

Hall Actuarial Associates

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Mrs. Kathy Bourque
MUNICIPAL POLICE EMPLOYEES'
RETIREMENT SYSTEM
7722 OFFICE PARK BOULEVARD, Suite 200
Baton Rouge, Louisiana 70809-7601

RE: Insurance Premium Tax

Dear Mrs. Bourque:

On November 9, 2007 I issued a letter indicating that MPERS' allocation from the Insurance Premium Tax Fund (ITPF) would be \$14,484,301. I received notice from Mr. Tom Rice, Legislative Actuary, that there would be a slight adjustment to MPERS' allocation. The new allocated amount is \$14,455,288 which is \$29,013 less than the original amount quoted.

The change in allocation does not change the projected funding requirements that were indicated in the November 9th letter and repeated below.

IX. Funding Requirements to Pay
(Mid-year Payments)

1) Employee Rate	7.50%	7.50%	7.50%
2) Employer Rate ¹ (Current Year)	10.50%	15.50%	16.50%
Premium Tax Allocation ¹	14,455,288	12,817,414	11,914,460
3) Projected Employer Rate ¹ (Next Year)	9.50%	13.75%	15.50%

It remains my intent, now with Board approval and pending review of the Legislative Actuary, to recommend a projected employer contribution rate of 9.50% for the 2008-2009 fiscal year to PERSAC.

If you have any questions or care to discuss this matter further, please do not hesitate to contact me.

Sincerely,

Charles G. Hall, FCA, MAAA, ASA
Actuary