90				4,396		4,728		7,500	7,489	6,608		6,985
91 & Over						3,699	2,415		8,901	4,162	3,068	4,290
Average	11,783	10,482	9,875	12,721	11,323	10,832	8,446	9,394	7,673	7,084	3,068	9,868

PLAN B - DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 35												0
36 - 40				1								1
41 - 45						1						1
46 - 50		1	1	1		2		1				6
51 - 55		1	1	2		1	1	1				7
56 - 60	2	3	2	3		3	1	1				15
61 - 65			2	1		1	5	2				11
66 - 70						1	1	1			1	4
71 - 75								2		1		3
76 - 80								1				1
81 - 85										1		1
86 & Over												0
Totals	2	5	6	8	0	9	8	9	0	2	1	50

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 - 35												0
36 - 40				6,872								6,872
41 - 45						7,217						7,217
46 - 50		24,444	5,160	11,731		9,128		4,766				10,726
51 - 55		9,734	16,857	9,212		9,379	5,821	5,071				9,327
56 - 60	10,598	12,845	9,611	12,689		6,385	4,633	4,605				9,694
61 - 65			14,285	5,132		6,074	5,834	8,997				7,904
66 - 70						7,002	10,507	2,771			6,183	6,616
71 - 75								7,380		3,616		6,125
76 - 80								10,484				10,484
81 - 85										4,033		4,033
86 & Over												0
Average	10,598	14,543	11,635	10,028	0	7,454	6,266	6,717	0	3,825	6,183	8,709

PLAN B - SURVIVING BENEFICIARIES OF FORMER MEMBERS:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 35												0
36 - 40							1					1
41 - 45					1		1					2
46 - 50						2	2		1			5
51 - 55		2			1	3	1	3	2			12
56 - 60				1		5	6	2		2		16
61 - 65		1	1		3	7	3	4				19
66 - 70	1			3	1	11	9	5	1			31
71 - 75						7	11	10	3	1		32
76 - 80				1		2	8	6	14	1	1	33
81 - 85					2	1	1	5	13	5	3	30
86 - 90						1	1	1	4	10	9	26
91 & Over							1			1	7	9
Totals	1	3	1	5	8	39	45	36	38	20	20	216

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 - 35												0
36 - 40							4,280					4,280
41 - 45					2,757		1,677					2,217
46 - 50						10,435	5,324		898			6,483
51 - 55		4,180			11,673	4,805	3,655	8,652	3,997			6,004
56 - 60				17,065		6,741	9,200	4,529		3,908		7,678
61 - 65		5,449	8,078		4,808	7,681	3,492	4,909				5,886
66 - 70	19,016			5,147	5,991	6,619	6,368	7,036	6,493			6,847
71 - 75						4,750	6,044	5,161	6,105	6,051		5,491
76 - 80				966		8,208	7,191	8,660	6,358	8,148	16,973	7,303
81 - 85					6,648	1,906	8,546	6,477	5,541	6,132	2,219	5,516
86 - 90						11,926	2,131	430	8,370	4,560	2,500	4,464
91 & Over							2,725			8,082	1,377	2,272
Average	19,016	4,603	8,078	6,694	6,018	6,643	6,237	6,284	6,006	5,318	2,788	5,921

EXHIBIT XXII
PLAN B: YEAR-TO-YEAR COMPARISON

	Fiscal 2010	Fiscal 2009	Fiscal 2008	Fiscal 2007
Number of Active Members	2,197	2,269	2,191	2,153
Number of Retirees and Survivors	836	833	793	794
Number Terminated Due Deferred Benefits	72	67	68	74
Number Terminated Due Refund	1,062	1,022	998	928
Active Lives Payroll	$ 65,241,810	$ 64,816,945	$ 59,233,705	$ 54,572,935
Retiree Benefits in Payment	$ 7,339,269	$ 7,149,177	$ 6,625,934	$ 6,328,157
Market Value of Assets	$ 130,596,777	$ 117,258,410	$ 134,832,148	$ 132,326,073
Ratio of Actuarial Value of Assets to Actuarial Accrued Liability	96.94%	96.57%	96.33%	95.81%
Actuarial Accrued Liability (As defined by GASB– 25)	$ 151,680,103	$ 143,353,668	$ 141,390,296	$ 129,930,047
Actuarial Value of Assets	$ 147,046,143	$ 138,441,127	$ 136,207,119	$ 124,483,332
Unfunded Actuarial Accrued Liability	$ 4,633,960	$ 4,912,541	$ 5,183,177	$ 5,446,715
Present Value of Future Employer Normal Cost	$ 48,645,557	$ 38,895,181	$ 26,827,388	$ 26,365,299
Present Value of Future Employee Contributions	$ 21,546,957	$ 21,769,886	$ 19,992,613	$ 18,627,179
Funding Deposit Account Credit Balance	$ 2,308,763	$ 1,806,555	N/A	N/A
Present Value of Future Benefits	$ 219,563,854	$ 202,212,180	$ 188,210,297	$ 174,922,525

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	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
Employee Contribution Rate	5.00%	5.00%	5.00%	5.00%
Proj. Tax Contribution as % of Projected Payroll	3.07%	3.06%	2.82%	2.60%
Actuarially Req'd Net Direct Employer Cont. Rate	7.78%	5.95%	4.50%	5.06%
Actual Employer Direct Contribution Rate	6.75%	6.75%	6.75%	6.75%

Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001
2,060	2,038	2,052	2,064	2,066	2,069
763	745	734	720	705	700
77	79	74	63	60	53
777	806	820	790	761	713
$ 51,055,201	$ 48,690,316	$ 47,676,817	$ 45,260,679	$ 43,560,002	$ 42,572,472
$ 5,872,330	$ 5,649,984	$ 5,476,263	$ 5,216,962	$ 5,039,462	$ 4,855,154
$ 111,581,452	$ 101,109,899	$ 92,904,743	$ 83,836,074	$ 81,767,131	$ 87,702,933
95.13%	94.18%	93.51%	93.04%	92.99%	92.86%
$ 117,108,583	$ 102,373,290	$ 95,618,087	$ 92,615,633	$ 95,381,233	$ 96,857,576
$ 111,404,638	$ 96,417,685	$ 89,415,704	$ 86,170,714	$ 88,697,416	$ 89,937,940
$ 5,703,945	$ 5,955,605	$ 6,202,383	$ 6,444,919	$ 6,683,817	$ 6,919,636
$ 32,959,966	$ 41,742,178	$ 42,458,765	$ 36,670,550	$ 28,532,252	$ 22,615,159
$ 17,883,419	$ 17,253,376	$ 18,040,618	$ 17,184,709	$ 16,666,322	$ 16,496,208
N/A	N/A	N/A	N/A	N/A	N/A
$ 167,951,968	$ 161,368,844	$ 156,117,470	$ 146,470,892	$ 140,579,807	$ 135,968,943

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Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002
5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
2.54%	2.36%	2.37%	2.28%	2.27%	2.18%
7.08%	9.86%	9.72%	9.22%	7.53%	6.16%
9.75%	9.75%	9.50%	7.75%	6.25%	4.50%

SUMMARY OF PRINCIPAL PLAN PROVISIONS

All members of the Municipal Employees' Retirement System are participants in either Plan A or 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 as of June 30, 2010, is for general informational purposes only and does not constitute a guarantee of benefits.

MEMBERSHIP - All persons who are actively employed by a participating employer on a permanent, regularly scheduled basis of at least an average of thirty-five hours per week are members of this system. Excluded from membership are members of city councils, alderman, town councilmen, and constables; the exclusion does not apply to persons serving in excluded positions on January 1, 1997.

PLAN A PROVISIONS:

CONTRIBUTION RATES - Employee contributions in Plan A are 9.25% of the member's earnings. 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 remits the money to the system on an annual basis. Taxes are apportioned between Plan A and Plan B in proportion to salaries of plan participants. Taxes received from East Baton Rouge Parish are apportioned between the Municipal Employees' Retirement System and the Employees' Retirement System of the City of Baton Rouge. The system also receives revenue sharing funds each year as appropriated by the legislature. The remaining employer contributions are determined according to actuarial requirements and are set annually.

RETIREMENT BENEFITS - Members with ten years of creditable service may retire at age sixty; members with twenty-five years of service may retire regardless of age. The monthly retirement allowance is equal to three percent of the member's final compensation multiplied by his years of creditable service; elected officials receive an additional one-half percent of final compensation for each year of such elected service. However, the accrued retirement benefits for those employees who were members of only the supplemental plan prior to October 1, 1978, are based on one percent of final compensation plus two dollars per month for each year of service credited prior to October 1, 1978. The retirement allowance may not exceed the greater of final annual salary or one hundred percent of the member's final average compensation. Members with twenty years of service credit, not otherwise eligible for normal retirement, are eligible for a modified actuarially reduced early retirement.

DISABILITY BENEFITS - Five years of creditable service are required in order to be eligible for disability benefits. Twenty years of creditable service are required in order for a member to have a vested disability benefit. A disabled member receives a normal retirement allowance if eligible under regular retirement provisions; if he is not eligible for a normal retirement, he receives a disability benefit equal to the lesser of:

1) Forty-five percent of his final average compensation or three percent of his final average compensation multiplied by his years of creditable service, whichever is greater; or
2) Three percent of his final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

SURVIVOR BENEFITS - Five years of creditable service are required in order to be eligible for survivor benefits. If the member is eligible for normal retirement at the time of death, the surviving spouse receives an automatic option two benefit. If the member is not eligible for a normal retirement, the surviving spouse with minor children receives sixty percent of final compensation payable until no child in her care satisfies the definition of minor child. The surviving spouse with no minor children receives forty percent of final compensation payable upon attainment of age sixty by the spouse, or the actuarial equivalent of this amount payable immediately (such equivalent not to be less than 20% of final compensation). Minor children with no surviving unmarried parent receive thirty percent of final compensation each not to exceed a total of sixty percent of final compensation. Survivor benefits are also payable to the surviving spouse's of former members who have not withdrawn their accumulated contributions and who have at least twenty years of creditable service. The benefits payable are the actuarial equivalent of the Option 2 benefits that would have become payable to the surviving spouse at the time the former member would have begun receiving deferred normal retirement benefits, had the member survived until that date, elected Option 2, and died at that time.

PLAN B PROVISIONS:

CONTRIBUTION RATES - Employee contributions in Plan B are 5.00% of the member's earnings. 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 remits the money to the system on an annual basis. Taxes are apportioned between Plan A and Plan B in proportion to salaries of plan participants. Taxes received from East Baton Rouge Parish are apportioned between the Municipal Employees' Retirement System and the Employees' Retirement System of the City of Baton Rouge. The system also receives revenue sharing funds each year as appropriated by the legislature. The remaining employer contributions are determined according to actuarial requirements and are set annually.

RETIREMENT BENEFITS - Members with ten years of creditable service may retire at age sixty; members with thirty years of service may retire at any age. The monthly retirement allowance is equal to two percent of the member's final compensation multiplied by his years of creditable service; elected officials receive an additional one-half percent of final compensation for each year of such elected service.

DISABILITY BENEFITS - Ten years of creditable service are required in order to be eligible for disability benefits. Twenty years of creditable service are required in order for a member to have a vested disability benefit. A disabled member receives a normal retirement allowance if eligible under regular retirement provisions; if he is not eligible for a normal retirement allowance, he receives a disability benefit equal to the lesser of:

1) Thirty percent of his final average compensation or two percent of his final average compensation multiplied by his years of creditable service, whichever is greater; and
2) Two percent of his final average compensation multiplied by his years of creditable service projected to his earliest normal retirement age.

SURVIVOR BENEFITS - The surviving spouse of a member who was eligible for normal retirement at the time of death receives an automatic option two benefit. The surviving spouse of a member with five or more years of creditable service and not eligible for normal retirement at the time of death receives either 30% of the member's final compensation payable to the spouse when they attain age 60 or an actuarial equivalent of 30% of the deceased member's final compensation, but not less than 15% of such final compensation. Survivor benefits are also payable to the surviving spouse's of former members who have not withdrawn their accumulated contributions and who have at least twenty years of creditable service. The benefits payable are the actuarial equivalent of the Option 2 benefits that would have become payable to the surviving spouse at the time the former member would have begun receiving deferred normal retirement benefits, had the member survived until that date, elected Option 2, and died at that time.

PROVISIONS APPLICABLE TO BOTH PLAN A AND B:

FINAL AVERAGE COMPENSATION – For a member whose first employment making him eligible for membership in the system began on or before June 30, 2006, final average compensation is based on the average monthly earnings during the highest thirty-six consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve month period within the thirty-six month period shall not exceed 125% of the preceding twelve month period.

For a member whose first employment making him eligible for membership in the system began after June 30, 2006, final average compensation is based on the average monthly earnings during the highest sixty consecutive months or joined months if service was interrupted. The earnings to be considered for each twelve month period within the thirty-six month period shall not exceed 125% of the preceding twelve month period.

UNUSED SICK & ANNUAL LEAVE – All unused sick and annual leave is credited at the time of retirement to the member if the employer so elects for his employees. The actuarial cost of providing this conversion is borne solely by the employer and must be paid to the board within thirty days of the member's retirement date.

OPTIONAL ALLOWANCES - Members may receive their benefits as a life annuity, or in lieu of such a reduced benefit according to the option selected which is the actuarial equivalent of the maximum benefit.

> **Option 2** - Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will continue to receive the same reduced benefit.

Option 3 - Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will receive one-half of the member's reduced benefit.

Option 4 - Upon retirement, the member elects to receive a board-approved benefit which is actuarially equivalent to the maximum benefit.

A member may also elect to receive an actuarially reduced benefit which provides for an automatic 2 ½% annual compound increase in monthly retirement benefits based on the reduced benefit and commencing on the later of age fifty-five or retirement anniversary; this COLA is in addition to any ad hoc COLAs which are payable.

DEFERRED RETIREMENT OPTION PLAN - In lieu of terminating employment and accepting a service retirement allowance, any member of Plan A or 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. Upon commencement of participation in the plan, membership in the system terminates. During 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 account. After a member terminates his participation in DROP his account will earn interest at the actual rate of return earned on the funds left on deposit as certified by the custodian of the system's assets. This interest will be credited to the individual member's account balance on a daily basis beginning July 1, 2006. In addition, no cost of living increases are payable to 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 payment 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 DROP account 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. For any member hired prior to July 1, 2006, 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 any member hired on or after July 1, 2006, whose period of additional service after their DROP participation period ends is less than sixty months, the final compensation figure used to calculate the additional benefit will be that used to calculate the original benefit. If their period of additional service is sixty months or more, the final compensation figure used to calculate the additional benefit will be based on their compensation during the period of additional service.

COST OF LIVING INCREASES - The board of trustees is authorized to grant retired members, and widows of members, who have been retired for at least one full year an annual cost of living increase of two percent of their original benefit and all retired members and widows who are sixty-five years of age and older a two percent increase in their original benefit (or their benefit as of

October 1, 1977, if they retired prior to that time). In order for the board to grant either of these increases the system must meet certain criteria detailed in the statute related to funding status and interest earnings on investments. In lieu of other cost of living increases the board may grant an increase to retirees in the form "X×(A&B)" where "A" is equal to the number of years of credited service accrued as retirement or death of the member or retiree and "B" is equal to the number of years since death of the member or retiree to June 30 of the initial year of increase and "X" is equal to any amount available for funding such increase up to a maximum of $1.00.

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 effect of emerging experience on the fund is illustrated by the following chart.

Factor	Increase in Factor Results in
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

ACTUARIAL COST METHOD:	Frozen Attained Age Normal Actuarial Cost Method with allocation based on earnings. The frozen actuarial accrued liabilities were calculated on the projected unit credit cost method.
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 actuarial value is set equal to the average of the corridor limit and the smoothed value.
VALUATION INTEREST RATE:	8% (Net of Investment Expense)
ANNUAL SALARY INCREASE RATE:	6% (3.25% Inflation / 2.75% Merit)
ACTIVE MEMBER MORTALITY:	RP 2000 Employee Table for males and females
ANNUITANT, AND BENEFICIARY MORTALITY:	RP 2000 Healthy Annuitant Table for males and females

RETIREE COST OF LIVING INCREASES: 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. These rates apply only to those individuals eligible to retire. Members are assumed to retire no earlier than normal retirement age. In the first year of eligibility the tabular rates are multiplied by 1.5.

RETIREMENT LIMITATIONS: Projected retirement benefits are not subjected to IRS Section 415 limits.

DROP ENTRY RATES: The table of these rates is included later in the report. These rates apply only to those individuals eligible to participate in DROP. In the first year of eligibility the tabular rates are multiplied by 1.5.

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

RETIREMENT RATES FOR ACTIVE FORMER DROP PARTICIPANTS: Retirement rates for active former DROP participants are as follows:

Ages	Retirement Rates
Below 89	0.19
90	1.00

RATES OF WITHDRAWAL: The rates of withdrawal are applied based upon completed years of service according to the following table:

Service	Plan A	Plan B
0	0.24	0.26
1	0.19	0.20
2	0.16	0.15
3	0.12	0.15
4	0.10	0.10
5	0.08	0.10
6	0.08	0.09
7	0.08	0.09
8	0.06	0.06
9	0.06	0.05
10	0.06	0.05

11	0.05	0.05
12	0.05	0.05
13	0.05	0.05
14	0.03	0.05
15	0.03	0.05
16	0.03	0.03
17	0.01	0.03
18	0.01	0.03
19	0.01	0.03
20	0.01	0.02
over 20	0.01	0.02

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

RATES OF DISABILITY: 20% of the disability rates used for the 21st valuation of the Railroad Retirement System for individuals with 10 – 19 years of service.

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

FAMILY STATISTICS: Assumptions utilized in determining the costs of various survivor benefits as listed below, are derived from the information provided in the 2000 U. S. Census:

Member's Age	% With Children	Number of Children	Avg. 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: 30% of those members under age 40 who are terminated vested elect deferred benefits in lieu of contribution refunds. 45% of those who are between the ages of 40 - 49 who are terminated vested elect deferred benefits in lieu of contribution refunds. 60% of those who are at least age 50 who are terminated vested elect deferred benefits in lieu of contribution refunds.

PLAN A ACTUARIAL TABLES AND RATES

Age	Retired Male Mortality	Retired Female Mortality	Active Male Mortality	Active Female Mortality	Retirement Rates	DROP Entry Rates	Disability Rates	Remarriage Rates
18	0.00032	0.00019	0.00032	0.00019	0.00000	0.00000	0.00030	0.05665
19	0.00033	0.00019	0.00033	0.00019	0.00000	0.00000	0.00030	0.05665
20	0.00035	0.00019	0.00035	0.00019	0.00000	0.00000	0.00030	0.05665
21	0.00036	0.00019	0.00036	0.00019	0.00000	0.00000	0.00030	0.05213
22	0.00037	0.00019	0.00037	0.00019	0.00000	0.00000	0.00030	0.04834
23	0.00037	0.00020	0.00037	0.00020	0.00000	0.00000	0.00030	0.04522
24	0.00038	0.00020	0.00038	0.00020	0.00000	0.00000	0.00030	0.04270
25	0.00038	0.00021	0.00038	0.00021	0.00000	0.00000	0.00030	0.04070
26	0.00038	0.00021	0.00038	0.00021	0.00000	0.00000	0.00030	0.03915
27	0.00038	0.00022	0.00038	0.00022	0.00000	0.00000	0.00030	0.03799
28	0.00039	0.00024	0.00039	0.00024	0.00000	0.00000	0.00030	0.03714
29	0.00041	0.00025	0.00041	0.00025	0.00000	0.00000	0.00030	0.03654
30	0.00044	0.00026	0.00044	0.00026	0.00000	0.00000	0.00030	0.03611
31	0.00050	0.00031	0.00050	0.00031	0.00000	0.00000	0.00030	0.03578
32	0.00056	0.00035	0.00056	0.00035	0.00000	0.00000	0.00030	0.03549
33	0.00063	0.00039	0.00063	0.00039	0.00000	0.00000	0.00030	0.03515
34	0.00070	0.00044	0.00070	0.00044	0.00000	0.00000	0.00030	0.03471
35	0.00077	0.00047	0.00077	0.00047	0.00000	0.00000	0.00034	0.03409
36	0.00084	0.00051	0.00084	0.00051	0.00000	0.00000	0.00038	0.03286
37	0.00090	0.00055	0.00090	0.00055	0.00000	0.00000	0.00042	0.03139
38	0.00096	0.00060	0.00096	0.00060	0.00000	0.00000	0.00048	0.02973
39	0.00102	0.00065	0.00102	0.00065	0.00000	0.00000	0.00054	0.02787
40	0.00108	0.00071	0.00108	0.00071	0.00000	0.00000	0.00062	0.02585
41	0.00114	0.00077	0.00114	0.00077	0.06000	0.27000	0.00070	0.02352
42	0.00122	0.00085	0.00122	0.00085	0.06000	0.27000	0.00078	0.02111
43	0.00130	0.00094	0.00130	0.00094	0.06000	0.27000	0.00088	0.01868
44	0.00140	0.00103	0.00140	0.00103	0.06000	0.27000	0.00100	0.01629
45	0.00151	0.00112	0.00151	0.00112	0.06000	0.27000	0.00114	0.01400
46	0.00162	0.00122	0.00162	0.00122	0.06000	0.27000	0.00130	0.01208
47	0.00173	0.00133	0.00173	0.00133	0.06000	0.27000	0.00146	0.01034
48	0.00186	0.00143	0.00186	0.00143	0.06000	0.27000	0.00166	0.00879
49	0.00200	0.00155	0.00200	0.00155	0.06000	0.27000	0.00188	0.00744
50	0.00535	0.00234	0.00214	0.00168	0.06000	0.27000	0.00214	0.00629
51	0.00553	0.00246	0.00229	0.00181	0.06000	0.27000	0.00244	0.00551
52	0.00564	0.00265	0.00245	0.00197	0.06000	0.27000	0.00276	0.00493
53	0.00572	0.00290	0.00262	0.00213	0.06000	0.27000	0.00314	0.00451
54	0.00580	0.00319	0.00281	0.00232	0.06000	0.27000	0.00356	0.00423
55	0.00590	0.00353	0.00303	0.00253	0.06000	0.27000	0.00404	0.00406
56	0.00612	0.00393	0.00331	0.00276	0.06000	0.27000	0.00460	0.00000
57	0.00644	0.00438	0.00363	0.00301	0.06000	0.27000	0.00522	0.00000
58	0.00690	0.00492	0.00400	0.00329	0.06000	0.27000	0.00592	0.00000
59	0.00749	0.00553	0.00441	0.00360	0.06000	0.27000	0.00674	0.00000
60	0.00820	0.00620	0.00488	0.00393	0.14000	0.27000	0.00976	0.00000
61	0.00900	0.00692	0.00538	0.00429	0.14000	0.12000	0.01060	0.00000
62	0.00991	0.00769	0.00592	0.00466	0.14000	0.12000	0.01156	0.00000
63	0.01095	0.00851	0.00647	0.00504	0.14000	0.12000	0.01110	0.00000
64	0.01212	0.00939	0.00703	0.00543	0.14000	0.12000	0.00702	0.00000
65	0.01342	0.01036	0.00757	0.00582	0.14000	0.12000	0.00126	0.00000

PLAN B ACTUARIAL TABLES AND RATES

Age	Retired Male Mortality	Retired Female Mortality	Active Male Mortality	Active Female Mortality	Retirement Rates	DROP Entry Rates	Disability Rates	Remarriage Rates
18	0.00032	0.00019	0.00032	0.00019	0.00000	0.00000	0.00030	0.05665
19	0.00033	0.00019	0.00033	0.00019	0.00000	0.00000	0.00030	0.05665
20	0.00035	0.00019	0.00035	0.00019	0.00000	0.00000	0.00030	0.05665
21	0.00036	0.00019	0.00036	0.00019	0.00000	0.00000	0.00030	0.05213
22	0.00037	0.00019	0.00037	0.00019	0.00000	0.00000	0.00030	0.04834
23	0.00037	0.00020	0.00037	0.00020	0.00000	0.00000	0.00030	0.04522
24	0.00038	0.00020	0.00038	0.00020	0.00000	0.00000	0.00030	0.04270
25	0.00038	0.00021	0.00038	0.00021	0.00000	0.00000	0.00030	0.04070
26	0.00038	0.00021	0.00038	0.00021	0.00000	0.00000	0.00030	0.03915
27	0.00038	0.00022	0.00038	0.00022	0.00000	0.00000	0.00030	0.03799
28	0.00039	0.00024	0.00039	0.00024	0.00000	0.00000	0.00030	0.03714
29	0.00041	0.00025	0.00041	0.00025	0.00000	0.00000	0.00030	0.03654
30	0.00044	0.00026	0.00044	0.00026	0.00000	0.00000	0.00030	0.03611
31	0.00050	0.00031	0.00050	0.00031	0.00000	0.00000	0.00030	0.03578
32	0.00056	0.00035	0.00056	0.00035	0.00000	0.00000	0.00030	0.03549
33	0.00063	0.00039	0.00063	0.00039	0.00000	0.00000	0.00030	0.03515
34	0.00070	0.00044	0.00070	0.00044	0.00000	0.00000	0.00030	0.03471
35	0.00077	0.00047	0.00077	0.00047	0.00000	0.00000	0.00034	0.03409
36	0.00084	0.00051	0.00084	0.00051	0.00000	0.00000	0.00038	0.03286
37	0.00090	0.00055	0.00090	0.00055	0.00000	0.00000	0.00042	0.03139
38	0.00096	0.00060	0.00096	0.00060	0.00000	0.00000	0.00048	0.02973
39	0.00102	0.00065	0.00102	0.00065	0.00000	0.00000	0.00054	0.02787
40	0.00108	0.00071	0.00108	0.00071	0.00000	0.00000	0.00062	0.02585
41	0.00114	0.00077	0.00114	0.00077	0.00000	0.00000	0.00070	0.02352
42	0.00122	0.00085	0.00122	0.00085	0.00000	0.00000	0.00078	0.02111
43	0.00130	0.00094	0.00130	0.00094	0.00000	0.00000	0.00088	0.01868
44	0.00140	0.00103	0.00140	0.00103	0.00000	0.00000	0.00100	0.01629
45	0.00151	0.00112	0.00151	0.00112	0.00000	0.00000	0.00114	0.01400
46	0.00162	0.00122	0.00162	0.00122	0.06000	0.24000	0.00130	0.01208
47	0.00173	0.00133	0.00173	0.00133	0.06000	0.24000	0.00146	0.01034
48	0.00186	0.00143	0.00186	0.00143	0.06000	0.24000	0.00166	0.00879
49	0.00200	0.00155	0.00200	0.00155	0.06000	0.24000	0.00188	0.00744
50	0.00535	0.00234	0.00214	0.00168	0.06000	0.24000	0.00214	0.00629
51	0.00553	0.00246	0.00229	0.00181	0.06000	0.24000	0.00244	0.00551
52	0.00564	0.00265	0.00245	0.00197	0.06000	0.24000	0.00276	0.00493
53	0.00572	0.00290	0.00262	0.00213	0.06000	0.24000	0.00314	0.00451
54	0.00580	0.00319	0.00281	0.00232	0.06000	0.24000	0.00356	0.00423
55	0.00590	0.00353	0.00303	0.00253	0.36000	0.38000	0.00404	0.00406
56	0.00612	0.00393	0.00331	0.00276	0.22000	0.38000	0.00460	0.00000
57	0.00644	0.00438	0.00363	0.00301	0.22000	0.38000	0.00522	0.00000
58	0.00690	0.00492	0.00400	0.00329	0.22000	0.38000	0.00592	0.00000
59	0.00749	0.00553	0.00441	0.00360	0.22000	0.16000	0.00674	0.00000
60	0.00820	0.00620	0.00488	0.00393	0.12000	0.16000	0.00976	0.00000
61	0.00900	0.00692	0.00538	0.00429	0.12000	0.16000	0.01060	0.00000
62	0.00991	0.00769	0.00592	0.00466	0.12000	0.16000	0.01156	0.00000
63	0.01095	0.00851	0.00647	0.00504	0.12000	0.16000	0.01110	0.00000
64	0.01212	0.00939	0.00703	0.00543	0.12000	0.16000	0.00702	0.00000
65	0.01342	0.01036	0.00757	0.00582	0.12000	0.12000	0.00126	0.00000

PRIOR YEAR'S ACTUARIAL ASSUMPTIONS

ANNUITANT MORTALITY: 1994 Uninsured Pensioners' Table set forward 2 years (male mortality is based on 2 year set forward of the male table and female mortality is based on 2 year set forward of the female table)

RETIREMENT RATES FOR ACTIVE FORMER DROP PARTICIPANTS: Retirement rates for active former DROP participants are as follows:

Ages	Retirement Rates
Below 89	0.21
90	1.00

RATES OF DISABILITY: 25% of the disability rates used for the 21st valuation of the Railroad Retirement System for individuals with 10 – 19 years of service.

Note: All assumptions not listed above, or changed within the published table of rates, remained unchanged

PRIOR YEAR'S ACTUARIAL TABLES AND RATES

Age	Male Mortality Rates	Female Mortality Rates	Plan A Retirement Rates	Plan B Retirement Rates	Plan A DROP Entry Rates	Plan B DROP Entry Rates	Base * Disability Rates	Remarriage Rates
18	0.00054	0.00031	0.00000	0.00000	0.00000	0.00000	0.00150	0.05665
19	0.00057	0.00031	0.00000	0.00000	0.00000	0.00000	0.00150	0.05665
20	0.00060	0.00031	0.00000	0.00000	0.00000	0.00000	0.00150	0.05665
21	0.00063	0.00031	0.00000	0.00000	0.00000	0.00000	0.00150	0.05213
22	0.00067	0.00031	0.00000	0.00000	0.00000	0.00000	0.00150	0.04834
23	0.00071	0.00031	0.00000	0.00000	0.00000	0.00000	0.00150	0.04522
24	0.00075	0.00032	0.00000	0.00000	0.00000	0.00000	0.00150	0.04270
25	0.00078	0.00032	0.00000	0.00000	0.00000	0.00000	0.00150	0.04070
26	0.00081	0.00034	0.00000	0.00000	0.00000	0.00000	0.00150	0.03915
27	0.00084	0.00036	0.00000	0.00000	0.00000	0.00000	0.00150	0.03799
28	0.00086	0.00038	0.00000	0.00000	0.00000	0.00000	0.00150	0.03714
29	0.00088	0.00040	0.00000	0.00000	0.00000	0.00000	0.00150	0.03654
30	0.00090	0.00043	0.00000	0.00000	0.00000	0.00000	0.00150	0.03611
31	0.00091	0.00045	0.00000	0.00000	0.00000	0.00000	0.00150	0.03578
32	0.00091	0.00048	0.00000	0.00000	0.00000	0.00000	0.00150	0.03549
33	0.00091	0.00051	0.00000	0.00000	0.00000	0.00000	0.00150	0.03515
34	0.00093	0.00055	0.00000	0.00000	0.00000	0.00000	0.00150	0.03471
35	0.00096	0.00059	0.00000	0.00000	0.00000	0.00000	0.00170	0.03409
36	0.00101	0.00064	0.00000	0.00000	0.00000	0.00000	0.00190	0.03286
37	0.00107	0.00070	0.00000	0.00000	0.00000	0.00000	0.00210	0.03139
38	0.00115	0.00076	0.00000	0.00000	0.00000	0.00000	0.00240	0.02973
39	0.00124	0.00083	0.00000	0.00000	0.00000	0.00000	0.00270	0.02787
40	0.00135	0.00089	0.00000	0.00000	0.00000	0.00000	0.00310	0.02585
41	0.00145	0.00094	0.06000	0.00000	0.27000	0.00000	0.00350	0.02352
42	0.00157	0.00099	0.06000	0.00000	0.27000	0.00000	0.00390	0.02111
43	0.00170	0.00105	0.06000	0.00000	0.27000	0.00000	0.00440	0.01868
44	0.00185	0.00111	0.06000	0.00000	0.27000	0.00000	0.00500	0.01629
45	0.00204	0.00120	0.06000	0.00000	0.27000	0.00000	0.00570	0.01400
46	0.00226	0.00130	0.06000	0.06000	0.27000	0.19000	0.00650	0.01208
47	0.00250	0.00141	0.06000	0.06000	0.27000	0.19000	0.00730	0.01034
48	0.00277	0.00154	0.06000	0.06000	0.27000	0.19000	0.00830	0.00879
49	0.00309	0.00169	0.06000	0.06000	0.27000	0.19000	0.00940	0.00744
50	0.00345	0.00186	0.06000	0.06000	0.27000	0.19000	0.01070	0.00629
51	0.00385	0.00205	0.06000	0.06000	0.27000	0.19000	0.01220	0.00551
52	0.00428	0.00224	0.06000	0.06000	0.27000	0.19000	0.01380	0.00493
53	0.00476	0.00247	0.06000	0.06000	0.27000	0.19000	0.01570	0.00451
54	0.00532	0.00276	0.06000	0.06000	0.27000	0.19000	0.01780	0.00423
55	0.00600	0.00314	0.06000	0.36000	0.27000	0.30000	0.02020	0.00406
56	0.00677	0.00361	0.06000	0.22000	0.27000	0.30000	0.02300	0.00000
57	0.00762	0.00415	0.06000	0.22000	0.27000	0.30000	0.02610	0.00000
58	0.00858	0.00477	0.06000	0.22000	0.27000	0.30000	0.02960	0.00000
59	0.00966	0.00548	0.06000	0.22000	0.27000	0.12500	0.03370	0.00000
60	0.01091	0.00627	0.14000	0.12000	0.27000	0.12500	0.04880	0.00000
61	0.01233	0.00718	0.14000	0.12000	0.12000	0.12500	0.05300	0.00000
62	0.01391	0.00819	0.14000	0.12000	0.12000	0.12500	0.05780	0.00000
63	0.01563	0.00929	0.14000	0.12000	0.12000	0.12500	0.05550	0.00000
64	0.01746	0.01042	0.14000	0.12000	0.12000	0.12500	0.03510	0.00000
65	0.01939	0.01157	0.14000	0.12000	0.12000	0.12500	0.00630	0.00000

* Disability rates as displayed were base rates which were multiplied by a constant of 25%

GLOSSARY

Accrued Benefit – The pension benefit that an individual has earned as of a specific dated 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.