LOUISIANA ASSESSORS' RETIREMENT FUND

ACTUARIAL VALUATION AS OF
SEPTEMBER 30, 2008

G. S. CURRAN & COMPANY, LTD.

Actuarial Services

10555 N. Glenstone Place • Baton Rouge, Louisiana 70810 • (225)769-4825

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

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

January 22, 2009

Board of Trustees
Louisiana Assessors' Retirement Fund
P.O. Box 14699
Baton Rouge, LA 70898-4699

Ladies and Gentlemen:

We are pleased to present our report on the actuarial valuation of the Louisiana Assessors' Retirement Fund for the fiscal year ending September 30, 2008. Our report is based on the actuarial assumptions specified and relies on the data supplied by the system's administrators and accountants. This report was prepared at the request of the Board of Trustees of the Louisiana Assessors' Retirement Fund. The primary purposes of the report are to determine the actuarially required contribution for the retirement system for the fiscal year ending June 30, 2009, to recommend the net direct employer contribution rate for fiscal 2010, and to provide information for the system's financial statements. This report was prepared exclusively for the Louisiana Assessors' Retirement Fund 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 Curran, F.C.A., M.A.A.A., A.S.A.

TABLE OF CONTENTS

SUMMARY OF VALUATION RESULTS
LOUISIANA ASSESSORS' RETIREMENT FUND

Valuation Date:		September 30, 2008	September 30, 2007
Census Summary:	Active Members	786	748
	Retired Members	437	443
	Terminated Due a Deferred Benefit	22	21
	Terminated Due a Refund	54	45
Payroll:		$ 36,638,923	$ 33,568,909
Benefits in Payment:		$ 9,705,668	$ 9,618,856
Frozen Unfunded Actuarial Accrued Liability:		$ 23,857,602	$ 32,124,893
Market Value of Assets:		$ 172,306,395	$ 189,183,894
Actuarial Asset Value:		$ 189,537,035	$ 176,223,629
Actuarial Accrued Liabilities (As Defined by GASB – 25)		$ 213,394,637	$ 208,348,522
Ratio of Net AVA to GASB – 25 Accrued Liability:		88.82%	84.58%

****

	FISCAL 2009	FISCAL 2008
Employer Normal Cost (October 1):	$ 8,706,840	$ 6,151,634
Amortization Cost (October 1):	$ 2,730,445	$ 2,638,111
Interest Adjusted Gross Employer Actuarially Required Contribution Including Estimated Administrative Costs:	$ 12,147,157	$ 9,394,353
Projected Ad Valorem Taxes and Revenue Sharing Funds	$ 9,100,689	$ 7,787,321
Net Direct Employer Actuarially Required Contributions	$ 3,046,468	$ 1,607,032
Actuarially Required Net Direct Employer Contribution Rate	8.45%	4.64%
Actual Net Direct Employer Contribution Rate:	13.50%	13.50%

****

Minimum Recommended Net Employer Contribution Rate: For Fiscal 2010: 8.50%

Employee Contribution Rate: 8.00% 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 average in asset earnings above or below the assumed rate of return over a five-year period, subject to a minimum of 90% of the market value of assets and a maximum of 110% of the market value of assets.

Changes in Valuation Methods, Assumptions, and Amortization Periods: Retirement and DROP rates were changed as a result of the adoption of the Back-DROP benefit structure.

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 staff of the system furnished a census on magnetic diskette derived from the system’s master data processing file indicating each active covered employee’s sex, date of birth, service credit, annual salary, and accumulated contributions. Information on retirees detailing dates of birth of retirees and beneficiaries, as well as option categories and benefit amounts, was provided in a similar 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 786 active members in the system of whom 354 have vested retirement benefits including 55 participants in the Deferred Retirement Option Plan (DROP); 437 former system members or their beneficiaries are receiving retirement benefits. An additional 76 members have contributions remaining on deposit with the system; of this number, 22 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 staff 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 are based on information furnished by the system’s auditor, the firm of Hawthorne, Waymoth & Carroll, LLP. As indicated in the system’s audit report, the net market value of the system’s assets was $172,306,395 as of September 30, 2008. Net investment income for fiscal 2008 measured on a market value basis amounted to a loss of $26,671,916. Contributions to the system for the fiscal year totaled $17,171,153; benefits and expenses amounted to $10,565,391. There was a prior period adjustment of $3,188,655, reflecting an increase in the beginning of year market value of assets.

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 accrued liability frozen as of September 30, 1989. Under the provisions of Louisiana R.S. 11:103 the unfunded accrued liability which was determined to be $27,874,011 as of September 30, 1989, was amortized over forty years with payments increasing at 3.5% per year. Payroll growth in excess of 3.5% per year will reduce future amortization payments as a percent of payroll; payroll growth less than 3.5% will increase future 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.

As outlined by R. S. 11:105, in any year in which the net direct employer contribution is scheduled to decrease, the board of trustees may freeze the rate and use the excess funds collected, if any, to reduce the frozen unfunded actuarial accrued liability. Also, in any year in which the board elects to increase contributions pursuant to R.S. 11:106 the excess funds, if any, are used to reduce the system's frozen unfunded actuarial accrued liability. Notwithstanding such a decrease, payments are made according to the regular amortization schedule, thereby reducing the amortization period. Such additional unfunded liability payments of $791,748; $101,831; $538,661; $1,020,879; and $2,890,530 were made in fiscal 1999, fiscal 2000, fiscal 2003, fiscal 2006, and fiscal 2007 respectively. In fiscal 2008 the excess contributions collected pursuant to R.S. 11:105 reduced the frozen unfunded actuarial accrued liability by $7,988,122. Without considering the effect of any additional surplus contributions made after September 30, 2008, the current frozen unfunded actuarial accrued liability will be fully amortized by September 30, 2019. In addition, the Board of Trustees voted to maintain the net direct employer contribution rate at 13.50% for Fiscal 2009 instead of lowering the rate to the minimum recommended employer contribution rate of 4.75%. We estimate that this freeze will reduce the frozen unfunded actuarial accrued liability by $1,800,000.

The current actuarial assumptions utilized for the report are outlined on pages thirty-seven through forty. In the aggregate the assumptions represent our "best estimate" of future long-term experience for the fund. The assumptions are the same as those used for the prior year, with the exception of those changes in the rates of retirement and DROP entry required to value the new Back-DROP provisions. All calculations, recommendations, and conclusions are based on the assumptions specified. To the extent that prospective experience differs from that assumed, adjustments will be required to contribution levels. Such differences will be revealed in future actuarial valuations.

CHANGES IN PLAN PROVISIONS

The following changes in plan provisions were enacted during the 2008 Regular Session of the Louisiana Legislature:

Act 113 authorizes the board of trustees to provide a permanent monthly cost-of-living adjustment (COLA) for retirees or their beneficiaries who would otherwise be eligible for a COLA. The COLA is payable in a monthly amount not to exceed three percent of the normal monthly benefit payable to the retiree or beneficiary on the date the increase is granted, but will not be less than twenty dollars per month. The authority granted by this act is non-recurring and the board of trustees may not grant more than one COLA pursuant to the provisions of the act.

Act 398 repeals the existing Deferred Retirement Option Plan (DROP) and creates an optional retirement benefit program for members of the fund called the Back-Deferred Retirement Option Program (Back-DROP). In order to be eligible for Back-DROP a member must have:

1) accrued more service credit than the minimum required for eligibility for a normal retirement benefit
2) attained an age that is greater than the minimum required for eligibility for a normal retirement benefit, if applicable
3) revoked his participation, if any, in the Deferred Retirement Option Plan (DROP) pursuant to R.S. 11:1456.2

At the time of retirement, a member who elects to receive a Back-DROP period benefit will select a Back-DROP period to be specified in whole months. The duration of the Back-DROP period will not exceed the lesser of thirty-six months or the number of months of creditable service accrued after the member first attained eligibility for normal retirement.

The member's Back-DROP monthly benefit will be calculated pursuant to the provisions set forth in R.S. 11:1421 through 1423, subject to the following conditions:

1) creditable service will not include service credit reciprocally recognized pursuant to R.S. 11:142
2) accrued service at retirement will be reduced by the Back-DROP period
3) final average compensation will be calculated by excluding all earnings during the Back-DROP period
4) contributions received by the retirement fund during the Back-DROP period and any interest that has accrued on employer and employee contributions received during the period will remain with the fund and will not be refunded to the member or to the employer
5) the member's Back-DROP monthly benefit will be calculated based upon the member's age and service and the fund's provisions in effect on the last day of creditable service before the Back-DROP period
6) at retirement, the member's maximum monthly retirement benefit payable as a life annuity will be equal to the Back-DROP monthly benefit
7) the member may elect to receive a reduced monthly benefit in accordance with the options provided in R.S. 11:1423 based upon the member's age and the age of the member's beneficiary as of the actual effective date of retirement.

In addition to the monthly benefit received, the member will be paid a lump-sum benefit equal to the Back-DROP maximum monthly retirement benefit multiplied by the number of months selected as the Back-DROP period. Cost-of-living adjustments will not be payable on the member's Back-DROP lump sum. Notwithstanding any law to the contrary, any participant in DROP who has not terminated employment and has not taken a distribution from their DROP account may make a one-time, irrevocable election to rescind all of their participation period in DROP and return to active, contributing membership in the fund on or before March 31, 2009. A member who rescinds their DROP participation will forfeit all accumulated DROP benefits and any interest accrued on such benefits.

Act 445 provides that in any fiscal year during which the net direct employer contribution rates would otherwise be decreased, the board of trustees is authorized to set the employer contribution rate at any point between the previous year's employer contribution rate and the decreased rate that would otherwise occur. Any excess funds resulting from the additional contributions will be applied as provided in R.S. 11:105(C).

The above changes in the plan benefit structure increased the normal cost accrual rate by 4.6507%.

ASSET EXPERIENCE

The market and actuarial 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.

	Market Value	Actuarial Value
1999	5.1%	* 7.8%
2000	7.7%	8.2%
2001	-10.1%	-0.3%
2002	-4.9%	-3.4%
2003	15.3%	-0.7%
2004	10.0%	6.0%
2005	13.4%	11.7%
2006	9.1%	* * 14.0%
2007	14.7%	12.1%
2008	-13.7%	1.9%

* Includes the effect of change in asset valuation method from two to three year smoothing of capital gains.

** Includes effect of change in asset valuation method. Effective with the 2006 valuation the method was changed from smoothing capital gains and losses over 3 years to smoothing investment income above or below the assumed rate of return over 5 years.

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 and dividends. 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 2008, the fund earned $5,086,667 in dividends, interest, and other recurring income. This income was offset by realized and unrealized capital losses of $31,461,532 and by investment expenses of $297,051. The geometric mean of the market value rates of return measured over the last ten years was 4.2%.

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, and recognized capital gains as given in Exhibit VI. For fiscal 1998 the actuarial value of assets and rate of return were based on a two year smoothing of realized capital gains and losses; in fiscal 1999 the smoothing period was increased to three years. Effective with the fiscal 2006 valuation, investment income used to calculate this yield was based upon a smoothing of investment income above or below the assumed rate of return over a five year period. The difference between rates of return on an actuarial and market value basis results from the smoothing of investment income. Yields in excess of the 8.0% assumption will reduce future costs; yields below 8.0% will increase future costs. For fiscal 2008 the system experienced net actuarial investment earnings of $10,963,141 less than the actuarial assumed earnings rate of 8.0%. These actuarial losses increased the normal cost accrual rate by 3.9062%.

DEMOGRAPHIC AND LIABILITY EXPERIENCE

A reconciliation of the census for the system is given in Exhibit X. The average active member is 49 years old with 12.81 years of service and an annual salary of $46,614. The fund's active membership increased over the course of the year by 38 members. The active plan population over the last five years has increased by 90 members. A review of the active census by age indicates that over the last ten years that portion of the population in the age group between thirty and forty has significantly decreased while the portion of the active population between the age of fifty and seventy has experienced a like increase. Other age groupings have remained relatively stable. In relation to service, the plan has seen a significant decrease in the number of members with five to twenty-five years of service and an increase in the number of members with less than five or more than twenty-five years of service over the last ten years.

The average service retiree is 72 years old with a monthly benefit of $1,921. The number or retirees and beneficiaries receiving benefits from the system decreased by 6 over the last fiscal year. Over the last five years the number of retirees and beneficiaries has increased by 29; during this same period, annual benefits in payment increased by $2,130,994.

Plan liability experience for fiscal 2008 was favorable. Retirements and DROP entries were below expected levels; deaths were above expected levels. These factors tend to reduce costs. This was partially offset by salary increases which were above expected levels. Other factors were near projected levels. Net plan liability experience decreased the normal cost accrual rate by .5857%.

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 the plan, changes in plan experience, benefits, or assumptions do not affect the frozen 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.

The derivation of the actuarially required contribution for the current fiscal year is given in Exhibit I. The normal cost for fiscal 2009 as of October 1, 2008, is $8,706,840. The amortization payment on the fund's frozen unfunded actuarial accrued liability as of October 1, 2008, is $2,730,445. 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 14 of Exhibit I the total actuarially required contribution for fiscal 2009 is $12,147,157. When this amount is reduced by projected tax contributions and revenue sharing funds, the resulting employers' net direct actuarially required contribution for fiscal 2009 is $3,046,468. This is 8.45% of the projected payroll for fiscal 2009.

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 fund's cost structure are outlined below:

Normal Cost Accrual Rate – Fiscal 2008	18.5238%
Factors Increasing the Normal Cost Accrual Rate:	
Change in Benefits	4.6507%
Asset Experience	3.9062%
Factors Decreasing the Normal Cost Accrual Rate:	
New Members	0.6746%
Liability Experience	0.5857%
Normal Cost Accrual Rate – Fiscal 2009	25.8204%

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 2009, the net effect of the change in payroll on amortization costs was to decrease such costs by 0.04% of payroll. Required net direct employer contributions are also affected by the projected ad valorem taxes and revenue sharing funds which the system is expected to receive 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 2009 will increase by 2.79% of payroll. The net effect of the above changes in the cost structure of the system resulted in a minimum actuarially required net direct employer contribution rate for fiscal 2009 of 8.45%; the actual employer contribution rate for fiscal 2009 is 13.50% of payroll. Any funds collected above the actuarially required contributions for fiscal 2009 will be used to reduce the system's frozen unfunded accrued liability. R.S. 11:103 requires that the net direct employer contributions be rounded to the nearest 0.25%, hence we are recommending a minimum net direct employer contribution rate of 8.50% for fiscal 2010.

Under the provisions of R.S. 11:107 the board may set the net direct employer contribution rate at any rate between 8.50% and 13.50% of payroll. Should the net direct employer contribution rate be set at a level above 8.50% under R.S. 11:107, the resulting additional contributions paid by the employers, if they exceed any potential contribution losses, would be used to offset the fund's frozen unfunded accrued liability (UAL). Such an offset of the UAL would shorten the remaining period over which the UAL will be fully amortized, since the future payments on the UAL would continue to be made under the original amortization schedule.

Recent capital market conditions have resulted in asset experience losses for the Fund that will likely significantly increase its cost structure. These market conditions may be temporary or it may indicate that future return expectations should be reduced. In order to illustrate the impact of a reduction in return expectations, we have performed an alternative valuation at an assumed valuation interest rate of 7.5% with all other assumptions unchanged. Lowering the valuation interest rate by 0.50% would significantly increase required funding. The employer normal cost accrual rate would be increased by 9.69%, although there would be a small offset resulting from lower amortization payments on the frozen unfunded accrued liability. The total employer actuarially required contribution would be increased by $3,178,554 to $15,325,711. The minimum actuarially required net direct employer contribution rate for fiscal 2009 would increase from 8.45% to 17.27%. Whether or not the system's valuation interest rate will ultimately need to be adjusted will depend on the actual performance and future long-term expectation for the capital markets in general.

Please note that the above results are only intended to serve as an illustration of the impact of a change in the valuation interest rate. Any actual change in the valuation interest rate should only be effected with a review of all other plan assumptions. The impact of such other changes in assumptions are not reflected in the above the results.

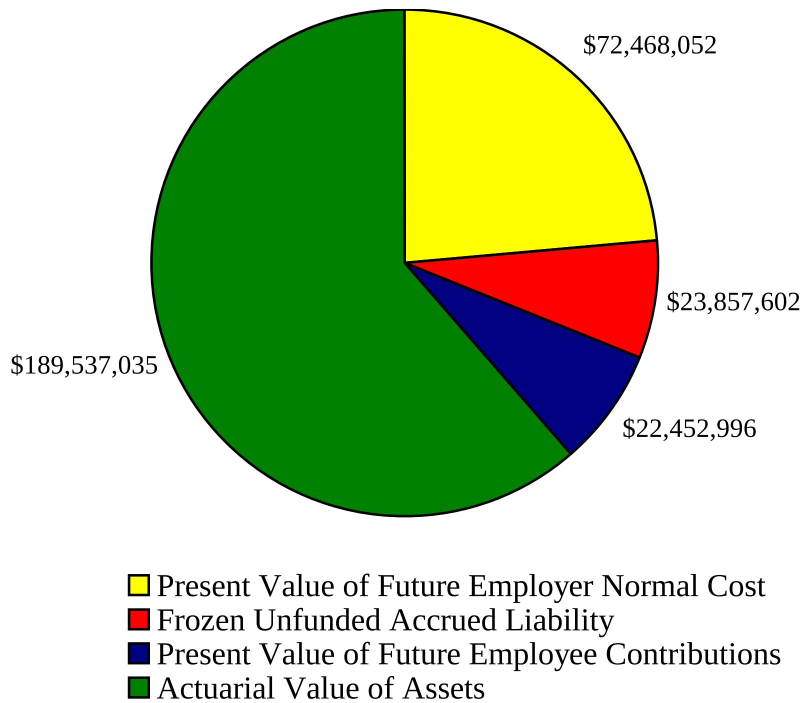
COST OF LIVING INCREASES

During fiscal 2008 the actual cost of living (as measured by the U.S. Department of Labor CPI-U) increased by 4.94%. Cost of living provisions for the system are detailed in R.S.11:241, R.S. 11:246 and R.S. 11:1461. RS 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.

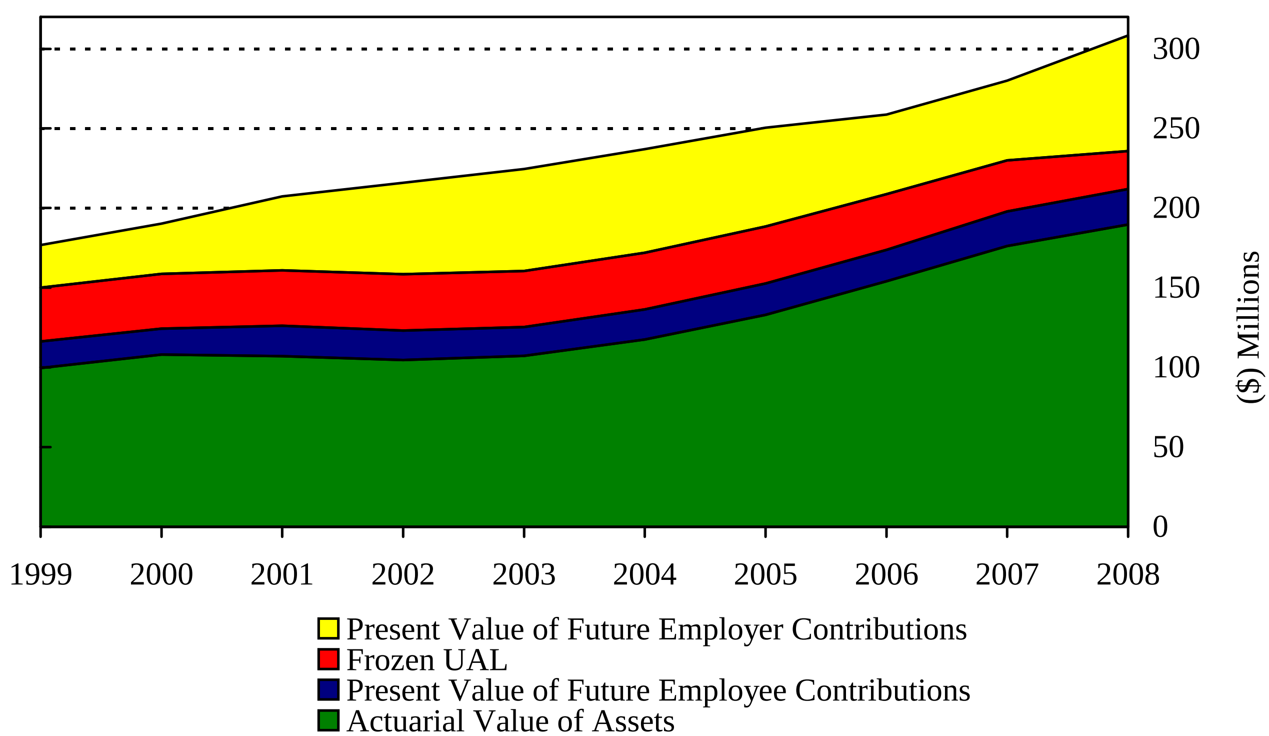
R.S. 11:1461 allows the board of trustees to provide a cost of living increase to members who have been retired for at least one full calendar year. The increase cannot exceed the lesser of 3% of the retiree's original benefit or an increase of $300 per year for each year of retirement. R.S. 11:246 allows the board of trustees to grant an additional cost of living increase to all retirees and beneficiaries over age 65 equal to two percent of the benefit paid on October 1, 1977, (or the member's retirement date, if later). In addition, Act 113 of the 2008 Regular Legislation Session provides for a COLA of 3% of the normal monthly benefit but not less than $20 per month. Although this COLA is permanent, it may only be granted once.

Statutory requirements provide that such COLA's may be paid only when the investment earnings of the system are sufficiently above the valuation interest rate to fund the benefit granted. For fiscal 2008 the fund achieved an actuarial rate of return of 1.9% and no excess interest was produced. In addition, in order to grant any cost of living increase to retirees, the ratio of the actuarial value of assets to the Pension Benefit Obligation must equal or exceed a statutory target ratio defined in R.S. 11:242. The funded ratio of the system, as calculated under R.S. 11:242, is 78.07%. This is below the target ratio of 84.26%. Thus, for fiscal 2008, the target ratio was not met by the fund.

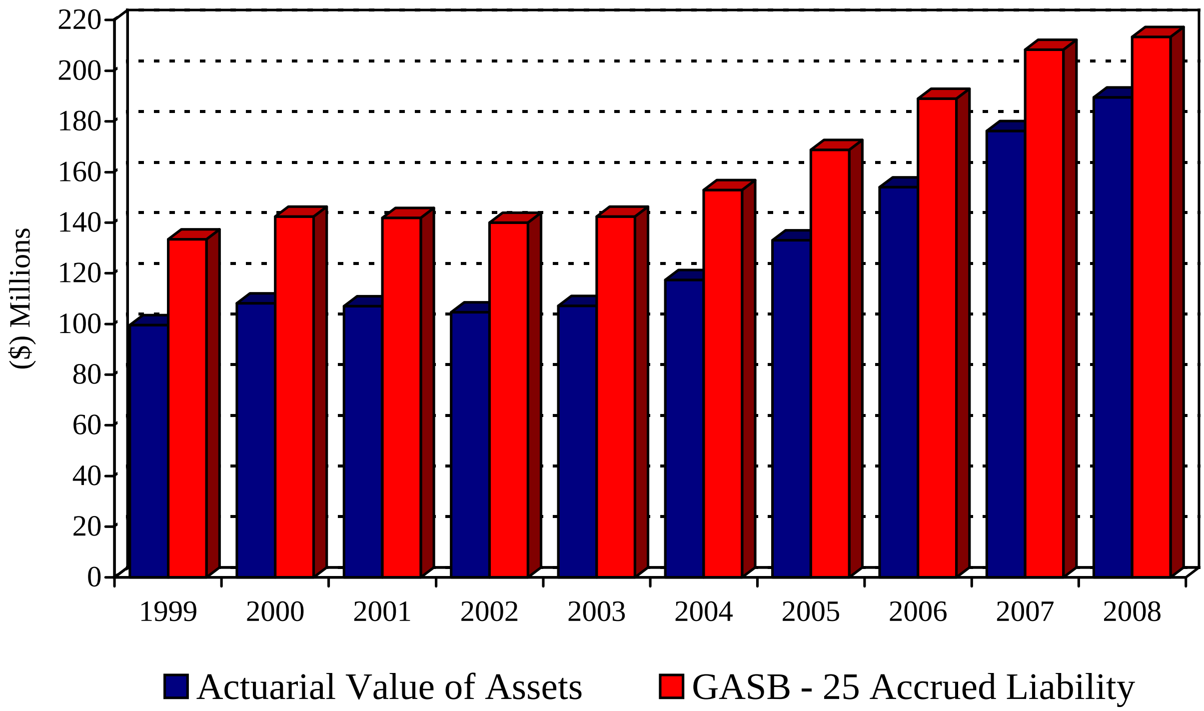
Components of Present Value of Future Benefits
September 30, 2008



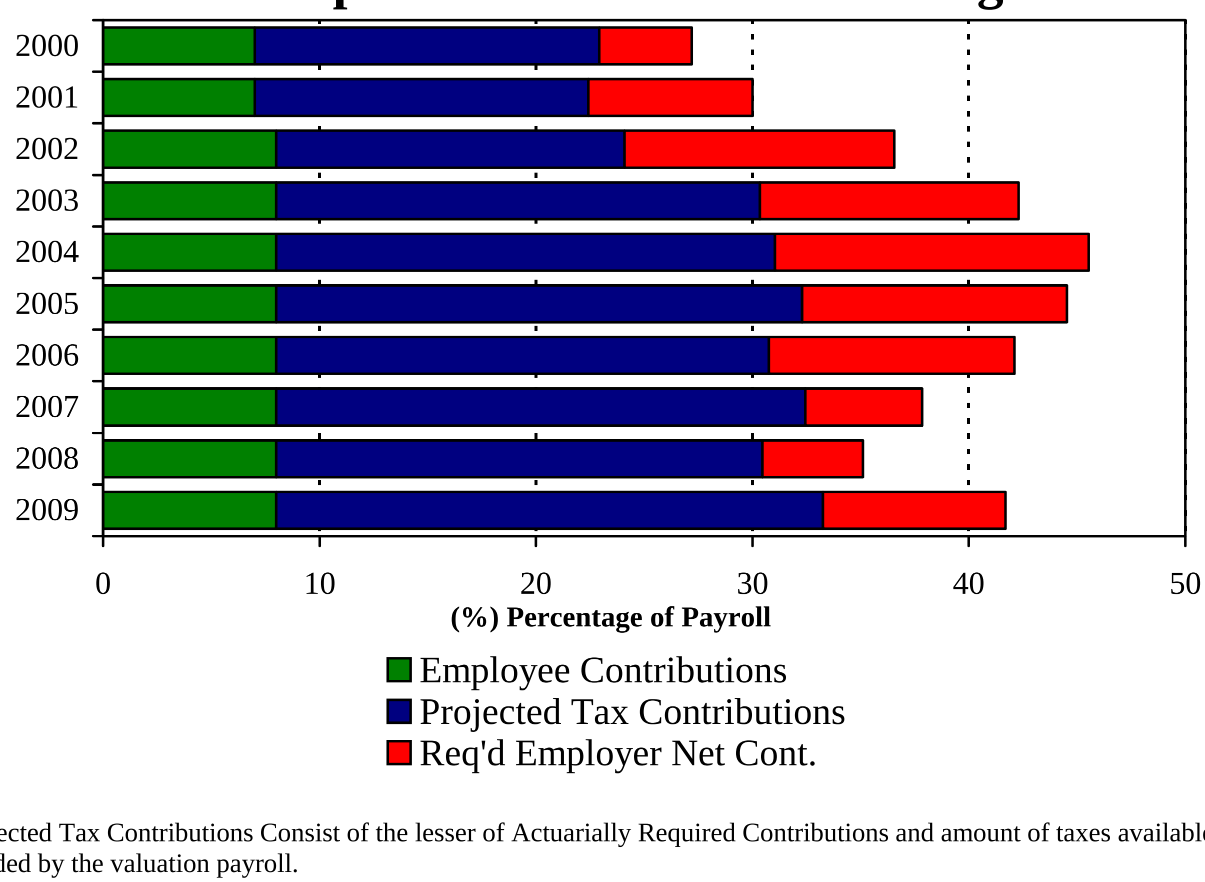
Components of Present Value of Future Benefits



Actuarial Value of Assets vs. GASB – 25 Accrued Liability

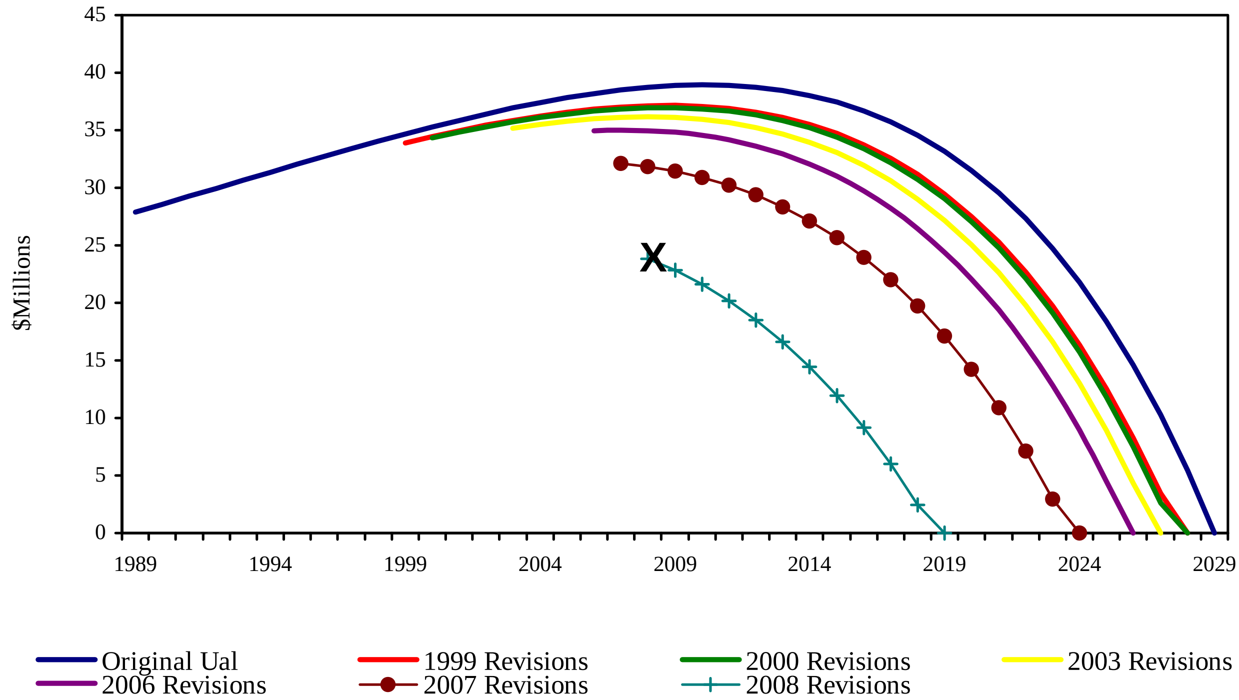


Components of Actuarial Funding

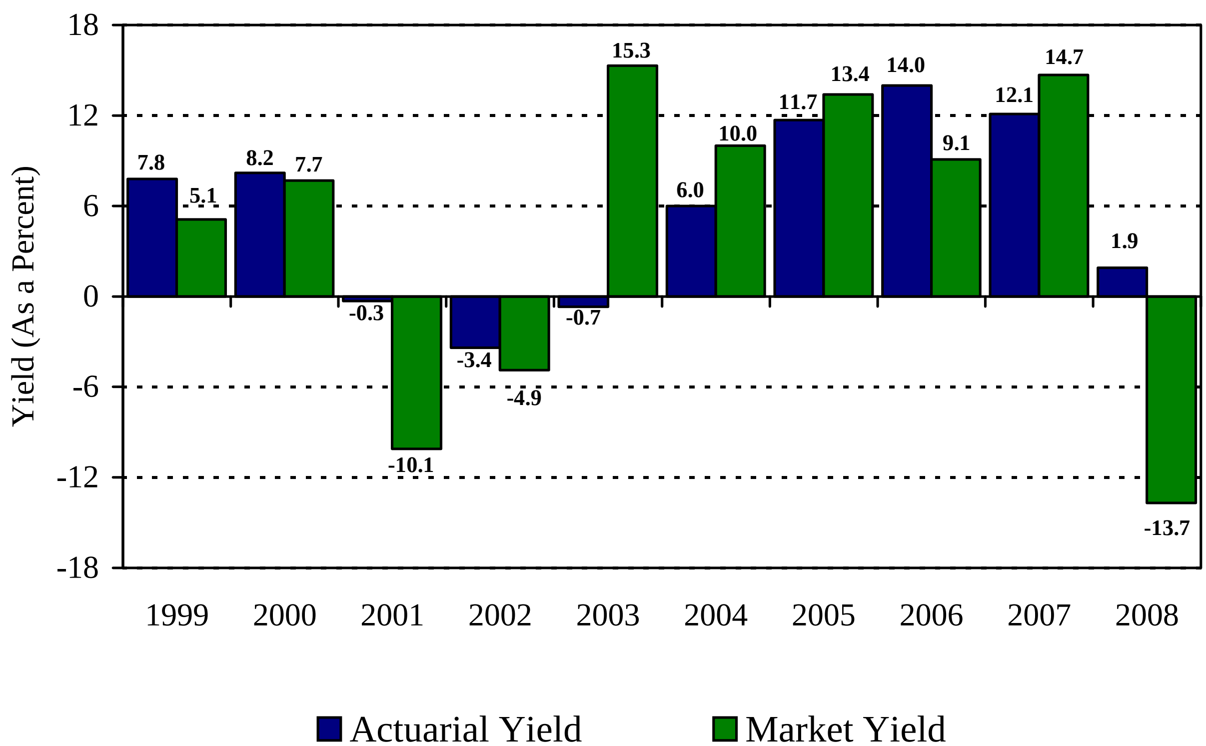


Projected Tax Contributions Consist of the lesser of Actuarially Required Contributions and amount of taxes available divided by the valuation payroll.

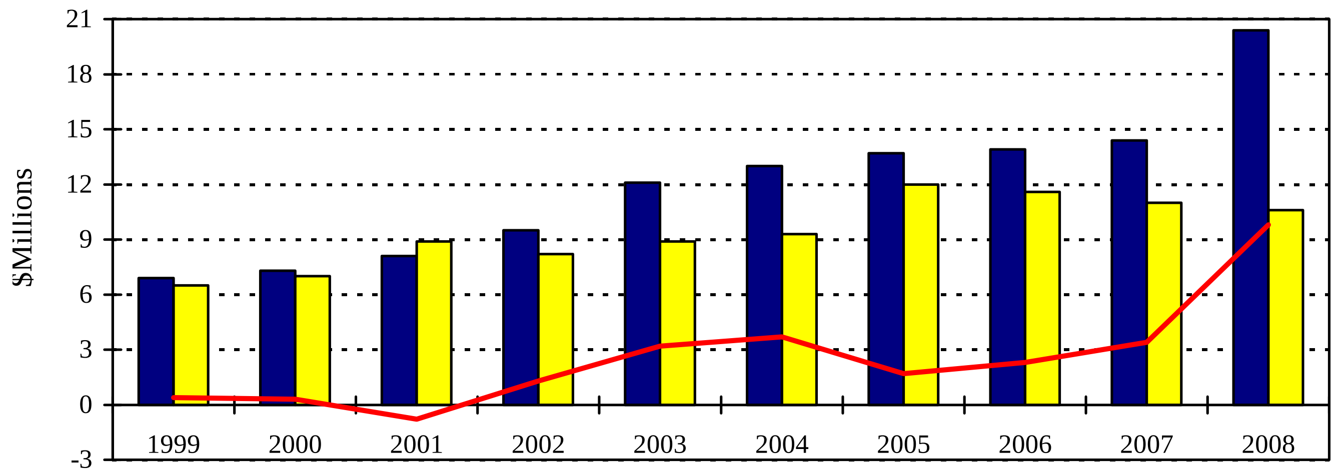
Frozen Unfunded Accrued Liability



Historical Asset Yields



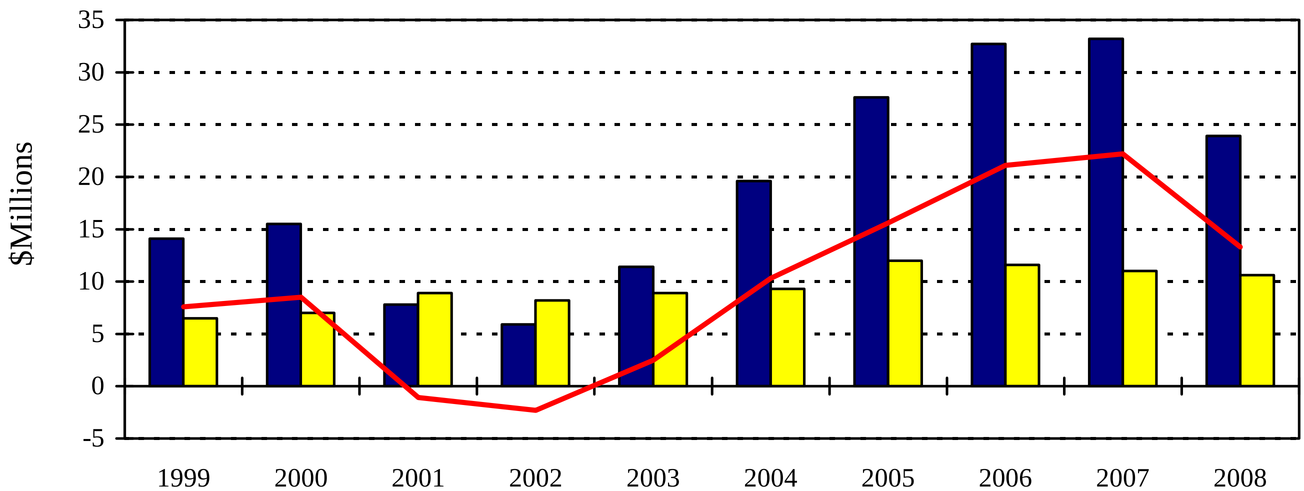
Net Non-Investment Income



	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Non-Investment Income ($Mil)	6.9	7.3	8.1	9.5	12.1	13	13.7	13.9	14.4	20.4
Benefits and Expenses ($Mil)	6.5	7.0	8.9	8.2	8.2	9.3	12.0	11.6	11.0	10.6
Net Non-Investment Income ($Mil)	0.4	0.3	-0.8	1.3	1.3	3.7	1.7	2.3	3.4	9.8

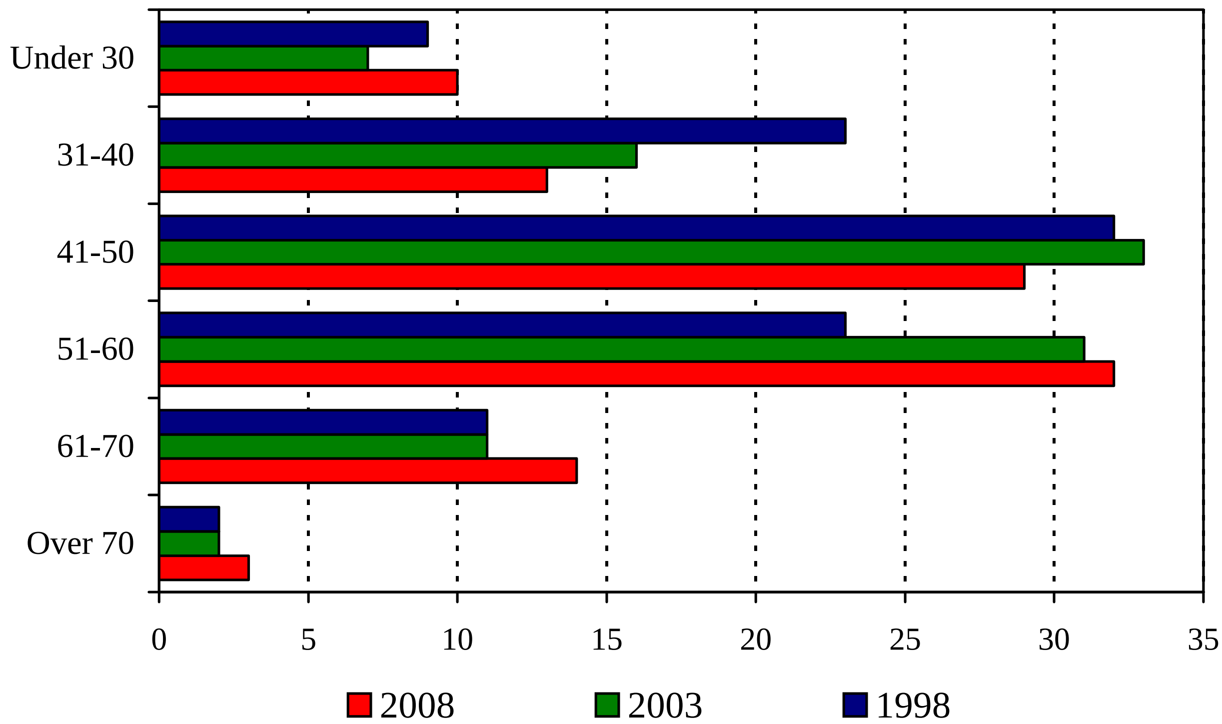
Total Income vs. Expenses

(Based on Actuarial Value of Assets)

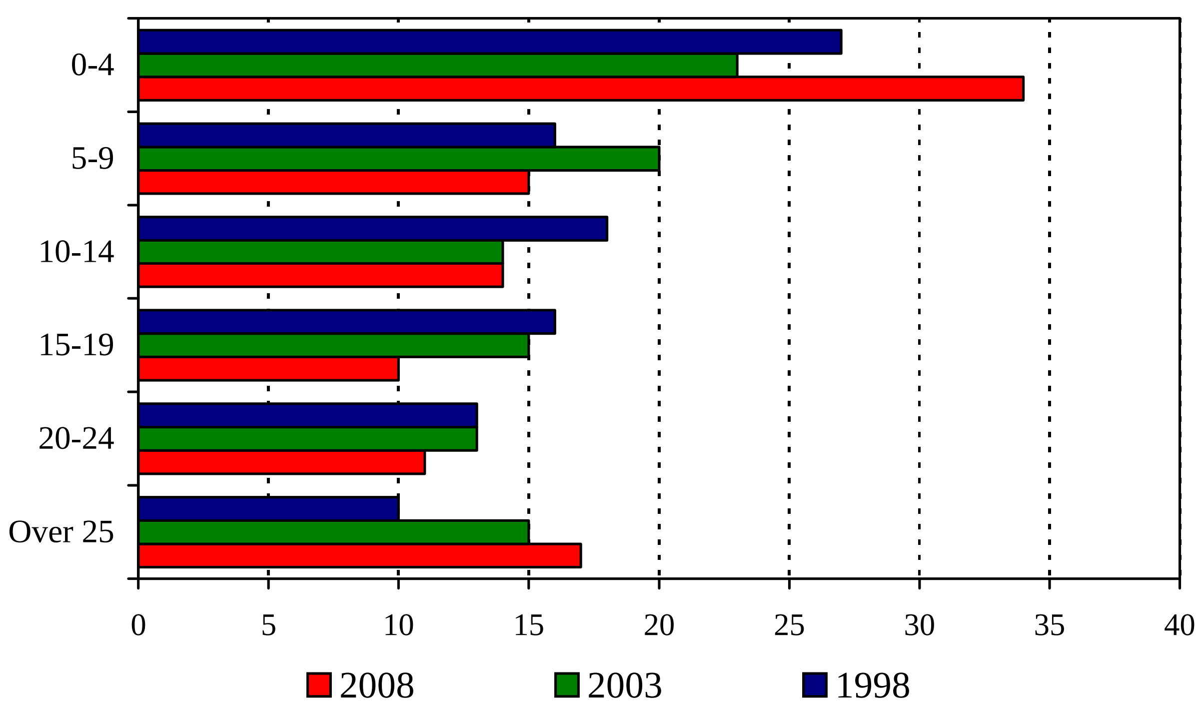


	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Total Income ($Mil)	14.1	15.5	7.8	5.9	11.4	19.6	27.6	32.7	33.2	23.9
Benefits and Expenses ($Mil)	6.5	7.0	8.9	8.9	8.9	9.3	12.0	11.6	11.0	10.6
Net Change in AVA ($Mil)	7.6	8.5	-1.1	-2.3	2.5	10.3	15.6	21.1	22.2	13.3

Active – Census By Age
(as a percent)



Active – Census By Service
(as a percent)



EXHIBITS

EXHIBIT I
ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	$ 308,315,685
2.	Frozen Unfunded Actuarial Accrued Liability	$ 23,857,602
3.	Actuarial Value of Assets	$ 189,537,035
4.	Present Value of Future Employee Contributions	$ 22,452,996
5.	Present Value of Future Employer Normal Costs (1-2-3-4)	$ 72,468,052
6.	Present Value of Future Salaries	$ 280,662,455
7.	Employer Normal Cost Accrual Rate (5 ÷ 6)	25.820358%
8.	Projected Fiscal 2009 Salary for Current Membership	$ 33,720,835
9.	Employer Normal Cost as of October 1, 2008 (7 x 8)	$ 8,706,840
10.	Amortization Payment on Frozen Unfunded Accrued Liability of $23,857,602 with Payments increasing at 3.50% per year	$ 2,730,445
11.	TOTAL Employer Normal Cost & Amortization Payment (9 + 10)	$ 11,437,285
12.	Normal Cost and Amortization Payment Interest Adjusted for Midyear Payment	$ 11,885,975
13.	Estimated Administrative Cost for Fiscal 2009	$ 261,182
14.	TOTAL Administrative and Interest Adjusted Actuarial Costs (12 + 13)	$ 12,147,157
15.	Projected Revenue Sharing Funds for Fiscal 2009	$ 357,983
16.	Projected Ad Valorem Contributions for Fiscal 2009	$ 8,742,706
17.	Employers' Net Direct Actuarially Required Contribution for Fiscal 2009 (14-15-16)	$ 3,046,468
18.	Projected Payroll (Fiscal 2009)	$ 36,046,995
19.	Employers' Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2009 (17÷18)	8.45%
20.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2010 (19 Rounded to nearest .25%)	8.50%

EXHIBIT II
PRESENT VALUE OF FUTURE BENEFITS

Present Value of Future Benefits for Active Members:

Retirement Benefits	$ 206,064,014	
Survivor Benefits	6,819,920	
Disability Benefits	242,545	
Vested Deferred Termination Benefits	3,131,414	
Contribution Refunds	1,825,482	
TOTAL Present Value of Future Benefits for Active Members		$ 218,083,375

Present Value of Future Benefits for Terminated Members:

Terminated Vested Members Due Benefits at Retirement	$ 4,174,139	
Terminated Members with Reciprocals Due Benefits at Retirement	64,451	
Terminated Members Due a Refund	237,556	
TOTAL Present Value of Future Benefits for Terminated Members		$ 4,476,146

Present Value of Future Benefits for Retirees:

Regular Retirees			
Maximum	$ 31,977,421		
Option 2	$ 30,250,377		
Option 3	$ 13,587,943		
TOTAL Regular Retirees		$ 75,815,741	
Disability Retirees		71,637	
Survivors & Widows		9,868,786	
Annuities Certain Payable to Retirees		0	
TOTAL Present Value of Future Benefits for Retirees & Survivors			$ 85,756,164
TOTAL Present Value of Future Benefits			$ 308,315,685

EXHIBIT III – Schedule A
MARKET VALUE OF ASSETS

Current Assets:				
Cash in Banks	$	4,722,525		
Contributions Receivable From Members		177,477		
Contributions Receivable From Employers		299,498		
Accrued Interest on Investments		234,297		
Ad Valorem Taxes Receivable		121,785		
TOTAL CURRENT ASSETS			$	5,555,582
Property, Plant and Equipment (Net of accumulated depreciation)			$	11,969
Investments:				
Stock Mutual Fund	$	93,990,750		
Cash Equivalents		1,002,867		
Bond Mutual Fund		33,780,579		
Corporate Bonds		9,209,743		
U. S. Treasury Bonds, Bills, and Notes		8,148,988		
Real Estate Fund		9,663,837		
Foreign Government Securities		424,831		
LAMP Funds		10,485,295		
Real Estate Loan		80,764		
TOTAL INVESTMENTS			$	166,787,654
TOTAL ASSETS			$	172,355,205
Current Liabilities:				
Accounts Payable	$	48,810		
TOTAL CURRENT LIABILITIES			$	48,810
NET MARKET VALUE OF ASSETS			$	172,306,395

EXHIBIT III – SCHEDULE B
ACTUARIAL VALUE OF ASSETS

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

Fiscal year 2008	$	(42,190,867)
Fiscal year 2007		10,965,991
Fiscal year 2006		1,585,529
Fiscal year 2005		6,935,549
Fiscal year 2004		2,309,676
Total for four years	$	(20,394,122)

Deferral of excess (shortfall) of invested income:

Fiscal year 2008 (80%)	$	(33,752,693)
Fiscal year 2007 (60%)		6,579,594
Fiscal year 2006 (40%)		634,212
Fiscal year 2005 (20%)		1,387,109
Fiscal year 2004 (0%)		0
Total deferred for year	$	(25,151,778)

Market value of plan net assets, end of year	$	172,306,395
Preliminary actuarial value of plan assets, end of year	$	197,458,173

Actuarial value of assets corridor

90% of market value, end of year	$	155,075,756
110% of market value, end of year	$	189,537,035

Final actuarial value of plan net assets, end of year	$	189,537,035

EXHIBIT IV
PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	$ 22,452,996
Employer Normal Contributions to the Pension Accumulation Fund	72,468,052
Employer Amortization Payments to the Pension Accumulation Fund	23,857,602
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	$118,778,650

EXHIBIT V
CHANGE IN FROZEN UNFUNDED ACTUARIAL ACCRUED LIABILITY

Prior Year Frozen Unfunded Accrued Liability		$ 32,124,893
Interest on Unfunded Accrued Liability	$ 2,569,991	
Normal Cost for Prior Year	6,151,634	
Interest on the Normal Cost	492,131	
Administrative Expenses	251,283	
Interest on Administrative Expenses	9,858	
TOTAL Increases to Frozen Unfunded Accrued Liability		$ 9,474,897
Direct Employer Contributions	$ 4,912,636	
Interest on Employer Contributions	192,725	
Ad Valorem Taxes and Revenue Sharing	12,159,792	
Interest on Ad Valorem Taxes and Revenue Sharing Funds	477,035	
TOTAL Decreases to Frozen Unfunded Accrued Liability		$ 17,742,188
Current Year Frozen Unfunded Accrued Liability		$ 23,857,602

EXHIBIT VI
ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets (September 30, 2007)		$ 176,223,629
* Prior Period Adjustment		3,188,655
Income:		
Member Contributions	$ 2,931,064	
Employer Contributions	4,912,636	
Ad Valorem Tax Funds	8,626,105	
Revenue Sharing Funds	357,309	
Contributions Related to Purchases and Transfers	338,622	
Miscellaneous	5,417	
TOTAL CONTRIBUTIONS		$ 17,171,153
Net Appreciation in Fair Value of Investments	$ (31,461,532)	
Interest and Dividends	5,086,667	
Investment Expenses	(297,051)	
NET INVESTMENT INCOME		$ (26,671,916)
TOTAL Income		$ (9,500,763)
Expenses:		
Retirement Benefits	$ 9,734,262	
DROP Account Payments	411,665	
Refunds of Contributions	135,011	
Administrative Expenses	251,283	
Funds Transferred to Another System	33,170	
TOTAL Expenses		$ 10,565,391
Net Market Income for Fiscal 2008 (Income - Expenses)		$ (20,066,154)
Adjustment for Actuarial Smoothing		$ 30,190,905
Actuarial Value of Assets (September 30, 2008)		$ 189,537,035

* Of this total, $3,176,378 is due to additional Ad Valorem taxes received from Orleans Parish.

EXHIBIT VII
FUND BALANCE

Present Assets of the System Creditable to:

Annuity Savings Fund	$ 19,374,318
Annuity Reserve Fund	85,756,164
Pension Accumulation Fund	57,007,753
DROP Account	10,168,160
NET MARKET VALUE OF ASSETS	$172,306,395
Adjustment for Actuarial Smoothing	17,230,640
NET ACTUARIAL VALUE OF ASSETS	$189,537,035

EXHIBIT VIII
PENSION BENEFIT OBLIGATION

Present Value of Credited Projected Benefits Payable to Current Employees	$ 152,558,736
Present Value of Benefits Payable to Terminated Employees	4,476,146
Present Value of Benefits Payable to Current Retirees and Beneficiaries	85,756,164
TOTAL PENSION BENEFIT OBLIGATION	$ 242,791,046
NET ACTUARIAL VALUE OF ASSETS	$ 189,537,035
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation	78.07%

EXHIBIT IX
COST OF LIVING ADJUSTMENTS - TARGET RATIO

Actuarial Value of Assets Divided by PBO as of Fiscal 1986:	44.48%
Amortization of Unfunded Balance over 30 years:	40.71%

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

Changes for Fiscal 1988	7.69%	
Changes for Fiscal 1989	(0.99%)	
Changes for Fiscal 1994	0.15%	
Changes for Fiscal 1995	(1.76%)	
Changes for Fiscal 1996	(1.39%)	
Changes for Fiscal 1999	(0.37%)	
Changes for Fiscal 2000	(1.56%)	
Changes for Fiscal 2003	0.06%	
Changes for Fiscal 2005	(2.48%)	
Changes for Fiscal 2006	2.36%	
TOTAL Adjustments		1.71%

Amortization of Adjustments in Funded Ratio over 30 years:

Changes for Fiscal 1988	(5.13%)	
Changes for Fiscal 1989	0.63%	
Changes for Fiscal 1994	(0.07%)	
Changes for Fiscal 1995	0.76%	
Changes for Fiscal 1996	0.56%	
Changes for Fiscal 1999	0.11%	
Changes for Fiscal 2000	0.42%	
Changes for Fiscal 2003	(0.01%)	
Changes for Fiscal 2005	0.25%	
Changes for Fiscal 2006	(0.16%)	
TOTAL Amortization of Adjustments		(2.64%)

Target Ratio for Current Fiscal Year	84.26%
Actuarial Value of Assets Divided by PBO as of Fiscal 2008	78.07%

EXHIBIT X
CENSUS DATA

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of September 30, 2007	691	66	57	443	1257
Additions to Census					
Initial membership	81	3			84
Death of another member					
Omitted in error last year					
Change in Status during Year					
Actives terminating service	(15)	15			
Actives who retired	(8)			8	
Actives entering DROP	(10)		10		
Term. members rehired					
Term. members who retire		(1)		1	
Retirees who are rehired					
Refunded who are rehired		1			1
DROP participants retiring			(7)	7	
DROP returned to work	5		(5)		
Omitted in error last year					
Eliminated from Census					
Refund of contributions	(13)	(8)			(21)
Deaths				(22)	(22)
Included in error last year					
Adjustment for multiple records					
Number of members as of September 30, 2008	731	76	55	437	1,299

ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	1	2	3	21,369	64,108
21 - 25	5	22	27	26,428	713,563
26 - 30	15	31	46	28,782	1,323,966
31 - 35	18	32	50	30,824	1,541,180
36 - 40	19	34	53	41,150	2,180,955
41 - 45	25	60	85	41,411	3,519,938
46 - 50	43	97	140	44,947	6,292,644
51 - 55	34	101	135	44,119	5,956,073
56 - 60	46	70	116	53,824	6,243,607
61 - 65	46	35	81	64,042	5,187,439
66 - 70	15	15	30	62,590	1,877,703
71 - 75	9	6	15	79,516	1,192,733
76 - 80	4	0	4	100,272	401,088
81 - 85	0	1	1	143,926	143,926
TOTAL	280	506	786	46,614	36,638,923

THE ACTIVE CENSUS INCLUDES 354 ACTIVES WITH VESTED BENEFITS, INCLUDING 55 DROP PARTICIPANTS AND 38 ACTIVE FORMER DROP PARTICIPANTS.

TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
31 - 35	1	0	1	12,540	12,540
36 - 40	0	1	1	11,386	11,386
41 - 45	0	5	5	17,994	89,969
46 - 50	2	6	8	28,414	227,315
51 - 55	1	4	5	34,364	171,819
56 - 60	1	0	1	41,622	41,622
61 - 65	0	1	1	185	185
TOTAL	5	17	22	25,220	554,836

TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging From		To	Number	Total Contributions
0	-	99	4	169
100	-	499	3	608
500	-	999	8	6,275
1000	-	1999	14	21,784
2000	-	4999	10	34,019
5000	-	9999	6	40,586
10000	-	19999	7	88,864
20000	-	99999	2	45,251
		TOTAL	54	237,556

REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
46 - 50	0	1	1	52,230	52,230
51 - 55	3	4	7	43,861	307,030
56 - 60	10	26	36	31,126	1,120,535
61 - 65	19	30	49	31,267	1,532,106
66 - 70	19	43	62	23,452	1,453,994
71 - 75	32	30	62	22,237	1,378,684
76 - 80	25	32	57	21,844	1,245,105
81 - 85	17	43	60	13,396	803,776
86 - 90	5	12	17	14,702	249,931
91 - 99	2	8	10	17,666	176,662
TOTAL	132	229	361	23,047	8,320,053

DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
61 - 65	0	1	1	5,770	5,770
86 - 90	0	1	1	5,727	5,727
TOTAL	0	2	2	5,749	11,497

SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
51 - 55	0	2	2	57,271	114,541
56 - 60	1	0	1	8,042	8,042
61 - 65	0	1	1	22,688	22,688
66 - 70	1	5	6	22,288	133,727
71 - 75	2	7	9	20,165	181,484
76 - 80	1	18	19	22,075	419,431
81 - 85	2	16	18	15,591	280,640
86 - 90	1	10	11	11,776	129,538
91 - 99	1	6	7	12,004	84,027
TOTAL	9	65	74	18,569	1,374,118

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
	Completed Years of Service											
0 - 20	3											3
21 - 25	12	8	3	2	2							27
26 - 30	11	6	5	13	5	5	1					46
31 - 35	6	8	5	7	7	11	5	1				50
36 - 40	6	11	5		4	9	9	9				53
41 - 45	7	5	3	2	6	19	16	11	13	3		85
46 - 50	10	10	5	6	6	23	14	15	27	24		140
51 - 55	10	6	10	6	1	17	21	8	18	24	14	135
56 - 60	6	2	5	3	6	17	18	13	10	17	19	116
61 - 65	4	3	2	3	3	10	17	12	10	5	12	81
66 - 70	1	1	1	1	1	3	9	5	2	1	5	30
71 & Over					1	3	3	3	4	2	4	20
Totals	76	60	44	43	42	117	113	77	84	76	54	786

AVERAGE ANNUAL SALARY OF ACTIVE MEMBERS:

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Salary
	Completed Years of Service											
0 - 20	21,369											21,369
21 - 25	23,449	24,247	35,747	35,757	29,725							26,428
26 - 30	26,947	24,390	32,980	28,275	36,955	28,527	21,325					28,782
31 - 35	30,111	24,160	25,339	28,170	31,651	37,215	31,646	54,199				30,824
36 - 40	23,593	36,575	26,758		40,278	49,661	49,887	49,583				41,150
41 - 45	28,898	33,278	27,913	30,459	37,923	42,810	38,777	52,532	49,511	41,257		41,411
46 - 50	33,898	34,331	26,897	35,450	38,480	51,596	44,791	37,604	45,747	59,137		44,947
51 - 55	33,804	31,014	37,964	41,367	18,557	41,907	48,086	42,734	56,984	45,297	43,473	44,119
56 - 60	25,061	34,335	39,319	34,183	31,832	45,773	54,393	44,631	59,995	72,126	72,153	53,824
61 - 65	26,071	35,429	31,699	75,590	36,311	35,891	49,137	58,713	97,309	80,169	108,752	64,042
66 - 70	42,187	37,875	34,333	100,000	32,601	29,382	60,341	45,549	106,556	41,141	103,499	62,590
71 & Over					25,521	54,514	44,803	36,541	110,536	159,241	136,006	86,887
Average	28,161	30,742	32,382	36,917	34,807	43,591	47,591	46,836	61,105	60,748	80,483	46,614

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									1			1
36 - 40								1				1
41 - 45							5					5
46 - 50						8						8
51 - 55	2	1	1		1							5
56 - 60	1											1
61 - 65	1											1
66 & Over												0
Totals	4	1	1	0	1	8	5	1	1	0	0	22

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 - 30												0
31 - 35									12,540			12,540
36 - 40								11,386				11,386
41 - 45							17,994					17,994
46 - 50						28,414						28,414
51 - 55	56,651	28,746	12,128		17,644							34,364
56 - 60	41,622											41,622
61 - 65	185											185
66 & Over												0
Average	38,777	28,746	12,128	0	17,644	28,414	17,994	11,386	12,540	0	0	25,220

SERVICE RETIREES:

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
						Completed Years Since Retirement						
0 - 50	1											1
51 - 55	1	1	4	1								7
56 - 60	8	5	7	8	4	4						36
61 - 65	1	5	9	7	5	20	2					49
66 - 70	2	2	3	7	4	21	21	2				62
71 - 75	3	2	3	2	5	12	13	16	6			62
76 - 80			2	3		10	12	17	10	3		57
81 - 85			2			3	12	14	14	13	2	60
86 - 90						1	1	2	5	4	4	17
91 & Over							1	1		2	6	10
Totals	16	15	30	28	18	71	62	52	35	22	12	361

AVERAGE ANNUAL BENEFITS PAYABLE TO SERVICE RETIREES:

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
						Completed Years Since Retirement						
0 - 50	52,230											52,230
51 - 55	36,910	49,495	49,589	22,267								43,861
56 - 60	36,748	34,249	27,813	28,741	28,047	29,625						31,126
61 - 65	15,445	41,699	30,963	46,613	34,115	24,503	21,284					31,267
66 - 70	18,667	27,805	20,951	38,894	34,169	22,291	18,284	18,589				23,452
71 - 75	18,790	21,469	36,225	24,921	14,549	25,132	23,965	19,315	20,988			22,237
76 - 80			35,240	38,355		38,351	15,394	19,111	12,154	14,966		21,844
81 - 85			19,998			17,896	13,155	17,025	14,343	6,664	13,228	13,396
86 - 90						21,600	57,307	10,225	10,570	13,892	10,538	14,702
91 & Over							19,243	40,148		24,431	11,401	17,666
Average	30,767	35,186	31,791	36,274	27,344	25,874	18,665	18,655	14,318	10,725	11,418	23,047

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 - 60												0
61 - 65											1	1
66 - 70												0
71 - 75												0
76 - 80												0
81 - 85												0
86 - 90											1	1
91 & Over												0
Totals	0	0	0	0	0	0	0	0	0	0	2	2

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 - 60												0
61 - 65											5,770	5,770
66 - 70												0
71 - 75												0
76 - 80												0
81 - 85												0
86 - 90											5,727	5,727
91 & Over												0
Average	0	0	0	0	0	0	0	0	0	0	5,748	5,748

Completed Years Since Retirement

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 50												0
51 - 55						2						2
56 - 60							1					1
61 - 65							1					1
66 - 70				1	1	2	1		1			6
71 - 75	1					3	1	2	1	1		9
76 - 80	1					2	7	2	2	3	2	19
81 - 85	1						1	3	8	2	3	18
86 - 90								1	2	5	3	11
91 & Over								1		2	4	7
Totals	3	0	0	1	1	9	12	9	14	13	12	74

AVERAGE ANNUAL BENEFITS PAYABLE TO SURVIVORS OF FORMER MEMBERS:

Completed Years Since Retirement

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 50												0
51 - 55						57,270						57,270
56 - 60							8,042					8,042
61 - 65							22,688					22,688
66 - 70				11,251	11,457	28,774	18,820		34,651			22,288
71 - 75	6,461					18,293	63,851	10,853	33,343	1,242		20,165
76 - 80	13,379					42,367	21,253	31,565	23,083	11,265	14,727	22,075
81 - 85	38,158						14,054	19,423	15,530	10,931	8,019	15,591
86 - 90								20,360	16,275	9,303	10,038	11,776
91 & Over								18,233		5,815	13,541	12,004
Average	19,333	0	0	11,251	11,457	34,634	23,019	20,188	19,354	8,849	11,482	18,569

EXHIBIT XI
YEAR-TO-YEAR COMPARISON

	Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005
Number of Active Members	786	748	718	729
Number of Retirees & Survivors	437	443	443	426
Number Terminated Due Benefits at Retirement	22	21	23	22
Number Terminated Due Refund	54	45	39	23
Active Lives Payroll	$ 36,638,923	$ 33,568,909	$ 29,478,685	$ 29,277,391
Retiree Benefits in Payment	$ 9,705,668	$ 9,618,856	$ 9,320,275	$ 8,590,184
Market Value of Assets	$ 172,306,395	$ 189,183,894	$ 161,766,254	$ 146,141,263
Ratio of Actuarial Value of Assets to GASB-25 Accrued Liability	88.82%	84.58%	81.50%	78.80%
Actuarial Value of Assets	$ 189,537,035	$ 176,223,629	$ 154,009,532	$ 132,989,725
Frozen Unfunded Actuarial Accrued Liability	$ 23,857,602	$ 32,124,893	$ 34,970,588	$ 35,788,138
Present Value of Future Employer Normal Costs	$ 72,468,052	$ 50,033,632	$ 50,121,433	$ 62,093,867
Present Value of Future Employee Contributions	$ 22,452,996	$ 21,608,375	$ 19,681,683	$ 19,720,674
Present Value of Future Benefits	$ 308,315,685	$ 279,990,529	$ 258,783,236	$ 250,592,404

****

	Fiscal 2009	Fiscal 2008	Fiscal 2007	Fiscal 2006
Employee Contribution Rate	8.00%	8.00%	8.00%	8.00%
Proj. Tax Contribution as % of Projected Payroll	25.25%	22.46%	24.44%	22.75%
Minimum Actuarially Required Net Direct Employer Contribution Rate	8.45%	4.64%	5.39%	11.36%
Actual Net Direct Employer Contribution Rate	13.50%	13.50%	13.50%	14.00%

Fiscal 2004		Fiscal 2003		Fiscal 2002		Fiscal 2001		Fiscal 2000		Fiscal 1999	
	718		696		697		696		705		705
	418		408		413		409		383		387
	24		24		24		24		23		24
	18		24		18		22		24		5
$	28,757,562	$	26,991,176	$	26,360,649	$	26,101,442	$	25,658,208	$	23,906,982
$	7,985,977	$	7,574,674	$	7,503,729	$	7,115,880	$	6,125,503	$	6,064,942
$	127,276,144	$	112,205,374	$	94,240,739	$	97,786,434	$	109,622,919	$	101,426,239
	76.78%		75.29%		74.78%		75.45%		75.90%		74.61%
$	117,414,626	$	107,179,684	$	104,687,539	$	107,017,014	$	108,118,518	$	99,540,025
$	35,516,590	$	35,184,693	$	35,298,399	$	34,829,808	$	34,323,354	$	33,878,583
$	65,268,813	$	64,000,521	$	57,630,981	$	46,307,002	$	31,526,197	$	26,600,424
$	18,926,490	$	18,207,224	$	18,428,356	$	19,136,611	$	16,233,196	$	16,686,363
$	237,126,519	$	224,572,122	$	216,045,275	$	207,290,435	$	190,201,265	$	176,705,395

****

Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002	Fiscal 2001	Fiscal 2000
8.00%	8.00%	8.00%	8.00%	7.00%	7.00%
24.30%	23.04%	22.35%	16.09%	15.42%	15.92%
12.23%	14.49%	11.95%	12.46%	7.58%	4.27%
14.50%	14.00%	14.00%	10.75%	5.75%/7.25%*	5.75%

* Rate of 5.75% from October 1, 2000 – June 30, 2001; Rate of 7.25% from July 1, 2001 – September 30, 2001

SUMMARY OF PRINCIPAL PLAN PROVISIONS

The Louisiana Assessors' Retirement Fund is a defined benefit pension plan that provides retirement allowances and other benefits for the assessors and their permanent, full-time employees. The plan was established by Act 91 of the 1950 Louisiana Legislative Session. Provisions of the plan are set forth in the Louisiana Revised Statutes (R.S. 11:1401 through R.S. 11:1483). The following summary of plan provisions is for general informational purposes only and does not constitute a guarantee of benefits.

CONTRIBUTION RATES - The fund is financed by employee contributions of 8.00% of salary and employer contributions at a rate that is determined annually based on the results of the actuarial valuation for the prior year. Each assessor has the option of electing to pay all or a portion of their employees' contribution into the retirement fund. This election remains in effect for 1 year and can be rescinded only upon written notice to the retirement system. In addition, the statutory provisions require the payment of 0.25% of the taxes to be collected as shown on the tax rolls of each parish and revenue sharing funds as appropriated each year by the legislature.

RETIREMENT BENEFITS - Members with thirty years of creditable service may retire at any age and members with at least twelve years of service may retire at age fifty-five. The benefit accrual rate is three and one-third percent for all years of service. The normal retirement benefit for individuals hired prior to October 1, 2006, will be equal to three and one-third percent of the highest monthly average final compensation received during any thirty-six consecutive months while employed in an assessor's office or other creditable employment times the number of years of the member's creditable service not to exceed one hundred percent of the member's monthly average final compensation after taking into account the reduction arising from any optional retirement selected. The normal retirement benefit for individuals hired on or after October 1, 2006, will be equal to three and one-third percent of the highest monthly average final compensation received during any sixty consecutive months while employed in an assessor's office or other creditable employment times the number of years of the member's creditable service not to exceed one hundred percent of the member's monthly average final compensation after taking into account the reduction arising from any optional retirement selected.

OPTIONAL ALLOWANCES - Members may receive their benefits as a life annuity, or in lieu of such receive a reduced benefit according to the option selected that is the actuarial equivalent of the maximum benefit. If, upon retirement, a member selects their spouse as their beneficiary under Option 2 or Option 3 or Option 4, the option reduction factor will be based on the ages of the member and his or her beneficiary as of the member's sixtieth birthday. If a participant selects an option 4 for someone other than their spouse, the option reduction factor is based on the ages of the member and beneficiary as of the later of the date of the member's retirement or the member's sixtieth birthday.

Option 1 - If the member dies before he has received in annuity payments the present value of his member's annuity, as it was at the time of retirement the balance is paid to his beneficiary.

Option 2 - Upon retirement, the member receives a reduced benefit. Upon the member's death, the surviving spouse will continue to receive the same reduced benefit.

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

Option 4 - Upon retirement, the member may elect to receive a board-approved benefit that is actuarially equivalent to the maximum benefit.

EXCESS BENEFIT PLAN – Under the provisions of this excess benefit plan a member may receive a benefit equal to the amount by which the member's monthly benefit from the fund has been reduced because of the limitations of Section 415 of the Internal Revenue Code.

DISABILITY BENEFITS - Disability benefits are awarded to active members who are totally disabled with twelve or more years of creditable service. In addition, any member with twenty years of service who withdraws from service prior to reaching retirement age is eligible for disability benefits. The disability benefit is equal to the lesser of three and one-third percent of the final three year average compensation multiplied by the number of years of creditable service (but not less than forty-five percent) or three and one-third percent of final compensation multiplied by years of service to earliest normal retirement age.

SURVIVOR BENEFITS - If a member dies in service with less than twelve years of service credit, his accumulated contributions are paid to the surviving spouse. If a member dies with twelve or more years of creditable service and is not eligible for retirement, the surviving spouse receives an automatic option 2 benefit that ceases on remarriage. If a member dies who is eligible for retirement, the surviving spouse receives an automatic option 2 benefit that does not terminate on remarriage. The minor children or handicapped children of a member with no spouse who dies in the line of duty or with four years of creditable service receives $50 per month for the first child and $10 per month for each additional child.

DEFERRED RETIREMENT OPTION PLAN - In lieu of terminating employment and accepting a service retirement allowance, any member who becomes eligible for 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, active membership in the system terminates. During participation in the plan both employer and employee contributions continue to be payable. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the deferred retirement option plan account. 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 at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the account equal to the payments to the account, or a true annuity based upon his account balance, or he may elect any other method of payment if approved by the board of trustees. The monthly benefits that were being paid into the fund during the period of participation will begin to be paid to the retiree. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active membership in the system. If a member, who was eligible to participate in DROP prior to January 1, 2004, completes participation in the plan and does not terminate employment their account will earn interest at the actual rate of return less 1%. A member's account will cease to earn interest upon termination of employment. For individuals who become eligible to participate in DROP on or after

January 1, 2004, all amounts which remain credited to the individual’s subaccount after termination in the plan will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest at the actual rate of return earned on the subaccount investments less one-fourth of one percent per annum, or at the option of the system, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of this plan must agree that the benefits payable to the participant are not the obligations of the state or the system, and that any returns and other rights of the plan are the sole liability and responsibility of the participant and the designated provider to which contributions have been made. Upon termination, the member receives a lump sum payment for the DROP fund equal to the payments made into that fund on his behalf, or a true annuity based on his account (subject to approval by the board of trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on the additional service rendered since termination of DROP participation is calculated based on the subsequent participation compensation and service credit only. In no event can the entire monthly benefit paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies after the period of participation in the program, automatic option 2 benefits are paid to the surviving spouse with whom the member was living at the time of death on the supplemental benefits earned since DROP participation. No entries to the DROP are permitted after September 30, 2008.

Back-DROP – In lieu of receiving a service retirement allowance any member of the fund who has more than sufficient service for a regular service retirement may elect to receive a “Back-DROP” benefit. The Back-DROP benefit is based upon the Back-DROP period selected and the final average compensation prior to the period selected. The Back-DROP period is the lesser of three years or the service accrued between the time a member first becomes eligible for retirement and his actual date of retirement. At retirement the member’s maximum monthly retirement benefit is based upon his service, final average compensation, and plan provisions in effect on the last day of creditable service immediately prior to the commencement of the Back-DROP period. In addition to the monthly benefit at retirement, the member receives a lump-sum payment equal to the maximum monthly benefit as calculated above multiplied by the number of months in the Back-DROP period.

CONTRIBUTION REFUNDS - Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued benefits in the system. If the total of all benefits paid to a retiree and all benefits paid on the retiree’s account after their death is less than the retiree’s accumulated employee contributions, the remaining accumulated employee contributions shall be paid to the retiree’s beneficiary or to their estate if they do not have a designated beneficiary. Upon the death of a member or former member who has not been paid any benefits from the fund and who is not survived by any person eligible for any benefits from the fund, the accumulated employee contributions of the member or former member shall be paid to their designated beneficiary or to their estate if they do not have a designated beneficiary.

COST OF LIVING INCREASES - The board of trustees may use excess interest earnings as determined by the actuary to provide a cost of living increase in benefits for retired members or their beneficiaries of three percent of their original benefit (not to exceed three hundred dollars per year). In addition, the board of trustees may grant an additional cost of living increase of two percent of their original benefit (or the benefit as of October 1, 1977 if they retired prior to that time). In order to grant either cost of living increase the ratio of the systems assets to pension benefit obligations must exceed a target ratio that is set by statute. In lieu of the above described cost of living increases, the board may provide a cost of living increase in the form of up to $1.00 per month for each year of service plus the number of years since retirement.

ACTUARIAL ASSUMPTIONS

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

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 Method with allocation based on earnings. The actuarial accrued liabilities utilized to calculate the frozen unfunded accrued liability were calculated on the Projected Unit Credit Cost Method. Changes in assumptions and plan benefits are funded through adjustments to future normal costs.

VALUATION INTEREST RATE: 8% (Net of Investment Expense)

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 actuarial value of assets is also subjected to minimum and maximum values such that it will not be less than 90% or more than 110% of the market value of assets.

ANNUAL SALARY INCREASE RATE: 6% (3.25% inflation / 2.75% merit)

ANNUITANT MORTALITY: 1994 Uninsured Pensioner Mortality Table (1-year setback for both 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.

RETIREMENT RATES: The table of these rates is included later in the report. These rates apply only to those individuals eligible to retire. DROP participants are assumed to retire at the end of the DROP participation period.

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

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

Service	Factor	Service	Factor
<1	0.120	10	0.030
1	0.120	11	0.030
2	0.050	12	0.030
3	0.050	13	0.020
4	0.050	14	0.020
5	0.050	15	0.010
6	0.050	>15	0.010
7	0.040		
8	0.040		
9	0.030		

Note: Withdrawal rates for members eligible to retire are assumed to be zero.

RATES OF DROP ENTRY: The table of these rates is included later in the report. These rates apply only to those individuals eligible to enter the DROP plan.

DROP PARTICIPATION: All persons who enter DROP are assumed to participate for the full three-year period and retire immediately thereafter.

DISABILITY RATES:	4% of the disability rates used for the 21st valuation of the Railroad Retirement System for individuals with 10-19 years of service. The table of these rates is included later in the report.
DISABLED LIVES MORTALITY:	RP-2000 Disabled Lives Mortality Tables for Males and Females
VESTING ELECTING PERCENTAGE:	70% of those vested elect deferred benefits in lieu of contribution refunds**.**
MARRIAGE AND OPTION SELECTION:	80% of members are assumed to be married. Wives are assumed to be 3 years younger than their husbands. Fifty-five percent of married members who retire are assumed to select a Joint and 100% Survivor Annuity form of optional benefits.
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	Average Age
25	62%	1.7	6
35	82%	2.1	10
45	66%	1.8	13
55	19%	1.4	15
65	2%	1.4	15

Back-DROP BENEFITS:	Members eligible for Back-DROP benefits are assumed to elect the benefit form with the greatest present value.
DROP RECISSION:	Members who have completed their DROP participation period as of the valuation date and are still active are assumed to rescind their DROP election and retire based on post-DROP participation rates if the present value of the benefits based on the rescission exceeds the present value of benefits under the DROP.

ACTUARIAL TABLES AND RATES

Age	Male Mortality Rates	Female Mortality Rates	Retirement Rates	Disability Rates
18	0.00046	0.00028	0.00000	0.00006
19	0.00050	0.00029	0.00000	0.00006
20	0.00052	0.00030	0.00000	0.00006
21	0.00054	0.00031	0.00000	0.00006
22	0.00057	0.00031	0.00000	0.00006
23	0.00060	0.00031	0.00000	0.00006
24	0.00063	0.00031	0.00000	0.00006
25	0.00067	0.00031	0.00000	0.00006
26	0.00071	0.00031	0.00000	0.00006
27	0.00075	0.00032	0.00000	0.00006
28	0.00078	0.00032	0.00000	0.00006
29	0.00081	0.00034	0.00000	0.00006
30	0.00084	0.00036	0.00000	0.00006
31	0.00086	0.00038	0.00000	0.00006
32	0.00088	0.00040	0.00000	0.00006
33	0.00090	0.00043	0.00000	0.00006
34	0.00091	0.00045	0.00000	0.00006
35	0.00091	0.00048	0.00000	0.00007
36	0.00091	0.00051	0.00000	0.00008
37	0.00093	0.00055	0.00000	0.00008
38	0.00096	0.00059	0.00000	0.00010
39	0.00101	0.00064	0.00000	0.00011
40	0.00107	0.00070	0.00000	0.00012
41	0.00115	0.00076	0.00000	0.00014
42	0.00124	0.00083	0.00000	0.00016
43	0.00135	0.00089	0.00000	0.00018
44	0.00145	0.00094	0.00000	0.00020
45	0.00157	0.00099	0.00000	0.00023
46	0.00170	0.00105	0.22000	0.00026
47	0.00185	0.00111	0.22000	0.00029
48	0.00204	0.00120	0.22000	0.00033
49	0.00226	0.00130	0.22000	0.00038
50	0.00250	0.00141	0.44000	0.00043
51	0.00277	0.00154	0.44000	0.00049
52	0.00309	0.00169	0.44000	0.00055
53	0.00345	0.00186	0.44000	0.00063
54	0.00385	0.00205	0.44000	0.00071
55	0.00428	0.00224	0.04000	0.00081
56	0.00476	0.00247	0.04000	0.00092
57	0.00532	0.00276	0.04000	0.00104
58	0.00600	0.00314	0.18000	0.00118
59	0.00677	0.00361	0.18000	0.00135
60	0.00762	0.00415	0.18000	0.00195
61	0.00858	0.00477	0.18000	0.00195
62	0.00966	0.00548	0.18000	0.00195
63	0.01091	0.00627	0.28000	0.00195
64	0.01233	0.00718	0.28000	0.00195
65	0.01391	0.00819	0.28000	0.00195

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.