



**ACTUARIAL  
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January 6, 2010

Board of Trustees  
**TEACHERS' RETIREMENT SYSTEM OF LOUISIANA**  
Post Office Box 94123, Capitol Station  
Baton Rouge, Louisiana 70804-9123

Ladies and Gentlemen:

This report presents the results of the actuarial valuation of assets and liabilities, as well as funding requirements, for the Teachers' Retirement System of Louisiana as of June 30, 2009.

This report has been prepared in accordance with generally accepted actuarial principles and practices and to the best of my knowledge, fairly reflects the actuarial present value of accrued benefits of the Teachers' Retirement System.

In preparing this valuation, I have relied upon the information provided regarding plan provisions, plan membership, plan assets and other matters as detailed in the exhibits of this report. In particular, I have relied upon the statement of assets provided by Hawthorn, Waymouth and Carroll, Certified Public Accountants.

The present values shown herein have been estimated on the basis of the actuarial cost method specified in Louisiana Revised Statutes Title 11 Section 22(13). The Actuarial Assumptions, which have been approved by the Board of Trustees, are appropriate for the purposes of this valuation, are reasonable in the aggregate, and when applied in combination represents my best estimates of the anticipated experience under the plan.

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

	----- Prior Years -----		
	June 30, 2009	June 30, 2008	June 30, 2007
I. Membership Census			
1) Retirees	62,417	61,070	59,530
2) Actives	88,206	85,979	82,672
3) DROP	3,421	3,760	3,715
4) Terminated Vested	5,872	6,043	6,624
II. Annual Benefits <sup>1</sup>	\$1,356,438,672	\$1,305,367,272	\$1,218,175,668
III. Total Payroll	3,912,326,326	3,675,013,831	3,224,562,742
IV. Valuation Assets	12,721,895,269	15,122,891,581	14,521,751,998
VI. Investment Yield			
Market Value (Total Assets)	-22.27%	- 4.98%	19.05%
Market Value (Excl LaDROP Assets)	-22.60%		
Actuarial Value	-12.31%	5.15%	15.20%
DROP	0.00%	4.65%	14.70%
V. Experience Account	0	344,683,573	617,106,814
VII. Cost to Fund Annual Pension	554,280,740	523,024,606	495,460,667
Accruals (Normal Costs)	14.17%	14.23%	15.37%
VIII. Unfunded Actuarial Accrued Liability	10,117,515,390	6,967,624,778	6,250,577,714
IX. Funded Percentage	55.7%	68.5%	69.9%
X. Funding Requirements (Mid-year Pmt)			
1) Employee Contribution	321,220,363	301,761,728	265,701,003
Rate	7.98%	7.99%	7.99%
2) Employer Contribution	848,548,497	637,242,733 <sup>3</sup>	556,830,052 <sup>2</sup>
Rate (Current Year) <sup>4</sup>	19.2%	15.5%	15.5%
3) Projected Employer Contribution	920,113,803	654,947,115 <sup>3</sup>	574,349,034 <sup>2</sup>
Rate (Next Year) <sup>5</sup>	20.2%	15.5%	15.5%

The above funding requirements measure the cost of benefits that were in effect on June 30, 2009.

<sup>1</sup> Includes July 1, 2009, Minimum Benefit Increase per Act 144 of 2009 and all prior COLA's.

<sup>2</sup> This is the minimum required contribution rate and contribution, per Act 588 of 2004. Without regard to this minimum, the current year contribution rate (2007-2008) would be 14.6% and the projected rate (2008-2009) would be 14.8%.

<sup>3</sup> This is the minimum required contribution rate and contribution, per Act 588 of 2004. Without regard to this minimum, the current year contribution rate (2008-2009) would be 13.8% and the projected rate (2009-2010) would be 14.1%.

<sup>4</sup> Reflects the restated current year employer contribution rate as determined by the current year valuation.

<sup>5</sup> Reflects the projected employer contribution rate, to be paid by the employer, for the fiscal year following the valuation.

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### **Current Funding**

The Actuarial Valuation for the plan year ending June 30, 2009, discloses an increase in the value of the plan's unfunded accrued liability resulting from an investment loss relative to the assumed actuarial rate, and an experience gain. Prospective funding requirements have increased as a percentage of payroll. It is generally appropriate for the current valuation process to disclose the source or cause of any significant changes in the plan from year to year. Changes that occur are usually the result of changes in actuarial assumptions, gains or losses resulting from actual experience which differs significantly from expected plan experience.

The basic elements of the annual required contribution are the normal cost and amortization of the Unfunded Actuarial Liability (UAL). The normal cost is the annual cost to provide an additional year of benefit accrual. The normal cost is divided into two parts, the employee portion and the employer portion, both expressed as a percentage of payroll. Act 81 of the 1988 Legislative Session provides for the amortization of the initial UAL, plus subsequent changes in benefits, methods or gain/loss experience. Act 497 of the 2009 Legislative Session revised the amortization of the initial UAL and other schedules, as described on page 4 of this report.

The following gain/loss analysis is presented to assist the Board of Trustees in reconciling changes in the unfunded actuarial accrued liability:

#### CHANGE IN UNFUNDED LIABILITY

Unfunded Liability - 6/30/2008		\$ 6,967,624,778
INCREASES		
Interest on Unfunded Liability	\$ 574,829,044	
2009 Retiree Minimum Benefit Increase	5,607,925	
Investment Loss	3,170,379,569	
Total Increases	3,750,816,538	
DECREASES		
Experience Gain <sup>1</sup>	144,958,781	
Employer Amortization Payment	360,294,178	
Employer Shortfall Credit	90,065,042	
Experience Account Distribution	5,607,925	
Total Decreases	600,925,926	
Unfunded Liability - 6/30/2009		\$ 10,117,515,390

<sup>1</sup> Reflects experience gain/loss, other than investment gain/loss

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The employer contribution rate established by the Public Retirement Systems' Actuarial Committee for the 2009/2010 plan year was 15.5%. The employer contribution rate determined by this valuation for the current plan year is 19.0%. The current employer contribution rate of 15.5% is less than the required employer's contribution of 19.0%. Therefore, an employer contribution deficit of 3.5% is expected in next year's valuation.

Since the contribution rate is attributable to many factors, the following sections address the source and respective impact to the required employer contribution rate.

### **Legislative Changes**

Act 497 of 2009 provides that effective July 1, 2010, all TRSL amortization payment schedules established on or before July 1, 2008, will be consolidated into two amortization schedules, the Original Amortization Base (OAB) and the Experience Account Amortization Base (EAAB). The OAB will consist of the outstanding balance of the Initial Unfunded Accrued Liability and schedules with negative outstanding balances. The outstanding balance of this schedule will be credited with funds from the Initial UAL account, excluding the subaccount of this fund, and the balance of the Employer Credit Account. The Initial UAL fund will be credited interest at 8.25% in plan year 2008/2009 and 2009/2010. The OAB payment schedule will increase by seven percent for three years, six and one-half percent for four years, and then two percent until paid off in plan year 2028/2029. The EAAB will consist of the 2004 schedule and all remaining schedules. The outstanding balance of this schedule will be credited with the balance of funds from the Initial UAL subaccount, which were transferred from the Employee Experience Account on June 30, 2009. The EAAB payment schedule will increase by seven percent for three years, six and one-half percent for four years, then will be level until paid off in plan year 2039/2040.

Act 497 requires that the amortization of contribution variances will also be revised. Previously, any contribution variance relative to the actuarially required contribution was amortized with level payments for five years. The act specifies that in any year from plan year 2009/2010 through 2039/2040 that the system receives an overpayment of contributions, the surplus will be credited to the EAAB. The EAAB will then be re-amortized according to the new payment schedule. Similarly, any overpayment resulting from the statutory minimum contribution of 15.5% exceeding the actuarially calculated contribution from plan year 2009/2010 through 2039/2040 will be credited to the EAAB and the EAAB will be re-amortized. The act changes the provisions for crediting the Employee Experience Account and for granting future permanent benefit increases. The first \$100,000,000 of investment gain above the actuarially assumed investment rate will be used to reduce and re-amortize the OAB. The next \$100,000,000 of excess investment return will be used to reduce and re-amortize the EAAB. Fifty percent of any excess return above \$200,000,000 will be credited to the Employee Experience Account.

Act 144 of 2009 provides a one-time minimum benefit increase, effective July 1, 2009, to retirees who meet the eligibility requirements. The increase in actuarial accrued liability resulting from the minimum benefit increase will be funded from the Employee Experience Account, prior to liquidating per Act 497.

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Act 270 of 2009 provides members, upon retirement, the option of electing an actuarially reduced benefit at retirement. The benefit will receive a two and one-half percent cost of living adjustment annually provided the retiree is age fifty-five or older. This option is offered in conjunction with current retirement options.

**Actuarial Assets/Valuation Assets**

The Actuarial Value of Assets represents the gross actuarial assets determined in accordance with the methodology set forth in Exhibit 6 to fund all liabilities of the pension plan as well as side-fund accounts dedicated for other programs. The Valuation Assets exclude the side-fund accounts for purposes of determining the employer contribution rate as illustrated on page 13 of Exhibit 2. The side-fund accounts excluded are as follows:

- **Employer Credit Account:**  
 This account, established by Act 588 of 2004, is credited with the excess of the contributions at the statutory minimum rate of 15.5% over the Actuarially Required Contribution (ARC). The balance of this account is \$107,377,279.
  
- **LSU Agriculture and Extension Service Fund:**  
 Participants of the LSU Agriculture and Extension Service receive supplement benefits from TRSL equal to the difference between the TRSL benefit formula and the Federal Civil Service formula. The funding is recorded separately in the side-fund with assets co-mingled with the Actuarial Value of assets. The current balance is -\$428,586.
  
- **Initial UAL Amortization Fund:**  
 This fund, originally established as the Texaco Settlement Fund, accumulates Texaco Settlement contributions as a separate account invested at TRSL actuarial rate of return. The fund also includes legislative appropriations resulting from Act 642 of 2006 and Act 7 of the Second Extraordinary Session of 2008. As indicated above, Act 497 of 2009 specifies that funds in this account will liquidated July 1, 2010, and used to reduce the initial outstanding balance of the Original Amortization Base, and requires that the account be credited interest at the assumed actuarial rate of return of 8.25% for plan year 2008/2009 and 2009/2010. The Act further requires that the Employee Experience Account balance be transferred to a subaccount of this side-fund, after deducting the cost of the Minimum Benefit Increase per Act 144. The current account balance and allocation is as follows:

Texaco Settlement Fund	\$	296,557,839
Legislative Appropriations (2006)		34,616,620
Legislative Appropriations (2008)		43,663,807
Subtotal		374,838,266
Sub-Account		296,655,328
Total	\$	671,493,594

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- **Experience Account Fund:**

A minimum benefit increase, per Act 144 of 2009, was granted to eligible members July 1, 2009. The increase in liability was offset by funds disbursed from this account on June 30, 2009. Act 497 of 2009 moves the remaining balance of this account on June 30, 2009 to a subaccount of the IUAL Amortization Fund. The fund accumulates 50% of the excess investment gain relative to the actuarial valuation rate of 8.25% after such excess return exceeds \$200,000,000. The account is used to fund permanent benefit increases for retirees. The benefit increase granted must be funded at 100% of the actuarial cost. The account balance is restricted to the reserve for two permanent benefit increases. The current account balance is \$0.

**Investment Experience**

The rate of return on the actuarial value of assets during the last five (5) years has been as follows for plan years ending June 30:

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>5 YEAR AVERAGE</u>
9.87%	15.65%	15.20%	5.15%	-12.31%	6.18%

The net actuarial rate of return assumed in the valuation was 8.25%. For the plan year ending June 30, 2009, the net realized actuarial rate of return was less than the long-term investment assumption used to project benefits. The result was a net investment experience loss of \$3,170,379,569 relative to projected investment income.

**Plan Experience**

The actuary is charged with making the best estimate of future plan experience to properly fund future benefits. If the actual experience differs from the projected experience, a gain or loss occurs. This gain or loss is then amortized over a thirty year period with level payments. During the 2008/2009 plan year, the system incurred an experience gain in the amount of \$144,958,782.

The gains/losses incurred are beyond the control of the Board of Trustees, but the Trustees should understand the source of the experience to effectively communicate with the legislature. For many years the system has exhibited properties of an aging population which was indicative of the problem the state faced in its ability to attract and retain graduates to the profession. Although the average age of active members continues to increase, the demographic changes illustrated in Exhibit 4 indicate the system is continues to show a shift in demographics with an increase in the number of members below age forty. Recall that one of the characteristics of the Projected Unit Credit cost method is to accelerate funding requirements for an aging population, even if all assumptions are realized. Therefore, if this shift continues, the expected accelerated funding requirements, in the absence of other changes, could diminish.

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### **Funding as a Percentage of Payroll**

Act 81 of 1987 requires the employee to contribute 8% of payroll beginning in 1989. Per constitutional provisions, the employer contribution rate cannot drop below 11.8%, without regard to employer credits, and without a corresponding adjustment to the employee contribution rate. Per statutory provisions, the employer contribution rate cannot drop below 15.5%. The employer pays a percentage of the normal cost plus a dollar amount sufficient to amortize the Initial Unfunded Accrued Liability (IUAL) over a 40-year period. Prior to July 1, 2010, payments to fund the IUAL increase 4.5% annually. Subsequent changes to the UAL are amortized as an increasing (I) or level dollar (L) payment, as indicated in Exhibit A. Beginning July 1, 2010, payments to amortize the Original Amortization Base and Experience Account Amortization Base will increase as shown in the following table.

<u>Plan Year</u>	<u>Original Amortization Base</u>	<u>Experience Account Amortization Base</u>
2011/2012 – 2013/2014	7.0%	7%
2014/2015 – 2017/2018	6.5%	6.5%
2018/2019 +	2.0%	Level Payments

If aggregate payroll increases at the same rate as the increase in amortization payments, this would allow the employer contribution rate attributable to the amortization payments to maintain a level percentage of payroll. During the last 10 years the aggregate salaries from all sources, including ORP participants, has increased at an annualized rate of 5.05%. If the trend continues at the average rate, the percentage of pay required to amortize the unfunded liability can be expected to increase through Plan Year 2017/2018 in the absence of other experience gains or losses.

### **Disclosures**

Exhibit 3, "Pension Accounting and Financial Disclosure", contains disclosure of the accrued liabilities under the Projected Unit Credit Actuarial Cost Method required by the Governmental Accounting Standards Board Statement No. 25.

The format of this report was designed with the intent of highlighting the pertinent results of the valuation's funding requirements. Should you have any questions or comments, please do not hesitate to contact me.

Sincerely,



Shelley R. Johnson, FCA, MAAA, ASA  
 Actuary

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

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

	<b>June 30, 2009</b>		<b>---- Prior Year ----</b> <b>June 30, 2008</b>	
	<b>Dollar Amount</b>	<b>% of Salary</b>	<b>Dollar Amount</b>	<b>% of Salary</b>
<b>I. Normal Costs (annual pension accruals)</b>				
Active Members with Complete Data				
a) Retirement Benefits	424,732,146	10.86%	402,950,301	10.96%
b) Disability Benefits	16,241,041	0.42%	15,337,208	0.42%
c) Survivor Benefits	12,176,749	0.31%	11,446,476	0.31%
d) Voluntary Termination	82,330,804	2.10%	75,290,621	2.05%
e) Expenses	18,800,000	0.48%	18,000,000	0.49%
TOTAL	554,280,740	14.17%	523,024,606	14.23%
<b>II. Actuarial Accrued Liability</b>				
a) Active Members				
1) Retirement Benefits	6,250,518,009		5,999,937,459	
2) Disability Benefits	184,006,539		176,617,462	
3) Survivor Benefits	136,755,767		130,265,545	
4) Voluntary Termination	444,991,498		405,597,808	
	7,016,271,813		6,712,418,274	
b) Retired and Inctive Members				
1) Regular Retirees	10,876,747,521		10,513,151,731	
2) Disability Benefits	396,701,345		397,705,206	
3) Survivors	691,675,996		655,766,852	
4) Vested Deferred <sup>1</sup>	311,022,583		313,303,802	
5) Contributions Refunded <sup>2</sup>	81,503,321		70,822,296	
6) DROP Deferred Benefits	2,244,008,831		2,212,151,193	
7) DROP Account Balances	1,221,479,249		1,215,197,005	
	15,823,138,846		15,378,098,085	
c) Total	22,839,410,659		22,090,516,359	

<sup>1</sup> Includes pending Retirement/Drop applications.

<sup>2</sup> Includes terminated employee and rehired retiree contributions to be refunded.

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

	June 30, 2009	---- Prior Year ---- June 30, 2008
II. Actuarial Accrued Liability	22,839,410,659	22,090,516,359
III. Valuation Assets	12,721,895,269	15,122,891,581
IV. Unfunded Actuarial Accrued Liabilities - Projected Unit Credit <sup>1</sup>	10,117,515,390	6,967,624,778
a) Change over prior year	3,149,890,612	717,047,064
b) Funded Percentage	55.7%	68.5%
V. Employer Contributions To Fund Current Plan Year <sup>1</sup>		
a) Employer Portion of Normal Cost	229,439,049	217,535,709
b) Amortization Payments	675,769,233	384,955,058
c) Prior Contribution Variance	-56,659,785	-38,712,394
Total Required Contribution	848,548,497	563,778,373
Total Contribution Rate	19.2%	13.8%
Minimum Required Contribution Rate	n/a	15.5%
Minimum Required Contribution <sup>2</sup>	n/a	637,242,733
PERSAC Approved rate <sup>1</sup>	15.5%	15.5%
Employer Normal Cost Rate	5.7029%	5.7566%
VI. Projected Employer Contributions To Fund Next Plan Year <sup>1</sup>		
a) Employer Portion of Normal Cost	235,613,642	223,372,657
b) Amortization Payments	696,108,145	415,351,005
c) Prior Contribution Variance	-11,607,984	-45,899,955
Total Required Contribution	920,113,803	592,823,707
Total Contribution Rate	20.2%	14.1%
Minimum Required Contribution Rate	n/a	15.5%
Minimum Required Contribution <sup>2</sup>	n/a	654,947,115
VII. Current Payroll	3,912,326,326	3,675,013,831
Projected Payroll - Mid Year	4,023,224,649	3,778,875,796
Projected Payroll - Next Year	4,131,496,438	3,880,271,115
ORP - Salary Adjustment Factor <sup>3</sup>	1.14402	1.14358

<sup>1</sup> Dollar Amounts reflect estimated payments due mid-year on January 1st per Act 81. Constitutional Minimum is 11.8% without regard to the statutory minimum of 15.5%.

<sup>2</sup> The Minimum Required Contribution is the required contribution using the statutory minimum rate, 15.5%.

<sup>3</sup> The ORP salary adjustment factor is used to convert amortization payments to percentage of payroll.

**EXHIBIT 2**

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

	----- Prior Years -----		
	June 30, 2009	June 30, 2008	June 30, 2007
<b><u>OPERATING REVENUES:</u></b>			
<b>1. Contribution Income</b>			
Member	\$ 344,547,871	\$ 323,678,452	\$ 282,326,101
Employer	656,009,533	652,599,472	541,763,650
IUAL Appropriations	0	40,000,000	0
Other Appropriations	31,455	50,000	53,200
ORP - Unfunded	54,447,510	57,569,465	49,429,250
LSU Coop/Ext	2,038,819	1,514,978	1,228,150
Miscellaneous	2,175,905	1,927,127	1,345,603
<b>TOTAL CONTRIBUTIONS</b>	<b>1,059,251,093</b>	<b>1,077,339,494</b>	<b>876,145,954</b>
<b>2. Investment Income</b>			
Investments	-3,261,533,703	-760,773,536	2,654,772,398
Less Advisor Fees	-26,318,814	-32,881,518	-32,298,534
<b>TOTAL INVESTMENT INCOME</b>	<b>-3,287,852,517</b>	<b>-793,655,054</b>	<b>2,622,473,864</b>
<b>3. Total Revenues</b>	<b>-2,228,601,424</b>	<b>283,684,440</b>	<b>3,498,619,818</b>
<b><u>OPERATING EXPENSES:</u></b>			
<b>1. General Administration</b>	18,780,525 <sup>2</sup>	17,952,266 <sup>1</sup>	13,864,239
Other Expenses	540,725	545,737	506,521
<b>2. Benefits Paid</b>			
a) Pension Benefits	1,464,106,312	1,383,381,577	1,295,552,338
b) Return of Contrib.	33,939,436	34,285,358	47,579,251
<b>TOTAL BENEFITS PAID</b>	<b>1,498,045,748</b>	<b>1,417,666,935</b>	<b>1,343,131,589</b>
<b>3. Total Expenses</b>	<b>1,517,366,998</b>	<b>1,436,164,938</b>	<b>1,361,629,592</b>
<b><u>NET MARKET VALUE INCREASE:</u></b>	<b>-3,745,968,422</b>	<b>-1,152,480,498</b>	<b>-1,077,945,152</b>

<sup>1</sup> The 2008 General Administration operating expense includes \$2,285,378 for OPEB.

<sup>2</sup> The 2009 General Administration operating expense includes \$2,502,048 for OPEB.

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

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

<b><u>ASSETS:</u></b>	<b>---Prior Years---</b>		
	<b><u>June 30, 2009</u></b>	<b><u>June 30, 2008</u></b>	<b><u>June 30, 2007</u></b>
1. Short Term Assets			
Cash in Banks	\$ 131,091,325	\$ 36,087,141	\$ 15,294,772
Domestic issues	668,041,245	624,681,156	981,706,327
Foreign Issues	(2,753,054)	-	-
2. Bonds			
Domestic issues	1,422,286,805	2,068,620,083	1,908,652,650
Foreign Issues	626,067,234	791,074,725	772,811,203
3. Equities (at market)			
Domestic	3,151,788,583	4,488,267,744	5,956,585,766
International	2,555,387,559	3,568,846,836	3,601,296,445
Private Equity	2,552,104,029	3,223,390,354	2,824,436,837
4. Other Assets			
Real Estate Trust	-	-	-
Fixtures/Properties	4,435,754	4,643,492	4,324,000
Receivables less Payables	141,831,817	190,638,188	83,622,217
TOTAL ASSETS - Market Value	11,250,281,297	14,996,249,719	16,148,730,217
Cost Value	13,435,394,835	14,926,129,442	14,355,367,076
<b><u>ACTUARIAL VALUE OF ASSETS:</u></b>			
TOTAL ASSETS	\$ 11,250,281,297	\$ 14,996,249,719	\$ 16,148,730,217
Change in Unrealized (G/L)			
Plan Year - 2 (wt. 1/4)	757,785,376	230,352,613	143,238,760
Plan Year - 1 (wt. 2/4)	(1,723,242,864)	757,785,376	230,352,613
Plan Year (wt. 3/4)	(2,255,233,815)	(1,723,242,864)	757,785,376
Preliminary Actuarial Value of Assets	13,613,881,746	15,852,201,026	15,429,405,189
<b>CORRIDOR LIMITS</b>			
Minimum = 80% of Market Value	9,000,225,038	11,996,999,775	12,918,984,174
Maximum = 120% of Market Value	13,500,337,556	17,995,499,663	19,378,476,260
Actuarial Value of Assets	13,500,337,556	15,852,201,026	15,429,405,189
<b><u>INVESTMENT YIELD:</u></b>			
Yield to Actuarial Value	-12.31%	5.15%	15.20%
Five Year Actuarial Value	6.18%	11.08%	8.72%
Yield to Market Value	-22.27%	-4.98%	19.05%
DROP Account Yield	0.00%	4.65%	14.70%

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

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

	---- Prior Years ----		
	June 30, 2009	June 30, 2008	June 30, 2007
<b><u>EMPLOYER CREDIT ACCOUNT <sup>1</sup>:</u></b>			
Prior Year Ending Balance	\$ 38,671,113	\$ -	\$ -
+ Contributions	73,369,124	37,712,521	-
- Disbursements	-	-	-
+ Accumulated Interest	(4,662,958)	958,592	-
Account Balance - Year End	107,377,279	38,671,113	-
<b><u>LSU AG/EXT SERVICE:</u></b>			
Prior Year Ending Balance	\$ (316,156)	\$ (409,216)	\$ (132,576)
+ Contributions	2,038,819	1,514,978	1,228,150
- Benefit Disbursements	2,104,839 <sup>2</sup>	1,403,679	1,467,120
+ Accumulated Interest	(46,410)	(18,239)	(37,670)
Fund Balance - Year End	(428,586)	(316,156)	(409,216)
<b><u>INITIAL UAL AMORTIZATION FUND:</u></b>			
Prior Year Ending Balance	\$ 346,270,915	\$ 290,955,593	\$ 252,566,705
+ Current Year Allocation	-	40,000,000	-
+ Accumulated Interest	28,567,351	15,315,322	38,388,888
Subtotal - Year End	374,838,266	346,270,915	290,955,593
+ Subaccount Allocation <sup>3</sup>	296,655,328	n/a	n/a
Fund Balance - Year End	671,493,594	346,270,915	290,955,593
<b><u>EXPERIENCE ACCOUNT FUND:</u></b>			
Prior Year Ending Balance	\$ 344,683,573	\$ 617,106,814	\$ 534,616,331
+ Experience Account Allocation	-	-	298,918,100
- Benefit Disbursements	5,607,925 <sup>4</sup>	304,193,697	297,686,651
+ Accumulated Interest	(42,420,320)	31,770,456	81,259,034
- Disbursements to IUAL Subaccount <sup>3</sup>	296,655,328	n/a	n/a
Fund Balance - Year End	-	344,683,573	617,106,814
<b><u>DEVELOPMENT OF VALUATION ASSETS:</u></b>			
Actuarial Value of Assets	13,500,337,556	\$ 15,852,201,026	\$ 15,429,405,189
- Employer Credit Account	107,377,279	38,671,113	-
- LSU Ag/Ext Service Account	(428,586)	(316,156)	(409,216)
- Initial UAL Amortization Fund	671,493,594	346,270,915	290,955,593
- Experience Account Fund	-	344,683,573	617,106,814
Valuation Assets	12,721,895,269	15,122,891,581	14,521,751,998

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

<sup>2</sup> Includes \$1,361,189 for benefits paid in FY 08/09 and \$743,650 for outstanding balance of benefits paid in prior years.

<sup>3</sup> Experience Account balance allocated to IUAL Subaccount, per Act 497 of 2009.

<sup>4</sup> Disbursement for 2009 Minimum Benefit Increase, per Act 144 of 2009.

**EXHIBIT 3****PENSION ACCOUNTING  
AND  
FINANCIAL DISCLOSURE**

The Governmental Accounting Standards Board (GASB) was established as an arm of the Financial Accounting Foundation in April, 1984 by amendment to the Foundation's certificate of incorporation and by-laws. GASB's objective is to promulgate standards of financial accounting and reporting relative to the activities and transactions of state and local governmental entities. The following disclosures and statistical tables are in accordance with the GASB's Statement No. 25.

**SCHEDULE OF FUNDING PROGRESS**

(Dollar amounts in thousands)

Actuarial Valuation Date	Actuarial Value of Assets <sup>1</sup> (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) <sup>2</sup> (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Payroll ((b- a)/c)
2000	11,368,692	14,596,441	3,227,749	77.9%	2,563,634	125.9%
2001	12,062,136	15,390,417	3,328,281	78.4%	2,582,831	128.9%
2002	12,019,552	16,263,239	4,243,687	73.9%	2,777,667	152.8%
2003	11,826,926	17,196,812	5,369,886	68.8%	2,977,885	180.3%
2004	11,409,404	18,067,486	6,658,082	63.1%	3,017,087	220.7%
2005	12,082,682	18,699,765	6,617,083	64.6%	3,132,169	211.3%
2006	13,088,358	19,390,781	6,302,423	67.5%	2,892,959	217.9%
2007	14,812,298	20,772,330	5,960,032	71.3%	3,224,566	184.8%
2008	15,507,834	22,090,516	6,582,683	70.2%	3,675,014	179.1%
2009	13,500,766	22,839,411	9,338,645	59.1%	3,912,326	238.7%

The total actuarial accrued liability determined using the Projected Unit Credit cost method increased by \$748,894,300 from June 30, 2008, to June 30, 2009. There was a net experience loss to the fund from all sources of \$3,025,368,762.

<sup>1</sup> The Actuarial Value of Assets for GASB reporting includes the Initial UAL Amortization Fund Assets and the Employer Credit Account Assets in the Valuation Assets (see page 12).

<sup>2</sup> UAAL differs from the UFAL for funding purposes. UFAL for funding purposes excludes the Initial UAL Amortization Fund Assets and the Employer Credit Account Assets (see page 12).

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

**SUPPLEMENTARY INFORMATION**

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Fiscal Year	Actuarial Required Contribution	Percent Contributed	Annual Pension Cost (APC)	Actual Contribution	Percentage of APC Contributed	Net Pension Obligation <sup>1</sup>
2000	437,710,389	107.5	444,575,883	470,320,825	105.8	-67,105,933
2001	404,060,783	110.2	416,196,824	445,371,171	107.0	-96,280,280
2002	421,195,131	104.9	443,053,905	441,801,709	99.7	-95,028,086
2003	479,077,364	98.0	506,747,733	469,346,469	92.6	-57,626,822
2004	527,899,270	94.4	554,174,817	498,236,803	89.9	-1,688,806
2005	555,169,630	105.6	568,930,106	586,216,595	103.0	-18,975,295
2006	555,342,400	103.1	567,282,575	572,773,243	101.0	-24,465,963
2007	578,895,501	106.5	584,362,449	616,429,526	105.5	-56,533,040
2008	637,097,695	116.2	644,186,660	740,511,169	115.0	-152,857,540
2009	697,190,561	112.9	724,857,452	787,255,603	108.6	-215,255,691

Analysis of the percentage contributed over a period of years will give a relative indication of the funding progress for the liabilities of the Teachers' Retirement System of Louisiana.

The difference between the Actuarial Required Contribution and the APC is the amortization payment for the Net Pension Obligation (see Exhibit A).

**DEVELOPMENT OF NET PENSION OBLIGATION:**

(1) Actuarial Required Contribution	697,190,561
(2) Interest on Net Pension Obligation	-12,610,746
(3) Amortization of Net Pension Obligation	<u>-40,277,637</u>
(4) Annual Pension Cost (1)+(2)-(3)	724,857,452
(5) Employer Contribution	787,255,603
(6) Increase (decrease) in Net Pension Obligation	-62,398,151
(7) Net Pension Obligation Beginning of Year	-152,857,540
(8) Net Pension Obligation End of Year (6)+(7)	-215,255,691

<sup>1</sup> Actuarial Contributions, the Annual Pension Cost (APC), and the actual employer contribution have been adjusted with interest at the valuation rate to the end of the fiscal year in accordance with GASB's Statement No. 27, paragraph 21.

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

STATISTICAL DATA  
 COMPARATIVE SUMMARY OF REVENUES BY SOURCE  
 AND EXPENSES BY TYPE

Revenues by Source				
Fiscal Year	Members Contribution	Employer Contribution <sup>1</sup>	Investment Income	Total
2000	224,684,434	452,965,401	1,525,771,416	2,203,421,251
2001	226,754,298	429,112,566	-594,326,474	61,540,390
2002	246,119,537	427,674,482	-946,882,960	-273,088,941
2003	251,297,406	451,337,304	226,342,205	928,976,915
2004	264,999,131	479,348,663	1,741,769,825	2,486,117,619
2005	270,619,181	564,922,509	1,138,249,695	1,973,791,385
2006	258,412,024	579,277,431 <sup>2</sup>	1,740,872,434	2,578,561,889
2007	282,326,101	593,819,853	2,622,473,864	3,498,619,818
2008	323,678,452	753,661,042 <sup>3</sup>	-793,655,054	283,684,440
2009	344,547,871	714,703,222	-3,287,852,517	-2,228,601,424

Expenses by Type				
Fiscal Year	Benefits	Refunds	Administrative Expenses	Total
2000	791,183,546	22,458,244	7,733,662	821,375,452
2001	858,979,906	26,948,712	8,655,615	894,584,233
2002	920,593,341	23,432,297	9,361,965	953,387,603
2003	1,003,327,453	22,287,120	11,178,783	1,036,793,356
2004	1,075,298,667	26,714,645	11,385,025	1,113,398,337
2005	1,139,814,334	30,391,992	12,717,185	1,182,923,511
2006	1,204,472,977	38,556,907	13,831,845	1,256,861,729
2007	1,295,552,338	47,579,251	14,370,760	1,357,502,349
2008	1,383,381,577	34,285,358	18,498,003 <sup>4</sup>	1,436,164,938
2009	1,464,106,312	33,939,436	19,321,250	1,517,366,998

1 Includes Miscellaneous Contribution/Income in addition to direct employer contributions.

2 Includes \$26,400,000 legislative appropriation from Act 642 of 2006.

3 Includes \$40,000,000 legislative appropriation from Act 7 of 2008 (2<sup>nd</sup> Extraordinary Session).

4 Includes OPEB expense, beginning in 2008.

**EXHIBIT 4****CENSUS DATA****GENERAL COMMENTS**

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

The validity of the results of any actuarial valuation is dependent upon the accuracy of the data base. Prior to processing, records identified as containing suspicious data were assumed to possess the same characteristics of "good data" in the same cohort based on the following error types:

- missing sex code
- missing or invalid date of birth
- missing or invalid date of employment
- missing or invalid salary
- invalid retirement dates

Suspicious data are not necessarily errors, but data which fall outside the parameters of the editing process for further checking.

The Terminated Vested status is overstated. It contains a number of retirement and DROP applications awaiting final certification.

The following is a summary by plan of the data submitted for valuation:

Active Members	2009		2008	
	Census	Avg. Salary	Census	Avg. Salary
TRS - Regular Plan	76,566	43,128	75,126	41,330
TRS - University Plan	6,750	59,527	6,283	58,016
TRS - Plan A	144	24,835	189	23,257
TRS - Plan B	1,259	19,273	1,242	17,711
TRS - Post DROP	3,487	51,771	3,139	57,074
<b>Total</b>	<b>88,206</b>	<b>44,354</b>	<b>85,979</b>	<b>42,743</b>

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

	<b>2009 Census</b>	<b>2008 Census</b>
Retired and Inactive Members		
Regular Retirees	53,009	51,916
Disability Retirees	3,959	3,969
Survivors	5,449	5,185
DROP Participants	3,421	3,760
Vested & Reciprocals	5,872	6,043
Due Refunds	10,905	10,571
<b>Total</b>	<b>82,615</b>	<b>81,444</b>
Total Actives and Inactives	170,821	167,423

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

Actuarial Salaries	\$3,912,326,326
Actual Salaries for which contributions were received	\$4,315,830,819

**Demographic Trends**

The table on the following page illustrates the demographic changes by sex and age groups that the retirement system has experienced since June 30, 1979. A review of these changes is necessary to fully appreciate the changes in funding that the system is experiencing. Traditionally, benefit increases through plan amendments, large salary growth and cost of living increases were well recognized as cost contributors, but the potential cost impact resulting from these socio-economic changes can vary depending on the changing demographic structure of the plan as follows:

The ratio of males to females has declined from 0.406 to 0.209 during the last thirty years. The decline in male teachers has resulted in increased funding (although offset by experience gains) since funding requirements for females is approximately 1% of payroll greater than their male counterparts. However, there appears to be a change in the shifting demographics. The table below shows an increase in the percentage of male teachers for the second year. Additionally, the table below shows an increase in the percentage of members below age forty, which could offset any accelerated funding caused by the increase in the average age of the active membership.

**EXHIBIT 4 (Continued)**  
**Employee Census**

**Demographic Change**

**Active Participants**

<b>Males</b>							
<b>Age Group</b>	<b>1979</b>		<b>2008</b>		<b>2009</b>		<b>30 Year % Change</b>
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	
[20 - 29)	2,900	15%	1,938	14%	1,984	14%	-1%
[30 - 39)	7,035	36%	3,650	26%	3,788	26%	-10%
[40 - 49)	5,719	29%	3,597	25%	3,735	26%	-3%
[50 - 59)	3,316	17%	3,665	26%	3,589	25%	8%
[60 + )	739	4%	1,383	10%	1,525	10%	7%
<b>Total</b>	<b>19,709</b>	<b>100%</b>	<b>14,233</b>	<b>100%</b>	<b>14,621</b>	<b>100%</b>	
<b>Females</b>							
<b>Age Group</b>	<b>1979</b>		<b>2008</b>		<b>2009</b>		<b>30 Year % Change</b>
	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	
[20 - 29)	12,150	25%	8,765	12.8%	8,953	12.8%	-12%
[30 - 39)	17,302	36%	17,469	25.5%	18,085	25.8%	-10%
[40 - 49)	11,604	24%	20,763	30.3%	20,807	29.7%	6%
[50 - 59)	6,446	13%	18,045	26.3%	18,208	26.0%	13%
[60 + )	1,024	2%	3,565	5.2%	4,045	5.8%	4%
<b>Total</b>	<b>48,526</b>	<b>100%</b>	<b>68,607</b>	<b>100%</b>	<b>70,098</b>	<b>100%</b>	
<b>Distribution by Sex</b>							
	<b>1979</b>		<b>2008</b>		<b>2009</b>		<b>% Change from 1979</b>
Males (%)	29%		17.2%		17.3%		-11.7%
Females (%)	71%		82.8%		82.7%		11.7%
Ratio of Males to Females:	0.406		0.207		0.209		

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
ALL ACTIVE MEMBERS

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	4	3	0	0	0	0	0	0	0	7
:	96513	96112	0	0	0	0	0	0	0	192625
[20 - 24):	662	1631	0	0	0	0	0	0	0	2293
:	25583356	63547192	0	0	0	0	0	0	0	89130548
[25 - 29):	998	6113	1525	1	0	0	0	0	0	8637
:	38750948	244668233	66912985	36764	0	0	0	0	0	350368930
[30 - 34):	732	4197	4225	1013	3	0	0	0	0	10170
:	28428380	162583407	190987708	49989551	111356	0	0	0	0	432100402
[35 - 39):	652	3512	3039	3485	1011	4	0	0	0	11703
:	25290344	130724254	131231190	173313196	52694737	168731	0	0	0	513422452
[40 - 44):	539	2849	2448	2329	2630	943	7	0	0	11745
:	20420845	99179313	95726855	105565360	137600939	50993043	289038	0	0	509775393
[45 - 49):	430	2420	2310	2348	2109	2279	897	4	0	12797
:	16681577	84134670	86387326	96271556	99340977	122857949	50005746	137331	0	555817132
[50 - 54):	311	1906	1858	2141	2240	1923	2272	196	1	12848
:	12349607	69672069	70396196	86613146	99932648	100482840	131074633	13228133	56418	583805690
[55 - 59):	238	1339	1342	1573	1933	1784	505	206	29	8949
:	10785343	53039723	56852895	65963089	86159322	90144366	32428811	15621048	2219181	413213778
[60 - 64):	106	646	663	613	738	812	317	133	47	4075
:	4620868	27947554	27762866	26957815	35638447	44691998	21690567	11587047	3908519	204805681
[65 - 69):	35	161	175	156	154	174	161	66	56	1138
:	1641277	6166832	7844733	6524511	7809698	10100847	10794766	4886038	5271024	61039726
[70 - 74):	10	50	49	36	40	40	50	54	28	357
:	557331	1874840	2125383	1354052	1817053	2237560	2882093	3204717	2075941	18128970
Total	4717	24827	17634	13695	10858	7959	4209	659	161	84719
:	%185206388	943634199	736228137	612589040	521105177	421677334	249165654	48664314	13531083	
:3731801326:										

AVERAGES --- Attained Age 43.81  
Service Years 10.28  
Active Salary 44,049

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
ACTIVE - TEACHERS

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19)	4	3	0	0	0	0	0	0	0	7
	96513	96112	0	0	0	0	0	0	0	192625
[20 - 24)	573	1544	0	0	0	0	0	0	0	2117
	22135020	60603371	0	0	0	0	0	0	0	82738391
[25 - 29)	810	5573	1470	0	0	0	0	0	0	7853
	30848734	223734850	64527066	0	0	0	0	0	0	319110650
[30 - 34)	583	3713	3997	989	3	0	0	0	0	9285
	21025378	140362872	180225392	48845241	111356	0	0	0	0	390570239
[35 - 39)	543	3092	2796	3354	987	4	0	0	0	10776
	19447649	110903038	118674094	166285238	51348880	168731	0	0	0	466827630
[40 - 44)	445	2496	2230	2194	2546	921	7	0	0	10839
	15167924	82969972	84982429	98859917	132949968	49784267	289038	0	0	465003515
[45 - 49)	349	2081	2073	2184	2005	2188	853	4	0	11737
	11821111	69452592	75267822	88878943	93785861	117981750	48128114	137331	0	505453524
[50 - 54)	237	1611	1661	1984	2095	1786	2094	174	1	11643
	8415399	55660715	61107828	80128691	92717770	91964875	121709904	11854006	56418	523615606
[55 - 59)	192	1137	1147	1439	1815	1586	342	165	23	7846
	7610075	42403032	46001354	60118534	80314603	77660620	20372946	11776276	1805121	348062561
[60 - 64)	84	528	553	544	675	711	217	52	26	3390
	3461421	20644919	21621839	23307128	31760637	36788516	11972517	3166482	1795857	154519316
[65 - 69)	23	135	136	125	127	135	98	31	19	829
	759285	4785102	5324371	5159059	5744545	6682388	4874266	1597016	1225915	36151947
[70 - 74)	7	41	36	33	31	25	31	30	10	244
	330666	1425088	1279914	1271001	1087643	1059888	1413031	1387339	651064	9905634
Total	3850	21954	16099	12846	10284	7356	3642	456	79	76566
	141119176	813041663	659012109	572853752	489821263	382091035	208759816	29918450	5534375	3302151639

AVERAGES --- Attained Age 43.56  
Service Years 10.36  
Active Salary 43,128

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
ACTIVE - LSU/UNV

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[20 - 24):	88	85	0	0	0	0	0	0	0	173
:	3435268	2909662	0	0	0	0	0	0	0	6344930
[25 - 29):	183	524	54	1	0	0	0	0	0	762
:	7810337	20659236	2357719	36764	0	0	0	0	0	30864056
[30 - 34):	146	459	218	23	0	0	0	0	0	846
:	7357449	21785277	10591207	1120952	0	0	0	0	0	40854885
[35 - 39):	104	375	220	122	24	0	0	0	0	845
:	5742231	19075286	12114650	6859234	1345857	0	0	0	0	45137258
[40 - 44):	87	291	164	105	76	17	0	0	0	740
:	5148652	15112377	9728359	6057076	4476466	1098147	0	0	0	41621077
[45 - 49):	70	255	160	98	76	64	24	0	0	747
:	4675739	13311813	9747758	6047250	4936484	4220889	1412611	0	0	44352544
[50 - 54):	60	220	141	92	102	97	105	13	0	830
:	3701709	12775937	8249259	5184096	6287489	7577188	7527540	1126439	0	52429657
[55 - 59):	43	161	163	82	89	147	116	38	6	845
:	3123207	9843434	10294730	4794886	5210275	11309990	10966873	3775105	414060	59732560
[60 - 64):	20	99	83	59	55	92	93	78	21	600
:	1129934	6963713	5640944	3411213	3705678	7694858	9567934	8339029	2112662	48565965
[65 - 69):	12	21	34	23	23	37	55	31	36	272
:	881992	1304263	2433866	1209794	2005514	3380538	5720086	3125512	4037309	24098874
[70 - 74):	3	8	13	3	5	13	14	16	15	90
:	226665	431146	845469	83051	651596	1138340	1373424	1668376	1389413	7807480
Total	816	2498	1250	608	450	467	407	176	78	6750
Total	43233183	124172144	72003961	34804316	28619359	36419950	36568468	18034461	7953444	401809286

AVERAGES --- Attained Age 45.22  
Service Years 9.01  
Active Salary 59,527

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
ACTIVE - LUNCH PLAN A

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
:[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
:[ 20 - 24):	0	0	0	0	0	0	0	0	0	0
:[ 25 - 29):	0	0	0	0	0	0	0	0	0	0
:[ 30 - 34):	0	0	0	0	0	0	0	0	0	0
:[ 35 - 39):	0	0	0	0	0	0	0	0	0	0
:[ 40 - 44):	0	0	0	0	0	0	0	0	0	0
:[ 45 - 49):	0	0	1	0	0	3	17	0	0	21
:[ 50 - 54):	0	0	300	0	0	82308	408473	0	0	491081
:[ 55 - 59):	0	0	0	1	1	7	56	3	0	68
:[ 60 - 64):	0	0	0	14485	14094	205400	1463292	86854	0	1784125
:[ 65 - 69):	0	0	0	1	1	7	12	2	0	23
:[ 70 - 74):	0	0	0	14977	30391	158214	293601	52188	0	549371
:[ 75 - 79):	0	0	0	0	2	1	3	1	0	7
:[ 80 - 84):	0	0	0	0	41486	33108	77097	25664	0	177355
:[ 85 - 89):	0	0	0	0	2	1	5	3	1	12
:[ 90 - 94):	0	0	0	0	20964	19928	153147	141310	7800	343149
:[ 95 - 99):	0	0	0	0	0	0	4	6	3	13
:[ 100 - 104):	0	0	0	0	0	0	82989	112760	35464	231213
:[ 105 - 109):	0	0	0	0	0	0	0	0	0	0
:[ 110 - 114):	0	0	0	0	0	0	0	0	0	0
:[ 115 - 119):	0	0	0	0	0	0	0	0	0	0
:[ 120 - 124):	0	0	0	0	0	0	0	0	0	0
:[ 125 - 129):	0	0	0	0	0	0	0	0	0	0
:[ 130 - 134):	0	0	0	0	0	0	0	0	0	0
:[ 135 - 139):	0	0	0	0	0	0	0	0	0	0
:[ 140 - 144):	0	0	0	0	0	0	0	0	0	0
:[ 145 - 149):	0	0	0	0	0	0	0	0	0	0
:[ 150 - 154):	0	0	0	0	0	0	0	0	0	0
:[ 155 - 159):	0	0	0	0	0	0	0	0	0	0
:[ 160 - 164):	0	0	0	0	0	0	0	0	0	0
:[ 165 - 169):	0	0	0	0	0	0	0	0	0	0
:[ 170 - 174):	0	0	0	0	0	0	0	0	0	0
:[ 175 - 179):	0	0	0	0	0	0	0	0	0	0
:[ 180 - 184):	0	0	0	0	0	0	0	0	0	0
:[ 185 - 189):	0	0	0	0	0	0	0	0	0	0
:[ 190 - 194):	0	0	0	0	0	0	0	0	0	0
:[ 195 - 199):	0	0	0	0	0	0	0	0	0	0
:[ 200 - 204):	0	0	0	0	0	0	0	0	0	0
:[ 205 - 209):	0	0	0	0	0	0	0	0	0	0
:[ 210 - 214):	0	0	0	0	0	0	0	0	0	0
:[ 215 - 219):	0	0	0	0	0	0	0	0	0	0
:[ 220 - 224):	0	0	0	0	0	0	0	0	0	0
:[ 225 - 229):	0	0	0	0	0	0	0	0	0	0
:[ 230 - 234):	0	0	0	0	0	0	0	0	0	0
:[ 235 - 239):	0	0	0	0	0	0	0	0	0	0
:[ 240 - 244):	0	0	0	0	0	0	0	0	0	0
:[ 245 - 249):	0	0	0	0	0	0	0	0	0	0
:[ 250 - 254):	0	0	0	0	0	0	0	0	0	0
:[ 255 - 259):	0	0	0	0	0	0	0	0	0	0
:[ 260 - 264):	0	0	0	0	0	0	0	0	0	0
:[ 265 - 269):	0	0	0	0	0	0	0	0	0	0
:[ 270 - 274):	0	0	0	0	0	0	0	0	0	0
:[ 275 - 279):	0	0	0	0	0	0	0	0	0	0
:[ 280 - 284):	0	0	0	0	0	0	0	0	0	0
:[ 285 - 289):	0	0	0	0	0	0	0	0	0	0
:[ 290 - 294):	0	0	0	0	0	0	0	0	0	0
:[ 295 - 299):	0	0	0	0	0	0	0	0	0	0
:[ 300 - 304):	0	0	0	0	0	0	0	0	0	0
:[ 305 - 309):	0	0	0	0	0	0	0	0	0	0
:[ 310 - 314):	0	0	0	0	0	0	0	0	0	0
:[ 315 - 319):	0	0	0	0	0	0	0	0	0	0
:[ 320 - 324):	0	0	0	0	0	0	0	0	0	0
:[ 325 - 329):	0	0	0	0	0	0	0	0	0	0
:[ 330 - 334):	0	0	0	0	0	0	0	0	0	0
:[ 335 - 339):	0	0	0	0	0	0	0	0	0	0
:[ 340 - 344):	0	0	0	0	0	0	0	0	0	0
:[ 345 - 349):	0	0	0	0	0	0	0	0	0	0
:[ 350 - 354):	0	0	0	0	0	0	0	0	0	0
:[ 355 - 359):	0	0	0	0	0	0	0	0	0	0
:[ 360 - 364):	0	0	0	0	0	0	0	0	0	0
:[ 365 - 369):	0	0	0	0	0	0	0	0	0	0
:[ 370 - 374):	0	0	0	0	0	0	0	0	0	0
:[ 375 - 379):	0	0	0	0	0	0	0	0	0	0
:[ 380 - 384):	0	0	0	0	0	0	0	0	0	0
:[ 385 - 389):	0	0	0	0	0	0	0	0	0	0
:[ 390 - 394):	0	0	0	0	0	0	0	0	0	0
:[ 395 - 399):	0	0	0	0	0	0	0	0	0	0
:[ 400 - 404):	0	0	0	0	0	0	0	0	0	0
:[ 405 - 409):	0	0	0	0	0	0	0	0	0	0
:[ 410 - 414):	0	0	0	0	0	0	0	0	0	0
:[ 415 - 419):	0	0	0	0	0	0	0	0	0	0
:[ 420 - 424):	0	0	0	0	0	0	0	0	0	0
:[ 425 - 429):	0	0	0	0	0	0	0	0	0	0
:[ 430 - 434):	0	0	0	0	0	0	0	0	0	0
:[ 435 - 439):	0	0	0	0	0	0	0	0	0	0
:[ 440 - 444):	0	0	0	0	0	0	0	0	0	0
:[ 445 - 449):	0	0	0	0	0	0	0	0	0	0
:[ 450 - 454):	0	0	0	0	0	0	0	0	0	0
:[ 455 - 459):	0	0	0	0	0	0	0	0	0	0
:[ 460 - 464):	0	0	0	0	0	0	0	0	0	0
:[ 465 - 469):	0	0	0	0	0	0	0	0	0	0
:[ 470 - 474):	0	0	0	0	0	0	0	0	0	0
:[ 475 - 479):	0	0	0	0	0	0	0	0	0	0
:[ 480 - 484):	0	0	0	0	0	0	0	0	0	0
:[ 485 - 489):	0	0	0	0	0	0	0	0	0	0
:[ 490 - 494):	0	0	0	0	0	0	0	0	0	0
:[ 495 - 499):	0	0	0	0	0	0	0	0	0	0
:[ 500 - 504):	0	0	0	0	0	0	0	0	0	0
:[ 505 - 509):	0	0	0	0	0	0	0	0	0	0
:[ 510 - 514):	0	0	0	0	0	0	0	0	0	0
:[ 515 - 519):	0	0	0	0	0	0	0	0	0	0
:[ 520 - 524):	0	0	0	0	0	0	0	0	0	0
:[ 525 - 529):	0	0	0	0	0	0	0	0	0	0
:[ 530 - 534):	0	0	0	0	0	0	0	0	0	0
:[ 535 - 539):	0	0	0	0	0	0	0	0	0	0
:[ 540 - 544):	0	0	0	0	0	0	0	0	0	0
:[ 545 - 549):	0	0	0	0	0	0	0	0	0	0
:[ 550 - 554):	0	0	0	0	0	0	0	0	0	0
:[ 555 - 559):	0	0	0	0	0	0	0	0	0	0
:[ 560 - 564):	0	0	0	0	0	0	0	0	0	0
:[ 565 - 569):	0	0	0	0	0	0	0	0	0	0
:[ 570 - 574):	0	0	0	0	0	0	0	0	0	0
:[ 575 - 579):	0	0	0	0	0	0	0	0	0	0
:[ 580 - 584):	0	0	0	0	0	0	0	0	0	0
:[ 585 - 589):	0	0	0	0	0	0	0	0	0	0
:[ 590 - 594):	0	0	0	0	0	0	0	0	0	0
:[ 595 - 599):	0	0	0	0	0	0	0	0	0	0
:[ 600 - 604):	0	0	0	0	0	0	0	0	0	0
:[ 605 - 609):	0	0	0	0	0	0	0	0	0	0
:[ 610 - 614):	0	0	0	0	0	0	0	0	0	0
:[ 615 - 619):	0	0	0	0	0	0	0	0	0	0
:[ 620 - 624):	0	0	0	0	0	0	0	0	0	0
:[ 625 - 629):	0	0	0	0	0	0	0	0	0	0
:[ 630 - 634):	0	0	0	0	0	0	0	0	0	0
:[ 635 - 639):	0	0	0	0	0	0	0	0	0	0
:[ 640 - 644):	0	0	0	0	0	0	0	0	0	0
:[ 645 - 649):	0	0	0	0	0	0	0	0	0	0
:[ 650 - 654):	0	0	0	0	0	0	0	0	0	0
:[ 655 - 659):	0	0	0	0	0	0	0	0	0	0
:[ 660 - 664):	0	0	0	0	0	0	0	0	0	0
:[ 665 - 669):	0	0	0	0	0	0	0	0	0	0
:[ 670 - 674):	0	0	0	0	0	0	0	0	0	0
:[ 675 - 679):	0	0	0	0	0	0	0	0	0	0
:[ 680 - 684):	0	0	0	0	0	0	0	0	0	0
:[ 685 - 689):	0	0	0	0	0	0	0	0	0	0
:[ 690 - 694):	0	0	0	0	0	0	0	0	0	0
:[ 695 - 699):	0	0	0	0	0	0	0	0	0	0
:[ 700 - 704):	0	0	0	0	0	0	0	0	0	0
:[ 705 - 709):	0	0	0	0	0	0	0	0	0	0
:[ 710 - 714):	0	0	0	0	0	0	0	0	0	0
:[ 715 - 719):	0	0	0	0	0	0	0	0	0	0
:[ 720 - 724):	0	0	0	0	0	0	0	0	0	0
:[ 725 - 729):	0	0	0	0	0	0	0	0	0	0
:[ 730 - 734):	0	0	0	0	0	0	0	0	0	0
:[ 735 - 739):	0	0	0	0	0	0	0	0	0	0
:[ 740 - 744):	0	0	0	0	0	0	0	0	0	0
:[ 745 - 749):	0	0	0	0						

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
ACTIVE - LUNCH PLAN B

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
:[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:										
:[20 - 24):	1	2	0	0	0	0	0	0	0	3
:	13068	34159	0	0	0	0	0	0	0	47227
:										
:[25 - 29):	5	16	1	0	0	0	0	0	0	22
:	91876	274147	28200	0	0	0	0	0	0	394223
:										
:[30 - 34):	3	25	10	1	0	0	0	0	0	39
:	45553	435258	171109	23358	0	0	0	0	0	675278
:										
:[35 - 39):	5	45	23	9	0	0	0	0	0	82
:	100464	745930	442446	168724	0	0	0	0	0	1457564
:										
:[40 - 44):	7	62	54	30	8	5	0	0	0	166
:	104269	1096964	1016067	648367	174505	110629	0	0	0	3150801
:										
:[45 - 49):	11	84	76	66	28	24	3	0	0	292
:	184727	1370265	1371446	1345363	618632	573002	56548	0	0	5519983
:										
:[50 - 54):	14	75	56	64	42	33	17	6	0	307
:	232499	1235417	1039109	1285874	913295	735377	373897	160834	0	5976302
:										
:[55 - 59):	3	41	32	51	28	44	35	1	0	235
:	52060	793257	556811	1034692	604053	1015542	795391	17479	0	4869285
:										
:[60 - 64):	2	19	27	10	6	8	4	2	0	78
:	29513	338922	500083	239474	130646	175516	73019	55872	0	1543045
:										
:[65 - 69):	0	5	5	8	2	1	3	1	0	25
:	0	77467	86496	155658	38675	17993	47267	22200	0	445756
:										
:[70 - 74):	0	1	0	0	4	2	1	2	0	10
:	0	18606	0	0	77814	39332	12649	36242	0	184643
:										
Total :	51	375	284	239	118	117	63	12	0	1259
Total :	854028	6420392	5211767	4901510	2557620	2667391	1358771	292627	0	24264106

AVERAGES --- Attained Age 49.96  
Service Years 10.08  
Active Salary 19,273

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
ACTIVE AFTER DROP

CELLS DEPICT - MEMBER COUNT  
TOTAL SALARY  
DROP BENEFITS

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
:[ 0 - 34):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:[35 - 39):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:[40 - 44):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:[45 - 49):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:[50 - 54):	90	15	4	0	0	0	0	0	0	109
:	3295705	478145	142240	0	0	0	0	0	0	3916090
:	3072060	321348	86652	0	0	0	0	0	0	3480060
:[55 - 59):	539	422	195	111	61	22	0	0	0	1350
:	21000636	22666584	11211753	6857379	3517443	1277462	0	0	0	66531257
:	18340020	14678856	7165368	3971232	2037804	709536	0	0	0	46902816
:[60 - 64):	178	188	209	175	136	331	1	0	0	1218
:	4873191	8845391	11777731	10380176	8917369	22082839	57746	0	0	66934443
:	3621972	4428840	6511644	5586744	4438248	10794288	24792	0	0	35406528
:[65 - 69):	12	15	92	78	62	289	62	1	0	611
:	231151	503618	3569135	2872315	2993346	17605747	4544184	110685	0	32430181
:	64812	162480	1207836	1010028	1157028	7093788	1844640	47004	0	12587616
:[70 - 74):	3	4	3	5	4	107	72	1	0	199
:	35470	211039	173361	155981	92904	4974766	4924338	145170	0	10713029
:	14172	103404	94248	28104	47856	2043456	2053176	50004	0	4434420
-----										
: Total :	822	644	503	369	263	749	135	2	0	3487
: Total :	29436153	32704777	26874220	20265851	15521062	45940814	9526268	255855	0	180525000
: Total :	25113036	19694928	15065748	10596108	7680936	20641068	3922608	97008	0	102811440
:										

AVERAGES --- Attained Age 61.67  
Post Drop Years 3.31  
Active Salary 51,771  
Annual Benefit 29,484

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

TRS RETIREMENT SYSTEM  
REGULAR RETIREES

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
[40 - 44):	23	10	13	8	1	0	0	0	0	55
:	408924	185832	198456	99912	9348	0	0	0	0	902472
[45 - 49):	52	53	67	106	56	91	2	0	0	427
:	993192	1099020	1316712	1751112	906744	1220832	28728	0	0	7316340
[50 - 54):	176	171	141	195	106	505	165	5	0	1464
:	5567580	4880856	3201228	4077528	2025648	7702560	2008728	31308	0	29495436
[55 - 59):	815	943	873	1061	558	978	651	231	4	6114
:	27050304	30056436	28669344	34469616	16874400	22539744	9346716	3047736	35088	172089384
[60 - 64):	699	936	1198	1605	1252	3535	705	623	178	10731
:	14630376	20766624	28900320	44572032	35241840	103675596	13907676	9272772	2303400	273270636
[65 - 69):	262	329	454	795	725	4381	2374	752	567	10639
:	6718932	8411424	10545804	19376496	17319456	100249920	66868968	15995328	8196324	253682652
[70 - 74):	62	95	129	227	223	2018	2824	1719	1233	8530
:	1721532	3207312	3104712	6039120	5995440	45079884	63082656	46357332	21277644	195865632
[75 - 79):	18	20	46	75	49	566	1550	2020	2610	6954
:	691224	719316	1366452	2269212	1291728	13739568	35623824	39361080	53710404	148772808
[80 - 84):	7	2	8	15	14	117	378	936	2834	4311
:	329388	270936	381792	549684	467712	2850852	9552048	17663544	49505292	81571248
[85 - 89):	0	0	1	4	2	19	67	204	2194	2491
:	0	0	37140	127956	103608	422976	1687008	4109988	34920816	41409492
[90 - 99):	0	0	0	0	0	1	2	14	1276	1293
:	0	0	0	0	0	9912	36528	258576	18691224	18996240
Total	2114	2559	2930	4091	2986	12211	8718	6504	10896	53009
:	58111452	69597756	77721960	113332668	80235924	297491844	202142880	136097664	188640192	1223372340

AVERAGES --- Attained Age 69.61  
Years Retired 11.81  
Annual Benefit 23,079

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

TRS RETIREMENT SYSTEM  
DISABILITY RETIREES

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	6	10	9	0	3	6	0	0	0	34
:	83448	139704	103080	0	28956	72036	0	0	0	427224
[40 - 44):	11	13	12	10	9	29	7	0	0	91
:	170364	195972	140868	136272	122976	323856	74676	0	0	1164984
[45 - 49):	17	22	21	10	13	63	33	13	2	194
:	250188	284004	326964	108456	152832	776628	282300	159408	21948	2362728
[50 - 54):	18	31	40	38	36	134	54	33	18	402
:	231852	446964	540432	522696	477096	1690344	569628	318708	161016	4958736
[55 - 59):	27	59	51	62	47	194	115	95	55	705
:	391872	743964	594768	737868	542448	2228328	1335396	1195164	672468	8442276
[60 - 64):	14	38	40	56	43	245	143	116	122	817
:	186672	420144	516372	641184	474504	2502396	1384188	1280160	1371396	8777016
[65 - 69):	1	3	7	10	10	154	188	143	171	687
:	14064	47232	98184	157932	109776	1563684	1629324	1308036	2152512	7080744
[70 - 74):	0	1	0	3	4	30	95	126	208	467
:	0	8736	0	35280	31596	264960	851748	966888	2489124	4648332
[75 - 79):	0	0	0	1	0	8	11	58	217	295
:	0	0	0	5520	0	53976	78972	374064	2252436	2764968
[80 - 84):	0	0	0	0	0	1	4	6	149	160
:	0	0	0	0	0	8568	56844	28320	1620648	1714380
[85 - 89):	0	0	0	0	0	0	1	2	78	81
:	0	0	0	0	0	0	10380	7992	837228	855600
[90 - 99):	0	0	0	0	0	0	0	0	26	26
:	0	0	0	0	0	0	0	0	258300	258300
Total	94	177	180	190	165	864	651	592	1046	3959
Total	1328460	2286720	2320668	2345208	1940184	9484776	6273456	5638740	11837076	43455288

AVERAGES --- Attained Age 63.82  
Years Retired 13.39  
Annual Benefit 10,976

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

TRS RETIREMENT SYSTEM  
SURVIVOR BENEFITS

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	39	36	53	38	35	95	49	18	2	365
:	476712	409740	492840	307836	230388	810732	475656	122868	5640	3332412
[40 - 44):	5	10	10	5	13	43	16	7	9	118
:	48072	75684	58224	25164	140340	553752	176148	138228	70236	1285848
[45 - 49):	12	13	12	14	15	57	28	6	7	164
:	67740	96000	159216	164508	231000	758016	425676	100188	77028	2079372
[50 - 54):	24	22	18	22	19	56	51	22	13	247
:	247932	420336	286284	351264	276516	652056	597132	257628	99084	3188232
[55 - 59):	30	34	16	25	25	109	62	43	33	377
:	648372	746496	310716	510456	654264	1723668	817224	646776	356184	6414156
[60 - 64):	34	46	52	35	48	148	99	68	44	574
:	782460	1058868	1222680	676380	857052	2851620	1603020	899676	482472	10434228
[65 - 69):	48	55	48	39	44	178	128	85	93	718
:	1024788	1265688	1051860	765996	976860	3667200	2357376	1483872	1242768	13836408
[70 - 74):	58	56	59	61	45	198	158	108	136	879
:	1280556	1232292	910848	1302240	884484	4176204	2935440	1944516	1899792	16566372
[75 - 79):	55	53	42	44	35	185	148	104	148	814
:	961248	1079988	636720	753168	762696	3394164	2765196	1815720	2097024	14265924
[80 - 84):	31	42	36	29	27	140	102	82	136	625
:	564996	655716	462204	389340	472656	2067912	1750296	1311036	2089848	9764004
[85 - 89):	11	27	17	24	19	82	64	36	122	402
:	160596	341208	220932	344316	247380	1075776	777972	517368	1666224	5351772
[90 - 99):	1	5	7	4	11	29	37	15	57	166
:	20424	74916	152292	54960	264444	329652	382152	208272	696600	2183712
Total	348	399	370	340	336	1320	942	594	800	5449
Total	6283896	7456932	5964816	5645628	5998080	22060752	15063288	9446148	10782900	88702440

AVERAGES --- Attained Age 67.83  
Years Retired 10.51  
Annual Benefit 16,279

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS RETIRED

TRS RETIREMENT SYSTEM  
DROP PARTICIPANTS

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20- )	Total
[ 0 - 39):	0	0	0	0	0	0	0	0	0	0
[40 - 44):	0	0	0	0	0	0	0	0	0	0
[45 - 49):	4	3	1	0	0	0	0	0	0	8
[50 - 54):	202	374	314	14	0	0	0	0	0	904
[55 - 59):	293	642	790	51	0	0	0	0	0	1776
[60 - 64):	152	245	296	8	0	0	0	0	0	701
[65 - 69):	6	8	15	0	0	1	0	0	0	30
[70 - 74):	1	1	0	0	0	0	0	0	0	2
[75 - 79):	0	0	0	0	0	0	0	0	0	0
[80 - 84):	0	0	0	0	0	0	0	0	0	0
[85 - 89):	0	0	0	0	0	0	0	0	0	0
[90 - 99):	0	0	0	0	0	0	0	0	0	0
Total	658	1273	1416	73	0	1	0	0	0	3421
Total	20433108	40528260	42642312	2817168	0	12960	0	0	0	106433808

AVERAGES --- Attained Age 57.08  
Years Retired 1.69  
Annual Benefit 31,112

MEMBERSHIP PROFILE  
CATEGORIZED BY AGE AND YEARS EMPLOYED

TRS RETIREMENT SYSTEM  
TERM-VESTED/RECIPROCAL

CELLS DEPICT - MEMBER COUNT  
TOTAL BENEFITS

VALUATION DATE 6/30/2009

Age/Years:	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35- )	Total
[ 0 - 19):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[20 - 24):	0	0	0	0	0	0	0	0	0	0
:	0	0	0	0	0	0	0	0	0	0
:	:	:	:	:	:	:	:	:	:	:
[25 - 29):	0	0	34	0	0	0	0	0	0	34
:	0	0	171372	0	0	0	0	0	0	171372
:	:	:	:	:	:	:	:	:	:	:
[30 - 34):	0	0	433	20	0	0	0	0	0	453
:	0	0	2350997	146920	0	0	0	0	0	2497917
:	:	:	:	:	:	:	:	:	:	:
[35 - 39):	1	5	583	178	10	0	0	0	0	777
:	537	13173	2856008	1614176	131432	0	0	0	0	4615326
:	:	:	:	:	:	:	:	:	:	:
[40 - 44):	0	3	529	249	67	3	0	0	0	851
:	0	6716	2601066	2133665	899528	50874	0	0	0	5691849
:	:	:	:	:	:	:	:	:	:	:
[45 - 49):	0	1	444	256	130	32	5	0	0	868
:	0	2782	2091757	1896441	1711012	494055	93857	0	0	6289904
:	:	:	:	:	:	:	:	:	:	:
[50 - 54):	0	4	426	332	139	35	245	9	0	1190
:	0	2793	2012745	2686950	1667523	626192	7353877	372506	0	14722586
:	:	:	:	:	:	:	:	:	:	:
[55 - 59):	2	4	338	362	139	169	157	9	1	1181
:	490	5265	1736981	3068890	1576535	3682096	5368693	418002	44559	15901511
:	:	:	:	:	:	:	:	:	:	:
[60 - 64):	0	2	113	105	73	80	9	2	1	385
:	0	5561	550332	867989	935682	2054611	202516	62768	45286	4724745
:	:	:	:	:	:	:	:	:	:	:
[65 - 69):	0	2	38	22	16	8	0	1	1	88
:	0	7678	171584	169484	248869	208907	0	33428	106157	946107
:	:	:	:	:	:	:	:	:	:	:
[70 - 74):	0	1	12	12	6	6	5	1	2	45
:	0	851	57018	27347	58625	158648	139915	16298	108805	567507
:	:	:	:	:	:	:	:	:	:	:
Total :	3	22	2950	1536	580	333	421	22	5	5872
Total :	1027	44819	14599860	12611862	7229206	7275383	13158858	903002	304807	56128824

AVERAGES --- Attained Age 48.65  
Service Years 11.93  
Annual Benefit 9,559

**EXHIBIT 5**

**PRINCIPLE PROVISIONS OF THE PLAN  
(Including Acts of the 2009 Legislative Session)**

**EFFECTIVE DATE:**

August 1, 1936

**EMPLOYER:**

The State of Louisiana, the parish school board, the city school board, the State Board of Education, the State Board of Supervisors, University or any other agency of and within the State by which a teacher is paid.

**ELIGIBILITY FOR PARTICIPATION:**

Condition of employment for all teachers

**CREDITABLE SERVICE:**

Service as a teacher while member of the system.

**ADDITIONAL SERVICE:**

1. Credit for service canceled by withdrawal of accumulated contributions may be restored by member by paying the amount withdrawn plus interest.
2. Service rendered in public school system of another state may be purchased at the actuarial cost of the additional retirement benefit, or at the member's option receive service credit based on the funds actually transferred.
3. Credit for service in non-public or parochial schools may be purchased at the actuarial cost of the additional retirement benefit, or at the member's option receive service credit based on the funds actually transferred.
4. Maximum of 4 years of credit for military service may be obtained for each member, contingent on payment of Actuarial Cost.
5. Credit for legislative service of former teacher, now legislator, may be purchased at the actuarial cost.
6. Conversion of Sick Leave to Membership Service: At retirement, or at death before retirement of member with surviving spouse or dependent or both who are entitled to benefits, unused accumulated sick leave will be added to membership service; however, leave accumulated after January 30, 1990, can be converted to a maximum one year service credit, on following basis:

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**EARNABLE COMPENSATION:**

The compensation earned by a member for qualifying service.

<b>Prior to 6/30/88</b>	
Credited Service (portion of a year)	Accumulated Sick Days
0.25	25-45
0.50	46-90
0.75	91-135
1.00	136-180

Credited Service (portion of a year)	<b>After 6/29/88 (by Member Classification)</b>			
	Accumulated Sick Days			
	9 Month	10 Month	11 Month	12 Month
0.1	10-18	11-20	12-22	13-24
0.2	19-36	21-40	23-44	25-48
0.3	37-54	41-60	45-66	49-72
0.4	55-72	61-80	67-88	73-96
0.5	73-90	81-100	89-110	97-120
0.6	91-108	101-120	111-132	121-144
0.7	109-126	121-140	133-144	145-168
0.8	127-144	141-160	155-176	169-192
0.9	145-162	161-180	177-198	193-216
1.0	163-180	181-200	199-220	217-240

**AVERAGE FINAL COMPENSATION**

The average annual earnable compensation is the 36 highest successive months of employment or the highest 36 successive joined months where interruption of service occurred; the average compensation for purposes of computing benefits cannot increase more than 10% per year; Per R.S. 11:892, if the maximum benefit accrual (100%) is reached, employee contributions are discontinued, average final compensation is not limited to the years for which employee contributions were made. Compensation is limited by the 401a(17) compensation limit of the Internal Revenue Code for certain members.

Includes workmen's compensation, and PIP's program in accordance with the following:

<b><u>Years of Participation</u></b>	<b><u>% of Earnings to be Included</u></b>
3	60%
4	80%
5	100%

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

However, if member completed at least two years and subsequently becomes disabled, he shall receive 40% of such earnings. If he has completed one year and becomes disabled, he shall receive 20% of such earnings.

**ACCUMULATED CONTRIBUTIONS:**

Sum of all amounts deducted from compensation of members.

**EMPLOYEE CONTRIBUTIONS:**

8% of earnable compensation. Prior to July 1, 1989, 7% of earnable compensation.

**EMPLOYER CONTRIBUTIONS:**

Determined in accordance with Act 81 of the 1988 Legislative Session based on the Public Retirement Systems' Actuarial Committee's recommendation to the Legislature.

**NORMAL RETIREMENT BENEFIT:**

Eligibility:

Written application to Board, and

1. Age 60 and five years of accredited service, or 20 years of creditable teaching service if employed prior to July 1, 1999. Members employed on or after July 1, 1999, may retire with 20 years of creditable teaching service, actuarially reduced from Normal Eligibility requirements.
2. Age 55 and 25 years of creditable service, or at age 65 and 20 years of creditable service (excluding military service), or at 30 years of creditable service at any age. Conversion of unused sick and annual leave cannot be used to obtain retirement eligibility.

Benefit:

Annuity which shall be the actuarial equivalent of accumulated employee contributions at retirement date, and

1. Annual pension, which, together with annuity, provides total allowance equal to 2% of average final compensation times years of creditable service (including unused sick leave), plus \$300 annual supplemental benefit.
2. Annual pension, which, together with annuity, provides total allowance equal to 2 1/2% of average final compensation times years of creditable service (including unused sick leave), plus \$300 annual supplemental benefit.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**NOTE:**

- A. Benefit not to exceed 100% of average earnable compensation.
- B. Legislator’s benefits to be calculated on basis of either Teacher’s or Legislator’s salary but not both – for new legislators (their option to choose); employee contribution to be 12% of either salary and expense allowance as legislator, not both.
- C. Retiree who returns to work shall have benefits suspended during the twelve month period following initial retirement.
- D. The \$300 annual supplemental benefit is discontinued to members of the retirement system who enroll or become members after June 30, 1986 (Act 608 of 1986).
- E. For Members employed on or after July 1, 1999, the annual pension cannot exceed the maximum benefit provided under Section 415(b) of the Internal Revenue Service Code and related Federal Regulations as adjusted for inflation and form of benefit other than life annuity or qualified joint and survivor annuity for retirement ages as follows:

<u>Age</u>	<u>Maximum</u>	<u>Age</u>	<u>Maximum</u>	<u>Age</u>	<u>Maximum</u>
48	\$ 54,241	56	\$110,647	64	\$195,000
49	59,166	57	121,350	65	195,000
50	64,574	58	133,199	66	195,000
51	70,516	59	146,330	67	195,000
52	77,055	60	160,894	68	195,000
53	84,258	61	177,053	69	195,000
54	92,202	62	195,000	70	195,000
55	100,969	63	195,000		

**POST RETIREMENT INCREASES:**

Permanent benefit increases, previously referred to as cost of living adjustments, may be granted, with legislative approval, provided there are sufficient funds in the Experience Account to fully fund the increase on an actuarial basis. Beginning July 1, 2009, the Experience Account is credited with fifty percent of excess investment income above \$200,000,000. Excess investment income is investment income over the actuarial valuation rate of 8.25%. Balances in the experience account accrue interest at the average actuarial yield for the System portfolio. The Employee Experience Account balance is limited to the funds necessary to fund two such increases. The Experience Account is debited for the increase in actuarial accrued liability resulting from the increases.

If the actuarial rate of return for the prior plan year is at least 8.25%, the benefit increase is limited to the lesser of 3% or the increase in the CPI-U for the calendar year immediately preceding the increase. If the actuarial rate of return for the prior plan year is less than 8.25%, the increase is limited to the lesser of 2% or the increase in the CPI-U for the calendar year immediately preceding the increase, provided the System is at least 80% funded. If the actuarial rate of return for the prior plan year is less than 8.25% and the System is not at least 80% funded, no increase can be granted.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

Benefits are restricted to those retirees who have attained the age of 60 and have been retired for at least one year. The minimum age 60 for the receipt of a benefit increase does not apply to disability retirees. The increase shall be based on the first seventy thousand dollars of the retiree's annual benefit, indexed annually for years after 2001.

**DISABILITY RETIREMENT:****Eligibility:**

5 years of creditable service; certification of disability by medical board (medical examination required once in every year for the first 5 years of disability retirement, and once in every 3 years thereafter, until age 60).

**Benefit:** Act 572 of 1995

1. If ineligible for service retirement at disability, a pension equal to 2 1/2% of average compensation multiplied by years of service. Benefit shall not be more than 50% of average compensation. However, in no event shall the benefit be less than the lesser of 40% of the state minimum salary for a beginning teacher with a bachelor's degree or 75% of average compensation.
2. Additional 50% of member's benefit payable if minor child is present, but total amount to family limited to 75% of final average compensation.
3. Upon attainment of the earliest age for retirement eligibility had member continued in service without further change in compensation, member shall become a regular retiree with benefits based on years of creditable service but not less than the disability benefit. Minor children benefit for disability continue for as long as the retiree has a minor child.
4. Upon death of a disability retiree, surviving spouse, married to retiree at least two years prior to death of the disability retiree, shall receive 75% of disability benefit. Upon death of an unmarried retiree with minor children, the benefit shall equal 50% of disability benefit.
5. Upon recovery of disability as determined by the board of trustees, upon advice of the medical board, and returns to active membership for at least three years starting no later than one year after recovery, then he shall be credited with one year of service for each year disabled for purposes of establishing benefit eligibility, but not for computation of benefits.

**SURVIVOR'S BENEFITS (Effective July 13, 1978):****Eligibility:**

1. Surviving Spouse (with minor children) of an active member with 5 years of creditable service with at least 2 years earned immediately prior to death; or a member with 20 years of creditable service regardless of when earned or whether in active service at time of death.
2. Surviving Spouse (without minor children) of an active member with 10 years of creditable service with at least 2 years earned immediately prior to death; or, a member with 20 years of creditable service regardless of when earned or whether in active service at time of death.
3. Beneficiary not eligible for 1 or 2.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

Benefits:

1. Surviving Spouse (with minor children)-

Greater of:

A.) \$600 per month, or

B.) 50% of benefit, based on 2 1/2% formula, that would have been payable upon service retirement at age 60 had member continued in service to age 60 without change in compensation. 50% of spouse's benefit payable for each minor child (not greater than two), with total benefit to family at least equal to the Option 2, accrued Benefit based on actual service credit. Benefits to spouse cease upon remarriage, but resume upon subsequent divorce or death of new spouse; however, if the member was eligible to retire or had reached age 55 on the date of his death, benefits shall not cease upon remarriage. When minor children are no longer present, spouse's benefit reverts to benefit in B, for eligible spouse.

2. Surviving Spouse (without minor children) –

Greater of:

A.) \$600 per month, or

B.) Option 2 equivalent of Accrued Benefit based on actual service and the 2 1/2% formula. Spouse's benefit payable for life. Benefits to spouse cease upon remarriage, but resume upon subsequent divorce or death of new spouse; however, if the member was eligible to retire on the date of his death, benefits shall not cease upon remarriage.

3. Beneficiary not eligible for 1 or 2 –

Return of member's accumulated contributions.

**REFUND OF CONTRIBUTIONS:**

Death prior to retirement - accumulated contributions credited to individual account in annuity savings fund are returnable to designated beneficiary, if any; otherwise, to his estate.

**TERMINATION WITH VESTED SERVICE:**

Any member with credit for five years of service who withdraws from service may elect to leave accumulated contributions in system until age 60, when he may apply for retirement and begin receiving a retirement benefit based on the credits he had at date of withdrawal.

**OPTIONAL FORMS OF BENEFIT:**

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

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

Option 2 - Reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

Option 3 - 1/2 of reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

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

Options 2A, 3A, 4A - Same as Options 2, 3, and 4, except that reduced benefit reverts back to maximum if beneficiary predeceases retiree.

Automatic COLA Option – Effective July 1, 2009, members may choose an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually. The increases begin on the first retirement anniversary date, but not before the retiree attains age 55 or would have attained age 55 in the case of a surviving spouse. This option can be chose in combination with the above options.

Initial Lump Sum Benefit Option - Members eligible but did not participate in DROP may elect an actuarially reduced pension and receive a lump-sum equal to not more than 36 months of the maximum monthly pension.

**DEFERRED RETIREMENT OPTION PLAN:**

Instead of terminating employees and accepting a service retirement allowance, any member who has met the eligibility requirements may elect to participate in the Deferred Retirement Option Plan (DROP) and defer receipt of benefits.

**NORMAL ELIGIBILITY:**

Any member who is eligible to receive a 2.5% service retirement allowance, or who has 10 years of service credit, exclusive of military service, at age 60 may begin participation on the first retirement eligibility date for a period not to exceed the third anniversary of retirement eligibility.

**BENEFIT:**

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

- (1) lump sum payment (equal to the payments to the account);
- (2) a true annuity based upon his account; or
- (3) Other methods of payment approved by the board of trustees.

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

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

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

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**DEFERRED RETIREMENT OPTION PLAN:**

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

- (1) If additional service was less than 36 months, average compensation figure used to calculate initial benefit shall be that used.
- (2) If additional service was 36 or more months, the average compensation figure used to calculate the additional benefit shall be based on compensation during the period of additional service.

DROP Accounts shall earn interest following termination of DROP at a rate 0.5% below the actuarial rate of the System's investment portfolio.

Effective January 1, 2004, new DROP accounts are credited with Money Market rates.

**Exhibit 5 (Continued)**  
**Principle Provisions**

**DESCRIPTION OF BENEFITS  
FOR MERGED LSU EMPLOYEES**

**GENERAL:**

Eligibility for benefits based on the eligibility requirements of the Teachers' plan, except for deaths and disabilities before 1984. All service, funded and non-funded, is used in determining eligibility.

Final Average Salary was the average of the three highest years, except for academic year employees who retired within three years after January 1, 1979. For this group, any salary used in the Final Average Salary calculation, which was earned before January 1, 1979, was increased by 2/9ths.

The Social Security breakpoint average, for service under the funded LSU plan, was frozen at the December 31, 1978, level. That is, the breakpoint average for funded service was calculated as of December 31, 1978, and kept constant. This produced the following breakpoint averages:

**Social Security Breakpoint Average  
(for LSU funded service)**

<u>Calendar Year of Entry</u>	<u>Breakpoint Average</u>
1971 or before	13,400
1972	13,800
1973	14,600
1974	15,360
1975	15,900
1976	16,500
1977	17,100
1978	17,700

**RETIREMENT BENEFITS:**

Retirement benefits calculated using LSU funded service with the LSU formula and service after December 31, 1978, with the Teacher's formula. Thus, the "funded" benefit is (1) 1.33% of final average salary under the Social Security breakpoint average plus 2.5% of final average salary over the Social Security breakpoint average, times years of "funded" service with LSU before December 31, 1978, plus (2) 2.5% (or 2% if total service less than 20 years) times final average salary times years since January 1, 1979, plus \$300.

**SURVIVOR'S BENEFITS:**

For deaths after 1983, the provisions of the Teachers' plan apply. However, the benefit is calculated using all service, funded and non-funded, then prorated by service between the funded and non-funded portions. Children's benefits are also prorated into the funded and non-funded portions.

**DISABILITY BENEFITS:**

For disabilities after 1983, the provisions of the Teachers' plan apply. However, the benefit is calculated using all service, then prorating by service between the funded and non-funded portions. Children's benefits are also prorated.

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**Exhibit 5 (Continued)**  
**Principle Provisions**

**VESTING BENEFITS:**

Benefits for terminated vested members was determined as outlined under "Retirement Benefits."

**REFUND OF CONTRIBUTIONS:**

Terminated members are allowed a refund of accumulated contributions as described by the Teachers' plan.

**COOPERATIVE EXTENSION PERSONNEL:**

The LSU employees are eligible for the supplemental benefit described in Section 700.2 of Act 643 of 1978. The benefit is equal to 1% for the first five years of service, 3/4% for the next five years, and 1/2% thereafter. The funded benefit is the benefit based on service after September 12, 1975.

**OPTIONAL FORMS OF BENEFITS:**

Retiring members may elect options as described by the Teachers' plan.

**DEFERRED RETIREMENT OPTION PLAN:**

Eligible members may participate under same requirements as described by the Teachers' plan.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**DESCRIPTION OF BENEFITS  
FOR MERGED SCHOOL LUNCH EMPLOYEES**

**EFFECTIVE DATE:**

January 1, 1953; Revised July 1, 1980.

1. Effective July 1, 1980, all employees shall become members of this system and shall be placed in the applicable plan as outlined below:
  - A.) Those participating in both the regular and the supplemental plan or only in the supplemental plan shall become members of Plan A.
  - B.) Those participating only in the regular plan shall become members of Plan B.
2. All individuals who become employed after July 1, 1980, shall become members of Plan A or Plan B as determined by the agreement in effect for each employer.

**CREDITABLE SERVICE:**

Service as an employee while member of the system.

**MILITARY SERVICE:**

Maximum of 4 years of credit may be purchased.

**ADDITIONAL CREDITABLE SERVICE:**

Credit for service canceled by withdrawal of accumulated contributions may be restored by paying into system the amount withdrawn plus regular interest.

**EMPLOYEE CONTRIBUTIONS:**

Plan A: 9.10% of monthly earnings

Plan B: 5% of monthly earnings

**EMPLOYER CONTRIBUTIONS:**

Plan A: Actuarial Required Amount (Effective July 1, 1989)

Plan B: Actuarial Required Amount (Effective July 1, 1989)

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**SCHOOL LUNCH PLAN A**

**RETIREMENT BENEFIT:**

**NORMAL RETIREMENT:**

Eligibility:

1. Age 60 and 5 years of creditable service.
2. Age 55 and 25 years of creditable service.
3. 30 years of creditable service, regardless of age.

Benefit:

3% of average final compensation times years of creditable service. For Members of only the supplemental plan prior to July 1, 1980, and (\*). Those members who were age 60 or older at the time the member's employer terminated its agreement with the Department of Health, Education and Welfare, and who became a member of the retirement system because of this termination: one percent of average final compensation plus two dollars per month for each year of service credited prior to July 1, 1980, plus 3% of average final compensation for each year of service credited after July 1, 1980.

\*These members shall be eligible to retire upon reaching age 70, with less than 10 years of creditable service.

**NOTE:**

Benefit not to exceed 100% of average final compensation.

**DISABILITY RETIREMENT:**

Eligibility:

Five years of creditable service; certification of disability by the State Medical Disability Board.

Benefit:

Normal retirement allowance if eligible; otherwise, an amount equal to the normal retirement allowance to which the member would have been entitled had he met eligibility requirements; provided the amount is not less than 60%, nor more than 100% of average final compensation, in the event no optional selection is made.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**SURVIVOR'S BENEFITS:**

Eligibility:

1. Surviving spouse of member with five or more years of service credit with at least two years earned immediately prior to death, or 20 years of service credit regardless of when earned or whether the deceased member was in active service at the time of death, with minor children.
2. Surviving spouse of member with 10 or more years of service credit with at least two years earned immediately prior to death, or 20 years of service credit regardless of when earned or whether the deceased member was in active service at the time of death, without minor children.
3. Beneficiary not eligible for 1 or 2.

Benefit:

1. Greater of:
  - A. \$600 per month, or
  - B. Fifty percent of benefit, based on three percent factor, that would have been payable upon retirement at age 60 had member continued in service to age 60 without change in compensation. Fifty percent of spouse's benefit payable for each minor child (maximum two children), with total benefit to family at least equal to the Option 2 benefit. Accrued Benefit based on actual service credit. Benefits to spouse cease upon remarriage, but will resume upon subsequent death or divorce. When minor children are not longer present, spouse's benefit reverts to benefit in B, if spouse is eligible for such benefit.
2. Greater of:
  - A. \$600 per month, or
  - B. Option 2 equivalent of Accrued Benefit based on actual service and the three percent factor. Surviving spouse must have been married to the deceased member at least one year prior to death. If the member had not been eligible for retirement upon date of death, benefits to spouse cease upon remarriage, but resume upon subsequent death or divorce of new spouse.
3. Return of member's accumulated contributions.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**SCHOOL LUNCH PLAN B**

**RETIREMENT BENEFIT:**

**NORMAL RETIREMENT:**

Eligibility:

1. Age 60 and 10 years of creditable service.
2. Age 55 and 30 years of creditable service.

Benefit:

Annual pension which provides total allowance equal to 2% of average final compensation times years of creditable service. (Maximum \$70 per month for each year of creditable service.)

**NOTE:**

Benefit reduced by 3% for each year under age 62, unless member has 25 years of creditable service.

**DISABILITY RETIREMENT:**

Eligibility:

Five years of creditable service; certification of disability by the State Medical Disability Board.

Benefit:

Normal retirement allowance if eligible therefore; otherwise 2% of average final compensation times years of creditable service; provided amount not less than 30%, nor more than 75% of average final compensation, in the event no optional selection is made.

**SURVIVOR'S BENEFITS:**

Eligibility: Twenty or more years of creditable service.

Benefit: Option 2 benefit.

**EXHIBIT 5 (Continued)**  
**Principle Provisions**

**OPTIONAL FORMS OF BENEFIT:**

A member may elect to receive his benefit in a retirement allowance payable throughout his life, or member may elect to receive actuarial equivalent of retirement allowance in a reduced form as follows:

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

Option 2 - Reduced retirement allowance, if member dies, to be continued to designated beneficiary for his lifetime.

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

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

Automatic COLA Option - An increasing annuity option permits the member to make an irrevocable election at retirement to receive an actuarially reduced benefit which increases 2.5% annually. The increases begin on the first retirement anniversary date, but not before the retiree attains age 55 or would have attained age 55 in the case of a surviving spouse. This option can be chosen in combination with the above options. (Per Act 270 of 2009, effective July 1, 2009)

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

Options 2-4 are available as 2A, 3A, or 4A which provides the same survivor benefit at the death of the retiree, but reverts to the maximum benefit if the survivor predeceases the retiree.

**RETURN OF CONTRIBUTIONS:**

Should a member not eligible to retire cease to be an employee, he shall be paid the amount of his accumulated contributions upon demand. Should a member's death occur prior to retirement with no survivors eligible for benefits, his accumulated contributions are returnable to a designated beneficiary, if any; otherwise, to his estate.

**TERMINATION WITH VESTED SERVICE:**

Any member with credit for 5 years of service who withdraws from service may elect to leave accumulated contributions in system until his earliest normal retirement date, when he may apply for retirement and begin receiving a retirement benefit based on average final compensation and creditable service at date of withdrawal.

**DEFERRED RETIREMENT OPTION PLAN:**

Retiring members may elect options as described by the Teachers' plan.

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

The "Projected Unit Credit" cost method was used to calculate the funding requirements of the retirement system. Under this cost method, the actuarial present value of projected benefits of each individual included in the valuation is accumulated from the participant's attained age to the anticipated retirement date(s). That portion of the actuarial present value attributable to the current year's projected benefit accruals is called the normal cost. The actuarial present value of future projected benefits in proportion to service accrued on the date of valuation is called the actuarial accrued liability.

**ASSET VALUATION:**

Prior to June 30, 1997, the actuarial value of assets was the sum of the bonds at amortized cost, plus a weighted average of average unrealized loss (or gain) in the market value of equities.

For the Plan Year Ending June 30, 1997, and thereafter, the computation of the Actuarial Value of Assets is the market value of assets adjusted for a four year weighted average of the unrealized gain or loss in the value of all assets. This value is subject to corridor limits of 80% to 120% of the Market Value of Assets.

**ACCOUNTING DISCLOSURE:**

The Governmental Accounting Standards Board Statement No. 25 requires the disclosure of "Credited Projected Benefits" for Public Employee Retirement Systems. The disclosures illustrated in Exhibit 3 were developed using the Projected Unit Credit cost method. The statement of assets provided by the audit staff was the final draft prior to publication. Should the statement of assets received differ from the final audit report, a revised actuarial statement will be issued, but only to the extent that any difference in reporting affects the employer's contribution rate or the yield to the Actuarial Value of Assets.

**ACTUARIAL ASSUMPTIONS:**

Assumptions used in the valuation were adopted by the Board of Trustees following the most recent experience study. The Retirement System is required to conduct an experience study every five years, but the scope of such a study is not necessarily limited to a five year period. The observation period for the most recent experience study was 2002-2007. The rates are projected separately for Teachers, School Lunch Plan and Plan B, and University personnel. The current rate tables are illustrated at the end of this exhibit.

**MORTALITY ASSUMPTIONS:**

Pre-retirement deaths and post-retirement life expectancies are based upon the RP-2000 table.

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

**DISABILITY ASSUMPTION:**

Rates for total and permanent disability were projected by age in accordance with the most recent Experience Study. The rates are based upon attained age at occurrence. For mortality after disability, rates are based upon the RP-2000 disability table.

**RETIREMENT/DROP ASSUMPTION:**

Retirement rates are based on age and service eligibility requirements for normal benefits. Age and service requirements vary by plan. DROP is viewed as an alternative form of benefit accrual since mandatory termination is not required following participation. Therefore, at eligibility, the probability of DROP accrual is determined in conjunction with regular benefit accrual.

**TERMINATION ASSUMPTIONS:**

Voluntary termination or withdrawal rates are based on the most recent Experience Study. During the first five years of employment, the probability of voluntarily terminating is a multiple of the attained age rate in prior reports and a multiple of employment duration in the current valuation as follows:

	Teachers	All Other
1 <sup>st</sup>	1.00x	1.00x
2 <sup>nd</sup>	1.15x	1.00x
3 <sup>rd</sup>	1.20x	1.00x
4 <sup>th</sup>	1.05x	1.00x
5 <sup>th</sup>	1.00x	1.00x

Furthermore, for members terminating with ten (10) or more years of service, it is assumed that 80% will not withdraw their accumulated employee contributions.

**SALARY GROWTH:**

The rates of annual salary growth are base upon the member's years of service. Rates are based upon the most recent Experience Study are illustrated in the rate tables at the end of this exhibit.

**FAMILY STATISTICS:**

The composition of the family is based on Current Population Reports published by the United States Census Bureau. Seventy-five percent of the membership is assumed to be married with the wife assumed to be three (3) years younger than the husband. Sample rates are as follows:

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

Age of Member	Number of Minor Children	Years for Youngest Child to Attain Majority
25	1.2	15
30	1.4	13
35	1.7	11
40	1.7	9
45	1.4	6
50	1.1	4

**ASSUMPTION FOR INCOMPLETE DATA:**

Records identified as containing suspicious data or errors in data were assumed to possess the same characteristics of "good data" in the same cohort.

**INVESTMENT EARNINGS:**

An effective annual rate of 8.25%, net expenses for professional asset management advisors.

**ADMINISTRATIVE EXPENSES:**

Expenses are included in Aggregate Normal Cost and are assumed to be \$18,800,000 per year. Investment Expenses for professional asset management advisors are not included in Normal Cost but are treated as a direct offset to investment income. The Employer portion of Normal Cost excludes an allocation for Administrative expenses.

ACTUARIAL TABLES AND RATES (TEACHERS)  
Rates effective 6/30/08

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES	DROP RATES	DUR	SALARY SCALE
	MALE	FEMALE						
18	0.00033	0.00019	0.0000	0.05	0.000	0.00	1	1.055
19	0.00034	0.00019	0.0000	0.05	0.000	0.00	2	1.069
20	0.00036	0.00019	0.0000	0.10	0.000	0.00	3	1.064
21	0.00037	0.00019	0.0000	0.09	0.000	0.00	4	1.063
22	0.00037	0.00020	0.0000	0.04	0.000	0.00	5	1.062
23	0.00038	0.00020	0.0001	0.07	0.000	0.00	6	1.062
24	0.00038	0.00021	0.0001	0.13	0.000	0.00	7	1.061
25	0.00038	0.00021	0.0001	0.13	0.000	0.00	8	1.061
26	0.00038	0.00022	0.0001	0.13	0.000	0.00	9	1.060
27	0.00039	0.00024	0.0001	0.13	0.000	0.00	10	1.060
28	0.00041	0.00025	0.0001	0.13	0.000	0.00	11	1.059
29	0.00044	0.00026	0.0001	0.13	0.000	0.00	12	1.059
30	0.00050	0.00031	0.0001	0.13	0.000	0.00	13	1.057
31	0.00056	0.00035	0.0003	0.11	0.000	0.00	14	1.053
32	0.00063	0.00039	0.0003	0.11	0.000	0.00	15	1.051
33	0.00070	0.00043	0.0003	0.10	0.000	0.00	16	1.051
34	0.00077	0.00047	0.0003	0.10	0.000	0.00	17	1.051
35	0.00084	0.00051	0.0006	0.09	0.000	0.00	18	1.051
36	0.00090	0.00055	0.0010	0.08	0.000	0.00	19	1.051
37	0.00096	0.00060	0.0007	0.07	0.000	0.00	20	1.051
38	0.00102	0.00065	0.0007	0.06	0.020	0.00	21	1.048
39	0.00108	0.00071	0.0011	0.06	0.040	0.00	22	1.048
40	0.00114	0.00077	0.0011	0.06	0.040	0.00	23	1.048
41	0.00121	0.00085	0.0013	0.05	0.030	0.00	24	1.048
42	0.00130	0.00094	0.0016	0.05	0.030	0.00	25	1.048
43	0.00140	0.00103	0.0016	0.05	0.030	0.00	26	1.044
44	0.00151	0.00112	0.0016	0.04	0.030	0.00	27	1.044
45	0.00162	0.00122	0.0022	0.04	0.030	0.00	28	1.044
46	0.00173	0.00133	0.0022	0.04	0.030	0.00	29	1.048
47	0.00186	0.00143	0.0022	0.04	0.030	0.00	30	1.048
48	0.00200	0.00155	0.0022	0.03	0.030	0.01	31	1.048
49	0.00214	0.00168	0.0022	0.03	0.028	0.02	32	1.053
50	0.00245	0.00185	0.0025	0.03	0.028	0.03	33	1.053
51	0.00267	0.00202	0.0025	0.03	0.030	0.15	34	1.080
52	0.00292	0.00221	0.0025	0.04	0.035	0.50	35	1.058
53	0.00320	0.00242	0.0030	0.04	0.050	0.40	36	1.058
54	0.00362	0.00272	0.0030	0.04	0.075	0.40	37	1.058
55	0.00420	0.00309	0.0040	0.04	0.200	0.60	38	1.058
56	0.00469	0.00348	0.0050	0.04	0.230	0.15	39	1.058
57	0.00527	0.00392	0.0055	0.04	0.250	0.07	40	1.058
58	0.00594	0.00444	0.0055	0.04	0.365	0.07	41	1.058
59	0.00675	0.00505	0.0055	0.04	0.280	0.07	42	1.058
60	0.00768	0.00581	0.0080	0.04	0.280	0.15	43	1.058
61	0.00876	0.00666	0.0050	0.04	0.280	0.03	44	1.058
62	0.01001	0.00765	0.0035	0.04	0.280	0.01	45	1.058
63	0.01128	0.00862	0.0035	0.04	0.330	0.01	46	1.058
64	0.01274	0.00971	0.0035	0.04	0.330	0.01	47	1.058
65	0.01441	0.01095	0.0035	0.04	0.330	0.01	48	1.058
66	0.01607	0.01216	0.0020	0.04	0.400	0.00	49	1.058
67	0.01787	0.01345	0.0020	0.04	0.340	0.00	50	1.058
68	0.01980	0.01486	0.0020	0.04	0.340	0.00	51	1.058
69	0.02221	0.01674	0.0020	0.04	0.340	0.00	52	1.058
70	0.02457	0.01858	0.0020	0.04	0.340	0.00	53	1.058
71	0.02728	0.02067	0.0020	0.04	0.340	0.00	54	1.058
72	0.03039	0.02297	0.0020	0.04	0.500	0.00	55	1.058
73	0.03390	0.02546	0.0020	0.04	0.990	0.00	56	1.058
74	0.03783	0.02811	0.0020	0.04	0.990	0.00	57	1.058

ACTUARIAL TABLES AND RATES (PLAN A)  
Rates effective 6/30/08

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES	DROP RATES	DUR	SALARY SCALE
	MALE	FEMALE						
18	0.00033	0.00019	0.0000	0.00	0.00	0.00	1	1.065
19	0.00034	0.00019	0.0000	0.00	0.00	0.00	2	1.075
20	0.00036	0.00019	0.0000	0.00	0.00	0.00	3	1.070
21	0.00037	0.00019	0.0000	0.00	0.00	0.00	4	1.066
22	0.00037	0.00020	0.0000	0.00	0.00	0.00	5	1.066
23	0.00038	0.00020	0.0000	0.00	0.00	0.00	6	1.058
24	0.00038	0.00021	0.0000	0.00	0.00	0.00	7	1.058
25	0.00038	0.00021	0.0000	0.00	0.00	0.00	8	1.058
26	0.00038	0.00022	0.0000	0.00	0.00	0.00	9	1.058
27	0.00039	0.00024	0.0000	0.00	0.00	0.00	10	1.045
28	0.00041	0.00025	0.0000	0.00	0.00	0.00	11	1.045
29	0.00044	0.00026	0.0000	0.00	0.00	0.00	12	1.045
30	0.00050	0.00031	0.0000	0.02	0.00	0.00	13	1.045
31	0.00056	0.00035	0.0001	0.02	0.00	0.00	14	1.045
32	0.00063	0.00039	0.0001	0.02	0.00	0.00	15	1.045
33	0.00070	0.00043	0.0001	0.02	0.00	0.00	16	1.045
34	0.00077	0.00047	0.0001	0.02	0.00	0.00	17	1.045
35	0.00084	0.00051	0.0001	0.02	0.00	0.00	18	1.045
36	0.00090	0.00055	0.0001	0.02	0.00	0.00	19	1.045
37	0.00096	0.00060	0.0001	0.02	0.00	0.00	20	1.052
38	0.00102	0.00065	0.0001	0.02	0.00	0.00	21	1.045
39	0.00108	0.00071	0.0001	0.02	0.00	0.00	22	1.040
40	0.00114	0.00077	0.0001	0.02	0.00	0.00	23	1.040
41	0.00121	0.00085	0.0001	0.02	0.00	0.00	24	1.045
42	0.00130	0.00094	0.0001	0.02	0.00	0.00	25	1.045
43	0.00140	0.00103	0.0001	0.02	0.00	0.00	26	1.048
44	0.00151	0.00112	0.0100	0.02	0.00	0.00	27	1.048
45	0.00162	0.00122	0.0100	0.02	0.00	0.00	28	1.048
46	0.00173	0.00133	0.0100	0.02	0.00	0.00	29	1.048
47	0.00186	0.00143	0.0100	0.02	0.00	0.00	30	1.050
48	0.00200	0.00155	0.0100	0.02	0.00	0.02	31	1.050
49	0.00214	0.00168	0.0150	0.02	0.01	0.02	32	1.060
50	0.00245	0.00185	0.0150	0.02	0.01	0.02	33	1.050
51	0.00267	0.00202	0.0150	0.02	0.01	0.02	34	1.050
52	0.00292	0.00221	0.0150	0.02	0.01	0.02	35	1.050
53	0.00320	0.00242	0.0150	0.02	0.03	0.02	36	1.045
54	0.00362	0.00272	0.0150	0.02	0.03	0.02	37	1.045
55	0.00420	0.00309	0.0300	0.02	0.15	0.50	38	1.045
56	0.00469	0.00348	0.0250	0.02	0.15	0.20	39	1.045
57	0.00527	0.00392	0.0250	0.02	0.15	0.20	40	1.045
58	0.00594	0.00444	0.0250	0.02	0.25	0.20	41	1.045
59	0.00675	0.00505	0.0250	0.02	0.25	0.20	42	1.045
60	0.00768	0.00581	0.0100	0.02	0.35	0.55	43	1.045
61	0.00876	0.00666	0.0002	0.01	0.35	0.20	44	1.045
62	0.01001	0.00765	0.0002	0.01	0.35	0.10	45	1.045
63	0.01128	0.00862	0.0002	0.01	0.50	0.02	46	1.045
64	0.01274	0.00971	0.0002	0.01	0.50	0.02	47	1.045
65	0.01441	0.01095	0.0002	0.01	0.40	0.02	48	1.045
66	0.01607	0.01216	0.0002	0.01	0.40	0.02	49	1.045
67	0.01787	0.01345	0.0002	0.01	0.35	0.02	50	1.045
68	0.01980	0.01486	0.0002	0.01	0.25	0.02	51	1.045
69	0.02221	0.01674	0.0000	0.01	0.20	0.02	52	1.045
70	0.02457	0.01858	0.0000	0.01	0.20	0.02	53	1.045
71	0.02728	0.02067	0.0000	0.01	0.20	0.02	54	1.045
72	0.03039	0.02297	0.0000	0.01	0.50	0.02	55	1.045
73	0.03390	0.02546	0.0000	0.01	0.50	0.02	56	1.045
74	0.03783	0.02811	0.0000	0.01	0.99	0.02	57	1.045

ACTUARIAL TABLES AND RATES (PLAN B)  
Rates effective 6/30/08

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES	DROP RATES	DUR	SALARY SCALE
	MALE	FEMALE						
18	0.00033	0.00019	0.0000	0.00	0.00	0.00	1	1.065
19	0.00034	0.00019	0.0000	0.00	0.00	0.00	2	1.075
20	0.00036	0.00019	0.0000	0.00	0.00	0.00	3	1.070
21	0.00037	0.00019	0.0000	0.00	0.00	0.00	4	1.066
22	0.00037	0.00020	0.0000	0.10	0.00	0.00	5	1.066
23	0.00038	0.00020	0.0000	0.10	0.00	0.00	6	1.058
24	0.00038	0.00021	0.0000	0.10	0.00	0.00	7	1.058
25	0.00038	0.00021	0.0000	0.20	0.00	0.00	8	1.058
26	0.00038	0.00022	0.0000	0.15	0.00	0.00	9	1.058
27	0.00039	0.00024	0.0000	0.07	0.00	0.00	10	1.055
28	0.00041	0.00025	0.0000	0.07	0.00	0.00	11	1.055
29	0.00044	0.00026	0.0000	0.07	0.00	0.00	12	1.055
30	0.00050	0.00031	0.0000	0.07	0.00	0.00	13	1.055
31	0.00056	0.00035	0.0000	0.07	0.00	0.00	14	1.050
32	0.00063	0.00039	0.0000	0.07	0.00	0.00	15	1.050
33	0.00070	0.00043	0.0000	0.07	0.00	0.00	16	1.050
34	0.00077	0.00047	0.0000	0.07	0.00	0.00	17	1.050
35	0.00084	0.00051	0.0000	0.07	0.00	0.00	18	1.050
36	0.00090	0.00055	0.0010	0.07	0.00	0.00	19	1.050
37	0.00096	0.00060	0.0010	0.07	0.00	0.00	20	1.050
38	0.00102	0.00065	0.0010	0.06	0.00	0.00	21	1.043
39	0.00108	0.00071	0.0010	0.06	0.00	0.00	22	1.043
40	0.00114	0.00077	0.0030	0.06	0.00	0.00	23	1.043
41	0.00121	0.00085	0.0030	0.06	0.00	0.00	24	1.043
42	0.00130	0.00094	0.0030	0.06	0.00	0.00	25	1.043
43	0.00140	0.00103	0.0030	0.05	0.00	0.00	26	1.043
44	0.00151	0.00112	0.0030	0.04	0.00	0.00	27	1.043
45	0.00162	0.00122	0.0030	0.04	0.00	0.00	28	1.043
46	0.00173	0.00133	0.0030	0.04	0.00	0.00	29	1.043
47	0.00186	0.00143	0.0060	0.04	0.00	0.00	30	1.043
48	0.00200	0.00155	0.0060	0.03	0.00	0.00	31	1.043
49	0.00214	0.00168	0.0060	0.03	0.00	0.00	32	1.035
50	0.00245	0.00185	0.0150	0.03	0.00	0.00	33	1.035
51	0.00267	0.00202	0.0150	0.03	0.00	0.00	34	1.035
52	0.00292	0.00221	0.0150	0.03	0.00	0.00	35	1.035
53	0.00320	0.00242	0.0150	0.03	0.00	0.00	36	1.035
54	0.00362	0.00272	0.0255	0.03	0.00	0.30	37	1.035
55	0.00420	0.00309	0.0255	0.03	0.35	0.50	38	1.035
56	0.00469	0.00348	0.0255	0.03	0.33	0.45	39	1.035
57	0.00527	0.00392	0.0255	0.03	0.30	0.15	40	1.035
58	0.00594	0.00444	0.0255	0.03	0.30	0.15	41	1.035
59	0.00675	0.00505	0.0255	0.03	0.30	0.15	42	1.035
60	0.00768	0.00581	0.0050	0.03	0.30	0.15	43	1.035
61	0.00876	0.00666	0.0050	0.03	0.30	0.03	44	1.035
62	0.01001	0.00765	0.0050	0.03	0.30	0.01	45	1.035
63	0.01128	0.00862	0.0050	0.03	0.45	0.01	46	1.035
64	0.01274	0.00971	0.0050	0.03	0.45	0.01	47	1.035
65	0.01441	0.01095	0.0030	0.03	0.30	0.01	48	1.035
66	0.01607	0.01216	0.0030	0.03	0.25	0.01	49	1.035
67	0.01787	0.01345	0.0030	0.03	0.25	0.01	50	1.035
68	0.01980	0.01486	0.0030	0.03	0.25	0.01	51	1.035
69	0.02221	0.01674	0.0000	0.03	0.25	0.01	52	1.035
70	0.02457	0.01858	0.0000	0.03	0.50	0.01	53	1.035
71	0.02728	0.02067	0.0000	0.03	0.50	0.01	54	1.035
72	0.03039	0.02297	0.0000	0.03	0.50	0.01	55	1.035
73	0.03390	0.02546	0.0000	0.03	0.50	0.01	56	1.035
74	0.03783	0.02811	0.0000	0.03	0.99	0.01	57	1.035

ACTUARIAL TABLES AND RATES (UNIVERSITY)  
Rates effective 6/30/08

AGE	DEATH RATES		DISABILITY RATES	TERMINATION RATES	RETIREMENT RATES	DROP RATES	DUR	SALARY SCALE
	MALE	FEMALE						
18	0.00033	0.00019	0.0000	0.05	0.00	0.00	1	1.055
19	0.00034	0.00019	0.0000	0.05	0.00	0.00	2	1.071
20	0.00036	0.00019	0.0000	0.05	0.00	0.00	3	1.057
21	0.00037	0.00019	0.0000	0.05	0.00	0.00	4	1.054
22	0.00037	0.00020	0.0000	0.05	0.00	0.00	5	1.054
23	0.00038	0.00020	0.0001	0.05	0.00	0.00	6	1.054
24	0.00038	0.00021	0.0001	0.10	0.00	0.00	7	1.054
25	0.00038	0.00021	0.0001	0.10	0.00	0.00	8	1.052
26	0.00038	0.00022	0.0001	0.16	0.00	0.00	9	1.052
27	0.00039	0.00024	0.0001	0.13	0.00	0.00	10	1.052
28	0.00041	0.00025	0.0001	0.12	0.00	0.00	11	1.050
29	0.00044	0.00026	0.0001	0.12	0.00	0.00	12	1.050
30	0.00050	0.00031	0.0001	0.12	0.00	0.00	13	1.050
31	0.00056	0.00035	0.0001	0.10	0.00	0.00	14	1.050
32	0.00063	0.00039	0.0001	0.12	0.00	0.00	15	1.050
33	0.00070	0.00043	0.0001	0.10	0.00	0.00	16	1.049
34	0.00077	0.00047	0.0001	0.10	0.00	0.00	17	1.049
35	0.00084	0.00051	0.0001	0.10	0.00	0.00	18	1.049
36	0.00090	0.00055	0.0001	0.07	0.00	0.00	19	1.048
37	0.00096	0.00060	0.0001	0.07	0.00	0.00	20	1.048
38	0.00102	0.00065	0.0001	0.08	0.00	0.00	21	1.048
39	0.00108	0.00071	0.0010	0.08	0.00	0.00	22	1.048
40	0.00114	0.00077	0.0010	0.07	0.05	0.00	23	1.045
41	0.00121	0.00085	0.0010	0.06	0.09	0.00	24	1.045
42	0.00130	0.00094	0.0010	0.05	0.09	0.00	25	1.045
43	0.00140	0.00103	0.0010	0.05	0.09	0.00	26	1.045
44	0.00151	0.00112	0.0010	0.05	0.09	0.00	27	1.045
45	0.00162	0.00122	0.0010	0.04	0.09	0.00	28	1.045
46	0.00173	0.00133	0.0010	0.04	0.09	0.00	29	1.045
47	0.00186	0.00143	0.0010	0.04	0.06	0.00	30	1.045
48	0.00200	0.00155	0.0010	0.03	0.06	0.00	31	1.045
49	0.00214	0.00168	0.0010	0.03	0.05	0.00	32	1.045
50	0.00245	0.00185	0.0010	0.02	0.04	0.00	33	1.045
51	0.00267	0.00202	0.0010	0.02	0.03	0.03	34	1.045
52	0.00292	0.00221	0.0040	0.02	0.05	0.07	35	1.045
53	0.00320	0.00242	0.0040	0.02	0.05	0.12	36	1.045
54	0.00362	0.00272	0.0010	0.02	0.09	0.12	37	1.045
55	0.00420	0.00309	0.0010	0.02	0.18	0.55	38	1.045
56	0.00469	0.00348	0.0010	0.02	0.18	0.10	39	1.045
57	0.00527	0.00392	0.0010	0.02	0.18	0.10	40	1.045
58	0.00594	0.00444	0.0010	0.02	0.28	0.07	41	1.045
59	0.00675	0.00505	0.0010	0.02	0.21	0.07	42	1.045
60	0.00768	0.00581	0.0010	0.02	0.28	0.07	43	1.045
61	0.00876	0.00666	0.0010	0.02	0.21	0.02	44	1.045
62	0.01001	0.00765	0.0010	0.02	0.21	0.01	45	1.045
63	0.01128	0.00862	0.0010	0.02	0.21	0.01	46	1.045
64	0.01274	0.00971	0.0010	0.02	0.21	0.01	47	1.045
65	0.01441	0.01095	0.0010	0.02	0.28	0.01	48	1.045
66	0.01607	0.01216	0.0010	0.02	0.28	0.01	49	1.045
67	0.01787	0.01345	0.0010	0.02	0.28	0.01	50	1.045
68	0.01980	0.01486	0.0010	0.02	0.28	0.01	51	1.045
69	0.02221	0.01674	0.0005	0.02	0.20	0.01	52	1.045
70	0.02457	0.01858	0.0005	0.02	0.20	0.01	53	1.045
71	0.02728	0.02067	0.0005	0.02	0.20	0.01	54	1.045
72	0.03039	0.02297	0.0005	0.02	0.50	0.01	55	1.045
73	0.03390	0.02546	0.0005	0.02	0.50	0.01	56	1.045
74	0.03783	0.02811	0.0005	0.02	0.99	0.01	57	1.045

## Exhibit A-1

**AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY**  
**June 30, 2009**

<b>Date</b>	<b>Description</b>	<b>Amtz. Method</b>	<b>Amtz. Period</b>	<b>Initial Liability</b>	<b>Years Remain</b>	<b>Remaining Balance</b>	<b>Mid-Year Payment</b>
1993	Initial Liability	I	36	\$ 4,848,270,248	20	\$ 6,900,154,723	\$ 491,547,423
1993	Change in Liability	L	25	(838,057,486)	20	(772,897,358)	(77,075,133)
1994	Change in Liability	L	25	(285,027,105)	20	(262,865,854)	(26,213,598)
1995	Change in Liability	L	25	(11,255,751)	20	(10,380,601)	(1,035,178)
1996	Change in Liability	L	25	(227,335,061)	20	(209,659,446)	(20,907,731)
1997	Change in Liability	L	25	72,828,575	20	67,166,053	6,697,956
1998	Change in Liability	L	25	(312,542,081)	20	(288,241,502)	(28,744,117)
1999	Change in Liability	L	25	(361,354,605)	20	(333,258,785)	(33,233,346)
2000	Change in Liability	L	25	(672,461,184)	20	(620,176,398)	(61,845,442)
2001	Change in Liability	I	27	59,149,207	22	64,777,706	4,326,919
2002	Change in Liability	I	28	859,751,039	23	948,732,561	61,552,533
2003	Change in Liability	I	29	2,115,958,339	24	2,351,288,325	148,434,602
2004	Change in Liability	L	30	27,253,793	25	25,899,063	2,381,906
2005	Change in Liability	L	30	(230,622,183)	26	(221,828,283)	(20,155,736)
2006	Change in Liability	L	30	(470,579,056)	27	(457,667,892)	(41,127,297)
2007	Change in Liability	L	30	(485,035,058)	28	(476,519,119)	(42,390,712)
2008	Change in Assumptions	L	30	(188,411,115)	29	(186,822,638)	(16,466,606)
2008	Change in Liability	L	30	796,416,277	29	789,701,764	69,604,562
2009	Change in Liability	L	30	2,979,708,647	30	2,979,708,647	260,418,228
<b>Total Outstanding Balance</b>						<b>\$ 10,287,110,966</b>	<b>\$ 675,769,233</b>
<b>Employers Credit Balance</b>							
2005	Contribution Variance	L	5	(31,046,965)	1	(7,230,685)	(7,523,041)
2006	Contribution Variance	L	5	(17,430,843)	2	(7,809,726)	(4,223,696)
2007	Contribution Variance	L	5	(37,534,025)	3	(24,276,611)	(9,094,931)
2008	Contribution Variance	L	5	(103,413,475)	4	(85,873,627)	(25,058,287)
2009	Contribution Variance	L	5	(44,404,927)	5	(44,404,927)	(10,759,830)
<b>Total Credit Balance</b>						<b>\$ (169,595,576)</b>	<b>\$ (56,659,785)</b>
<b>Total Unfunded Actuarial Accrued Liability</b>						<b>\$ 10,117,515,390</b>	<b>\$ 619,109,448</b>

## Exhibit A-2

**AMORTIZATION OF UNFUNDED ACTUARIAL ACCRUED LIABILITY**  
**June 30, 2010 - Projected**

<b>Date</b>	<b>Description</b>	<b>Amtz. Method</b>	<b>Amtz. Period</b>	<b>Initial Liability</b>	<b>Years Remain</b>	<b>Remaining Balance</b>	<b>Mid-Year Payment</b>
2010	Original Amort. Base	Note 1	19	2,662,975,501	19	2,662,975,501	188,089,894
2010	Exper Acct Amort Base	Note 2	30	3,972,015,062	30	3,972,015,062	247,600,023
2009	Change in Liability	L	30	2,979,708,647	29	2,954,586,996	260,418,228
<b>Total Outstanding Balance</b>						<b>\$ 9,589,577,559</b>	<b>\$ 696,108,145</b>
<b>Employers Credit Balance</b>							
2006	Contribution Variance	L	5	(17,430,843)	1	(4,059,557)	(4,223,696)
2007	Contribution Variance	L	5	(37,534,025)	2	(16,816,769)	(9,094,931)
2008	Contribution Variance	L	5	(103,413,475)	3	(66,886,742)	(25,058,287)
2009	Contribution Variance	L	5	(44,404,927)	4	(36,873,455)	(10,759,830)
2010	Contribution Variance	L	5	154,878,081	5	154,878,081	37,528,760
<b>Total Credit Balance</b>						<b>\$ 30,241,558</b>	<b>\$ (11,607,984)</b>
<b>Total Unfunded Actuarial Accrued Liability</b>						<b>\$ 9,619,819,117</b>	<b>\$ 684,500,161</b>

<sup>1</sup> Act 497 of 2009 created the Original Amortization Base, effective July 1, 2010, which combines the following schedules shown in Exhibit A-1: 1993 (Initial Liability) 1993 (Change in Liability), 1994 - 1996, 1998-2000, 2005-2008. The new combined balance is reduced by applying funds from the IUAL Fund, excluding the subaccount of this fund. Payment will increase by 7.0% for 3 years, 6.5% for 4 years, and thereafter at 2% until paid off in 2029.

<sup>2</sup> Act 497 of 2009 created the Experience Account Amortization Base, which combines the following schedules shown in Exhibit A-1: 1997, 2001 - 2003, 2004 (the liability resulting from Act 588 of 2004 which zeroed out the Experience Account), and 2008. The new combined balance is reduced by applying funds from the subaccount of the IUAL Fund, which were transferred from the Experience Account on June 30, 2009. Payments will increase by 7.0% for 3 years, 6.5% for 4 years, and will be level thereafter until paid off in 2040.