

Hall Actuarial Associates

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September 19, 2008

Board of Trustees
LOUISIANA STATE POLICE
RETIREMENT SYSTEM
3100 Brentwood Drive, Suite B
Baton Rouge, Louisiana 70809

Gentlemen:

This report presents the results of the actuarial valuation of assets and liabilities, as well as funding requirements, for the Louisiana State Police Retirement System as of June 30, 2008.

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 Louisiana State Police 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 as provided by the Fund's external auditors, Hientz & Macaloso LLC.

The present values shown herein have been calculated on the basis of the actuarial cost method specified in Louisiana Revised Statutes Title 11 Section 22(12). The actuarial assumptions, which have been approved by the Board of Trustees, are appropriate for the purpose of this valuation, are reasonable in the aggregate, and when applied in combination represent my best estimates of the anticipated experience under the plan.

Board of Trustees
September 19, 2008

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

	<u>June 30, 2008</u>	<u>-----Prior Years-----</u>	
		<u>June 30, 2007</u>	<u>June 30, 2006</u>
I. Membership Census			
1) Retirees	1,153	1,146	1,134
2) Actives	1,059	1,003	996
3) Terminated Vested	24	23	22
4) DROP	27	32	36
II. Annual Benefits	\$ 31,258,056	\$ 29,168,340	\$ 26,782,068
III. Total Payroll	56,738,212	49,763,351	49,255,802
IV. Valuation Assets	439,074,647	428,880,461	379,704,362
V. Investment Yield ¹			
Market Value	<u>-5.24%</u>	<u>16.15%</u>	<u>7.36%</u>
5 year avg.	7.51%	9.76%	5.92%
10 year avg.	4.92%	7.06%	7.42%
Actuarial Value ¹	<u>4.55%</u>	<u>8.63%</u>	<u>13.16%</u>
5 year avg.	7.80%	6.31%	4.93%
10 year avg.	6.31%	7.50%	8.10%
DROP Accounts ¹	<u>4.05%</u>	<u>8.13%</u>	<u>12.66%</u>
VI. Experience Account	0	0	n/a
VII. Cost to Fund Annual Pension Accruals (Normal Costs)	14,800,890 26.09%	12,024,456 24.16%	11,919,719 24.20%
VIII. Unfunded Actuarial Accrued Liability	199,757,220	158,646,134	166,534,087
IX. Funded Percentage	68.7%	73.0%	69.5%
X. Funding Requirements (Mid Year Payment)			
1) Employee Contribution Rate	8.00%	8.00%	8.00%
2) Employer Rate, plus Premium Tax Allocation (Current Year)	30.9% 1,500,000	25.9% 1,500,000	32.6% 1,500,000
3) Projected Employer Rate, plus Premium Tax Allocation (Next Year)	41.3% 1,500,000	27.3% 1,500,000	26.2% 1,500,000

Funding Requirements measure the cost of benefits in effect on June 30, 2008.

¹Excludes Money Market DROP Accounts effective June 30, 2008.

Board of Trustees
September 19, 2008

Current Funding

The Actuarial Valuation for the plan year ending June 30, 2008 discloses an increase in the value of the plan's unfunded actuarial accrued liability due in part to unfavorable investment experience on an actuarial basis. The dollar funding requirements have increased, and the funding as a percentage of payroll, has increased. It is generally appropriate for the current valuation process to disclose the source and causes of any significant changes in the plan from year to year. Changes that occur are generally the result of changes in actuarial assumptions, gains or losses resulting from actual experience which differs significantly from expected plan experience or some external force such as plan restructuring.

In accordance with Act 165 of the 1992 Legislative Session, beginning with the 1992-1993 plan year, the actuarial cost method was changed from the "Projected Unit Credit" to the "Entry Age Normal" cost method. Changes in actuarial methods, assumptions, benefit changes or plan experience are amortized as a 4.5% increasing annuity. The amortization period is the later of the year 2029 or the amortization period stated in Act 81 of the 1988 Legislative Session.

During the past fiscal year the actuarial accrued liability in excess of assets to pay benefits decreased from 158.6 million to a 199.8 million dollar deficit.

To assist the Board of Trustees in reconciling changes in the unfunded actuarial accrued liability, the following gain/loss analysis is presented as follows:

CHANGE IN UNFUNDED LIABILITY

Unfunded Liability 6/30/2007 \$ 158,646,134

INCREASES

Interest on Unfunded Liability	\$ 11,898,460
Changes in Actuarial Assumptions	9,278,004
Investment Loss	12,415,475
Experience Loss	<u>17,289,716</u>
Incurred Increases	50,881,655

DECREASES

Employer Shortfall Gain	2,699,680
Net Amortization Payment	<u>7,070,889</u>
Incurred Decreases	9,770,569

Unfunded Liability 6/30/2008 \$ 199,757,220

Board of Trustees
September 19, 2008

Legislative Changes

Act 79 changes the length of the term members of the Board of Trustees serve from three years to five years

Act 268 changes to the method of purchasing service credit to a lump sum amount or, with Board approval, installment payments up to 36 months with interest at the current actuarial valuation rate

Act 852 re-amortizes on July 1, 2009 the outstanding balances of existing increasing bases payable through June 30, 2029 as a level dollar amount. New bases established on and after the effective date will be amortized over a 30 year period as a level dollar amount.

Comments and Disclosures

The current employer contribution rate is based on the pre-Act 852 amortization schedule. The projected employer rate for the 2009-2010 plan year is based upon the Act 852 amortization schedule. Consequently the employer contribution will increase from the current annual increasing percentage rate of 30.9% to a level percentage rate of 41.3%. It is anticipated that the rate should stay constant in the absence of annual experience gains/losses.

Exhibit 3, "Pension Accounting and Financial Disclosure", contains disclosure of the accrued liabilities under the Entry Age Normal 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,

Charles G. Hall, 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 Individual entry Age Normal Actuarial Cost Method, and the Actuarial Assumptions outlined in Exhibit 6 based on the Provisions of the Plan as summarized in Exhibit 5.

	<u>June 30, 2008</u>		<u>June 30, 2007</u>	
	<u>Dollar</u>	<u>% of</u>	<u>Dollar</u>	<u>% of</u>
	<u>Amount</u>	<u>Salary</u>	<u>Amount</u>	<u>Salary</u>
I. Normal Costs (to fund annual pension accruals)				
Active Members				
a) Retirement Benefits	\$ 12,734,046	22.45%	\$ 10,201,825	20.50%
b) Disability Benefits	421,414	.74%	371,610	.75%
c) Survivor Benefits	388,724	.69%	452,700	.91%
d) Voluntary Termination	681,706	1.20%	568,321	1.14%
e) Expenses	<u>575,000</u>	<u>1.01%</u>	<u>430,000</u>	<u>.86%</u>
TOTAL	14,800,890	26.09%	12,024,456	24.16%
II. Actuarial Accrued Liability				
a) Active Members				
1) Retirement Benefits	\$ 217,386,970		\$ 174,410,982	
2) Disability Benefits	2,333,939		2,002,874	
3) Survivor Benefits	2,519,165		3,219,090	
4) Voluntary Termination	<u>4,805,322</u>		<u>3,847,121</u>	
	227,045,396		183,480,067	
b) Retired and Inactive Members				
1) Regular Retirees	285,319,687		279,619,448	
2) Disabled Retirees	14,574,750		14,755,936	
3) Survivors	41,339,395		41,929,853	
4) Vested Deferred & Transfers	2,895,229		2,533,082	
5) Contribution Refunds	499,692		0	
6) DROP Account Balance	33,136,477		30,858,744	
7) DROP Annuity Reserve	<u>33,021,241</u>		<u>34,349,465</u>	
	410,786,471		404,046,528	
c) TOTAL	637,831,867		587,526,595	

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

	<u>June 30, 2008</u>	<u>--Prior Year--</u> <u>June 30, 2007</u>
II. Actuarial Accrued Liability	\$ 637,831,867	\$ 587,526,595
III. Actuarial Assets	438,074,647	428,880,461
IV. Unfunded Actuarial Accrued Liabilities	199,757,220	158,646,134
a) Change over prior year	41,111,086	-7,887,953
b) Funded Percentage	68.68%	73.00%
V. Employer Contributions to Fund		
Current Plan Year ¹		
a) Employer Portion of Normal Cost	9,828,430	7,708,717
b) Amortization Payments	13,940,518	11,055,717
c) Prior Contribution Variance	-4,470,790	-4,235,946
GROSS Required Contribution	19,298,158	14,528,488
d) Insurance Premium Tax Fund (IPTF) Offset		
ACT 1160 Normal Cost	946,742	828,857
ACT 1160 Amortization payment	1,581,962	1,513,839
TOTAL ITPF Allocation ²	1,500,000	1,500,000
TOTAL Required Contribution	17,798,158	13,028,488
	30.9%	25.9%
PERSAC approved Rate	27.3%	26.2%
VI. Projected Employer Contributions		
To Fund Next Plan Year ¹		
a) Employer Portion of Normal Cost	10,104,840	7,897,220
b) Amortization Payments	20,750,170	11,553,225
c) Prior Contribution Variance	-4,898,045	-3,864,583
d) IPTF allocation ²	-1,500,000	-1,500,000
TOTAL Projected Contribution	24,456,965	14,085,862
	41.3%	27.3%
VII. Current Payroll	56,728,212	49,763,351
Projected Payroll - Mid Year	57,552,683	50,386,450
Projected Payroll - Next Year	59,171,264	51,618,561

¹Dollar Amounts reflect estimated payments due mid-year on January 1st per Act 81.

²ITPF allocation is the lesser of the normal cost plus amortization or \$1,500,000.

EXHIBIT 2

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

	<u>June 30, 2008</u>	-----Prior Years----- <u>June 30, 2007</u>	<u>June 30, 2006</u>
<u>OPERATING REVENUES:</u>			
1. Contribution Income			
Member	\$ 4,608,593	\$ 4,020,197	\$ 3,997,156
MV Fees	2,983,488	2,990,066	3,370,728
Appropriations	13,753,551	35,940,246	31,281,308
Insurance Premium Tax	1,500,000	1,500,000	1,500,000
2. Other Income			
Transfers/Purchases	1,302,820	1,001,566	1,222,735
Miscellaneous	137,242	126,861	185,926
TOTAL CONTRIBUTIONS	<u>24,285,694</u>	<u>45,578,936</u>	<u>41,557,853</u>
3. Investment Income			
Investments	-22,178,691	64,971,991	26,757,550
Less, Manager fees	-1,446,184	-1,236,193	-1,196,471
TOTAL INVESTMENT INCOME	<u>-23,624,875</u>	<u>63,735,798</u>	<u>25,561,079</u>
4. Total Revenues	660,819	109,314,734	67,118,932
<u>OPERATING EXPENSES:</u>			
1. General Administration	572,064	429,042	407,952
Other Expenses	3,472	3,739	7,392
2. Benefits Paid			
a) Pension Benefits	33,321,008	30,430,391	27,039,512
b) Return of Contributions	507,995	162,483	218,572
TOTAL BENEFITS PAID	<u>33,829,003</u>	<u>30,592,874</u>	<u>27,258,084</u>
3. Total Expenses	34,404,539	31,025,655	27,673,428
<u>NET INCREASE:</u>	-33,743,720	78,289,079	39,445,504

EXHIBIT 2 (Continued)
Financial Summary

FINANCIAL SUMMARY
STATEMENT OF ASSETS
FOR FISCAL YEAR ENDING

<u>ASSETS</u>	<u>June 30, 2008</u>	<u>-----Prior Years-----</u>	
		<u>June 30, 2007</u>	<u>June 30, 2006</u>
1. Cash Equivalents	\$ 73,476	\$ 15,258	\$ 165,248
2. Bonds			
United States Obligations	17,026,853	16,441,249	16,329,560
Corporate Issues	0	40,019,922	70,333,042
Bonds - General	32,137,520	32,316,280	28,440,764
3. Equities			
Property and Equipment	7,865	7,601	7,885
Common Stock - Domestic	124,187,839	137,713,506	120,984,094
- Foreign	53,164,769	57,757,494	24,619,992
Mutual Funds - Index	169,181,860	153,002,886	118,395,428
Real Estate	28,501,687	20,540,706	
4. Receivables (-) Payables	<u>245,842</u>	<u>456,529</u>	<u>706,339</u>
TOTAL ASSETS - Market Value	424,527,711	458,271,431	379,982,352
- Valued at Cost	386,396,582	376,368,623	341,956,983

INVESTMENT YIELD:

Actuarial Value	4.55%	8.63%	13.16%
DROP Account Yield ¹	4.05%	8.13%	12.66%
Market Value	-5.24%	16.15%	7.36%

EXPERIENCE ACCOUNT FUND:

			<u>TEXACO</u> <u>SETTLEMENT FUND</u>
Prior Year End Balance	0	0	44,261,264
+ Experience Account Allocation	0	0	n/a
- Current Year Distribution	0	0	50,084,124
+ Accumulated Interest	<u>0</u>	<u>0</u>	<u>5,822,860</u>
Fund Balance - Year End	0	0	0

ACTUARIAL VALUE OF ASSETS:

Total Assets, less	424,527,711	458,271,431	379,982,352
Change in Unrealized (G/L)			
Plan Year - 2 (wt. 1/4)	-10,627,587	7,186,740	18,621,238
Plan Year - 1 (wt. 2/4)	43,877,439	-10,627,587	7,186,740
Plan Year - (wt. 3/4)	<u>-43,771,679</u>	<u>43,877,439</u>	<u>-10,627,587</u>
Gross Actuarial Value of Assets	438,074,647	428,880,461	379,704,362
Less, Side Fund Accounts	<u>0</u>	<u>0</u>	<u>0</u>
Valuation Assets	438,074,647	428,880,461	379,704,362

¹ Effective 7/1/2003 new DROP Accounts are credited with Money Market rates.

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 (a)	Actuarial Accrued Liability(AAL) (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Payroll ((b-a)/c)
1999	216,954	340,299	123,345	63.8	35,312	349.3
2000	244,015	337,701	93,686	72.3	33,603	278.8
2001	261,576	355,629	94,053	73.6	32,157	292.5
2002	271,694	386,698	115,004	70.3	31,695	362.8
2003	271,062	447,694	176,631	60.6	44,148	400.1
2004	288,865	477,085	188,220	60.6	47,923	392.8
2005	322,482	516,427	193,945	62.4	49,290	393.5
2006	379,704	546,238	166,534	69.5	49,256	338.1
2007	428,880	587,527	158,646	73.0	49,763	318.8
2008	438,075	637,832	199,757	68.7	56,728	352.1

The total actuarial accrued liability determined using the Individual Entry Age Normal cost method increased by \$50,305,272 from June 30, 2007 to June 30, 2008. There was a change in actuarial assumptions resulting from a five year plan Experience Study increasing the liability \$9,278,004. From all sources, there was a net experience loss of \$29,705,188.

Fiscal year gains/losses are summarized on page 3 under "Change in Unfunded Liability".

¹ UAAL differs from the UFAL for funding purposes. UFAL for funding purposes excludes the Texaco Settlement Fund Assets, which appear on page 9.

EXHIBIT 3 (Continued)**Pension Accounting & Financial Disclosure****SUPPLEMENTARY INFORMATION****SCHEDULE OF EMPLOYER CONTRIBUTIONS**

<u>Fiscal Year</u>	<u>Actuarial Required Contribution</u> ¹	<u>Percent Contributed</u>	<u>Annual Pension Cost (APC)</u> ¹	<u>Actual Contribution</u> ¹	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u> ¹
1999	19,233,721	119.5	22,866,185	22,992,494	100.5	-10,612,953
2000	20,651,122	114.6	24,171,405	23,661,417	97.9	-10,102,965
2001	20,152,607	120.0	23,198,292	24,174,644	104.2	-11,079,317
2002	21,153,440	124.6	24,483,266	26,362,607	107.7	-12,958,661
2003	24,411,521	107.2	28,272,466	26,126,060	92.4	-10,812,252
2004	30,288,239	87.0	33,855,791	26,347,773	77.8	-3,304,234
2005	33,658,907	87.4	35,886,584	29,432,635	82.0	3,149,715
2006	36,698,310	102.1	37,621,412	37,483,229	99.6	3,287,896
2007	18,482,551	226.8	18,615,913	41,919,040	225.2	-20,015,231
2008	16,208,885	116.7	19,099,665	18,908,564	99.0	-19,824,130

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

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

Actuarial Required Contribution	16,208,885
Interest on Net Pension Obligation (+)	-1,501,142
Amortization of Net Pension obligation (-)	-4,391,922
Annual Pension Cost	19,099,665
Employer Contribution ¹	18,908,564
Increase (decrease) in Net Pension Obligation	191,101
Net Pension Obligation - Beginning of Year	-20,015,231
Net Pension Obligation - End of Year	-19,824,130

¹ Actuarial Contributions, the Annual Pension Cost (APC), and the actual employer contribution made 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

<u>Fiscal</u> <u>Year End</u>	<u>Members</u> <u>Contribution</u>	<u>Employer</u> <u>Contribution</u>	<u>Investment</u> <u>Income</u>	<u>Total</u>
1999	2,557,227	22,175,930	12,639,618 ³	37,372,775
2000	2,940,289	22,821,097	10,660,541	36,421,927
2001	2,748,089	23,316,097	-1,388,040	24,676,146
2002	2,880,248	25,426,356	-7,113,040	21,193,564
2003	4,015,207	25,198,210	12,889,340	42,102,757
2004	4,090,079	26,252,523	31,363,198	61,705,800
2005	4,182,096	30,177,649	27,796,776	62,156,521
2006	3,997,156	37,560,697	25,561,079	67,118,932
2007	4,020,197	41,558,739	63,735,798	109,314,734
2008	4,608,593	19,677,101	-23,624,875	660,819

Expenses by Type

<u>Fiscal</u> <u>Year End</u>	<u>Benefits</u>	<u>Refunds</u>	<u>Administrative</u> <u>Expenses</u> ²	<u>Total</u>
1998	16,982,409	74,852	325,858	17,383,119
1999	17,551,193	50,912	370,652	17,972,757
2000	19,125,651	223,607	372,549	19,721,807
2001	20,000,815	208,673	396,623	20,606,111
2002	22,197,351	203,420	419,195	22,819,966
2003	22,484,503	193,891	444,651	23,123,045
2004	23,889,741	298,653	429,177	24,617,571
2005	25,216,731	309,370	416,736	25,942,837
2006	27,039,512	218,572	415,344	27,673,428
2007	30,592,874	162,483	432,781	31,025,655
2008	33,829,003	507,995	575,536	34,404,539

¹ Includes Texaco Settlement of \$1,156,633 on 6/30/96² Includes Texaco Settlement of \$19,356,039 on 6/30/97³ Prior to 6/30/99, reported realized investment income. A change in Asset Valuation Method now reports realized and unrealized investment income at Market (see Exhibit 6, page 27.)

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 database. Prior to processing, suspicious data and data containing errors were purged from the data base and processed separately 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

This year there were no records purged from the database containing errors or categorized as suspicious data, which is consistent with recent years' reporting. Suspicious data are not necessarily errors, but is data which falls outside the parameters of the editing process for further checking.

Salary data contained in the profiles and valuation report may exceed the sums reported by internal audit due to salary annualization. Retiree data reflects the benefit amount in pay status on the 1st day of the next fiscal year. In the valuation process, membership data with fractional service annualizes the salary in the first year of employment.

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

	----- June 30 -----		
	---2008---	---2007---	---2006---
	<u>Census</u>	<u>Census</u>	<u>Census</u>
Active Members	1,059	1,003	996
Regular Retirees	782	780	755
Disability Retirees	55	54	55
Survivors	316	312	324
Vested & Reciprocals	24	23	22
DROP Participants	<u>27</u>	<u>32</u>	<u>36</u>
TOTAL	2,263	2,204	2,188

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

LOUISIANA STATE POLICE
ACTIVE MEMBERS

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY

VALUATION DATE 6/30/2008

Age	YEARS EMPLOYED									Total	
	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)		
[0>19)	0	0	0	0	0	0	0	0	0	0	0
[20>24)	9	9	0	0	0	0	0	0	0	0	18
	307699	340661	0	0	0	0	0	0	0	0	648360
[25>29)	41	61	17	1	0	0	0	0	0	0	120
	1344439	2519612	754235	38435	0	0	0	0	0	0	4656721
[30>34)	17	43	103	39	1	0	0	0	0	0	203
	566020	1766213	4711945	1959463	49157	0	0	0	0	0	9052798
[35>39)	8	25	62	183	38	0	0	0	0	0	316
	272060	1084205	2916026	10430423	2344507	0	0	0	0	0	17047221
[40>44)	1	11	17	86	90	9	0	0	0	0	214
	35166	465026	842581	4977814	6038287	627380	0	0	0	0	12986254
[45>49)	1	2	8	19	46	25	4	0	0	0	105
	35166	107027	354940	1130783	3050456	1851312	265385	0	0	0	6795069
[50>54)	0	0	0	3	12	16	12	0	0	0	43
	0	0	0	175951	786070	1073090	910372	0	0	0	2945483
[55>59)	0	0	0	4	0	4	0	0	0	0	8
	0	0	0	226980	0	275301	0	0	0	0	502281
[60>64)	0	0	1	0	0	1	0	0	0	0	2
	0	0	47805	0	0	68215	0	0	0	0	116020
[65>69)	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
[70>74)	0	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0	0
TOTALS	77	151	208	335	187	55	16	0	0	0	1029
salary	2560550	6282744	9627532	18939849	12268477	3895298	1175757	0	0	0	54750207

AVERAGES --- Attained Age 37.97
Service Years 10.90
Active Salary 53,207

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

LOUISIANA STATE POLICE
ACTIVE AFTER DROP

CELLS DEPICT - MEMBER COUNT
TOTAL SALARY
DROP BENEFITS

VALUATION DATE 6/30/2008

Age	YEARS EMPLOYED									Total	
	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)		
[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	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	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	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	0	0	0
[50>54)	9	3	0	0	0	2	0	0	0	0	14
:	407256	224345	0	0	0	141622	0	0	0	0	773223
:	539352	158556	0	0	0	50052	0	0	0	0	747960
[55>59)	0	0	3	4	3	4	1	0	0	0	15
:	0	0	254908	295901	212413	292534	75456	0	0	0	1131212
:	0	0	193080	144144	86292	100320	27900	0	0	0	551736
[60>64)	0	0	0	0	0	1	0	0	0	0	1
:	0	0	0	0	0	73670	0	0	0	0	73670
:	0	0	0	0	0	22548	0	0	0	0	22548
[65>69)	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	0	0	0
[70>74)	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	0	0	0
TOTALS	9	3	3	4	3	7	1	0	0	0	30
count	9	3	3	4	3	7	1	0	0	0	30
salary	407256	224345	254908	295901	212413	507826	75456	0	0	0	1978105
benefit	539352	158556	193080	144144	86292	172920	27900	0	0	0	1322244

AVERAGES --- Attained Age 55.34
Post Drop Years 3.37
Active Salary 65,937
Annual Benefit 44,075

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

LOUISIANA STATE POLICE
REGULAR RETIREES

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2008

Age	YEARS RETIRED									Total	
	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)		
[0>39)	0	0	0	0	0	0	0	0	0	0	0
[40>44)	0	0	0	0	0	0	0	0	0	0	0
[45>49)	2	2	3	1	0	0	1	0	0	0	9
[50>54)	5	12	22	21	4	3	10	3	1	81	81
[55>59)	0	3	3	3	0	56	63	44	23	195	195
[60>64)	0	1	0	0	0	12	61	67	56	197	197
[65>69)	0	0	0	0	0	1	12	45	62	120	120
[70>74)	0	0	0	0	0	0	1	9	70	80	80
[75>79)	0	0	0	0	0	0	0	2	62	64	64
[80>84)	0	0	0	0	0	0	0	1	24	25	25
[85>89)	0	0	0	0	0	1	0	1	7	9	9
[90>99)	0	0	0	0	0	0	0	0	2	2	2
TOTALS	7	18	28	25	4	73	148	172	307	782	782
benefit	418908	1052292	1704816	1518048	149448	3933204	5682432	4373880	5771016	24604044	24604044

AVERAGES --- Attained Age 64.05
Years Retired 17.58
Annual Benefit 31,463

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

LOUISIANA STATE POLICE
DISABILITY RETIREES

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2008

Age	YEARS RETIRED									Total
	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	
[0>39)	1	0	0	0	0	1	0	0	0	2
	25980	0	0	0	0	36132	0	0	0	62112
[40>44)	0	0	0	0	1	1	1	0	0	3
	0	0	0	0	25656	18576	36168	0	0	80400
[45>49)	0	0	0	0	0	1	1	0	0	2
	0	0	0	0	0	29676	23352	0	0	53028
[50>54)	0	0	0	1	0	0	1	3	3	8
	0	0	0	37380	0	0	14604	76872	49572	178428
[55>59)	0	0	0	0	0	0	2	4	8	14
	0	0	0	0	0	0	37896	62388	206688	306972
[60>64)	0	0	0	0	0	0	0	3	10	13
	0	0	0	0	0	0	0	68388	227088	295476
[65>69)	0	0	0	0	0	0	1	0	6	7
	0	0	0	0	0	0	24708	0	136968	161676
[70>74)	0	0	0	0	0	0	0	0	1	1
	0	0	0	0	0	0	0	0	23868	23868
[75>79)	0	0	0	0	0	0	0	0	5	5
	0	0	0	0	0	0	0	0	98712	98712
[80>84)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[85>89)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
[90>99)	0	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0	0
TOTALS										
count	1	0	0	1	1	3	6	10	33	55
benefit	25980	0	0	37380	25656	84384	136728	207648	742896	1260672

AVERAGES --- Attained Age 59.37
Years Retired 21.02
Annual Benefit 22,921

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

LOUISIANA STATE POLICE
SURVIVOR BENEFITS

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2008

Age	YEARS RETIRED									Total
	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	
[0>39)	0	0	0	0	1	0	4	3	0	8
	0	0	0	0	16944	0	41736	22680	0	81360
[40>44)	0	0	0	0	0	1	0	0	0	1
	0	0	0	0	0	8964	0	0	0	8964
[45>49)	0	0	0	0	0	2	2	2	2	8
	0	0	0	0	0	16416	41268	15972	42840	116496
[50>54)	1	2	0	0	0	0	1	0	6	10
	29280	41172	0	0	0	0	9084	0	48972	128508
[55>59)	4	0	3	0	1	5	4	4	14	35
	47844	0	98124	0	18420	87828	37440	75744	167460	532860
[60>64)	2	0	1	0	0	5	2	8	22	40
	31164	0	64488	0	0	148260	21648	151860	322584	740004
[65>69)	1	0	0	0	0	1	1	4	31	38
	33972	0	0	0	0	37032	10356	99960	593412	774732
[70>74)	0	0	0	0	0	0	0	0	59	59
	0	0	0	0	0	0	0	0	1065684	1065684
[75>79)	0	0	0	0	0	0	0	1	50	51
	0	0	0	0	0	0	0	15240	845784	861024
[80>84)	0	0	0	0	0	0	0	0	37	37
	0	0	0	0	0	0	0	0	607728	607728
[85>89)	0	0	0	0	0	0	0	0	14	14
	0	0	0	0	0	0	0	0	238812	238812
[90>99)	0	0	0	0	0	0	0	0	15	15
	0	0	0	0	0	0	0	0	237168	237168
TOTALS	8	2	4	0	2	14	14	22	250	316
benefit	142260	41172	162612	0	35364	298500	161532	381456	4170444	5393340

AVERAGES --- Attained Age 69.95
Years Retired 27.57
Annual Benefit 17,068

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS RETIRED

LOUISIANA STATE POLICE
DROP PARTICIPANTS

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2008

Age	YEARS PARTICIPATED									Total
	(0-1)	[1-2)	[2-3)	[3-4)	[4-5)	[5-10)	[10-15)	[15-20)	[20-)	
[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)	3	2	2	0	0	0	0	0	0	7
[50>54)	5	7	8	0	0	0	0	0	0	20
[55>59)	0	0	0	0	0	0	0	0	0	0
[60>64)	0	0	0	0	0	0	0	0	0	0
[65>69)	0	0	0	0	0	0	0	0	0	0
[70>74)	0	0	0	0	0	0	0	0	0	0
[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
TOTALS	8	9	10	0	0	0	0	0	0	27
benefit	480528	493812	606336	0	0	0	0	0	0	1580676

AVERAGES --- Attained Age 50.66
Years Retired 1.54
Annual Benefit 58,544

MEMBERSHIP PROFILE
CATEGORIZED BY AGE AND YEARS EMPLOYED

LOUISIANA STATE POLICE
TERM-VESTED/RECIPROCAL

CELLS DEPICT - MEMBER COUNT
TOTAL BENEFITS

VALUATION DATE 6/30/2008

Age	YEARS EMPLOYED									Total
	(0-1)	[1-5)	[5-10)	[10-15)	[15-20)	[20-25)	[25-30)	[30-35)	[35-)	
[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	1	4	0	0	0	0	0	5
[40>44)	0	0	1	6	2	0	0	0	0	9
[45>49)	0	0	0	4	3	2	0	0	0	9
[50>54)	0	0	0	0	0	0	0	0	0	0
[55>59)	0	0	0	0	0	0	0	0	0	0
[60>64)	0	0	0	0	0	0	0	0	0	0
[65>69)	0	0	0	0	0	0	0	0	0	0
[70>74)	0	0	0	0	0	0	0	0	1	1
TOTALS	0	0	2	14	5	2	0	0	1	24
benefit	0	0	8244	213720	110976	51156	0	0	0	384096

AVERAGES --- Attained Age 44.98
Service Years 15.46
Annual Benefit 16,004

EXHIBIT 5

SUMMARY OF THE STATE POLICE
RETIREMENT SYSTEM'S PLAN PROVISIONS

EFFECTIVE DATE:

Legislative Act No. 293 of 1938

EMPLOYEE:

Sworn, commissioned law enforcement officers of the Division of State Police of the Department of Public Safety who have completed the State Police Training Academy Course of Instruction; those members employed on the Effective Date of the Fund, those subsequently employed who did not withdraw employee contributions; the secretary and deputy secretary of the Department of Public Safety, provided they are sworn, commissioned State Police officers as defined above.

EMPLOYER:

Division of State Police of the Department of Public Safety of the State of Louisiana.

CREDITABLE SERVICE:

1. Service as defined as a member of the retirement system.
2. Police duty qualifying as having contributed to the war effort during World War II.
3. Credit for military service, not to exceed four years as follows:
 - a) Members employed prior to September 8, 1977 receive a maximum of three years free military service credit. Members may purchase eligible service credit in excess of three years.
 - b) Members employed on or after September 8, 1977 but prior to September 8, 1978 were eligible to purchase military service credit after one year of employment. Military service credit in a) and b) applied to retirement eligibility.
 - c) Members employed on or after September 8, 1978 were eligible to purchase military service credit; however, such service did not apply to retirement eligibility.
 - d) Upon retirement, all unused accumulated sick and annual leave.

EMPLOYEE CONTRIBUTIONS:

7% of earnable compensation; 8% effective July 1, 1989.

EMPLOYER CONTRIBUTIONS:

State contributes each fiscal year consists of various fees and taxes collected by the Motor Vehicle Office within the Department of Public Safety.

Effective June 29, 2001 - 1.5M from Insurance Premium Tax (see RS 22:1419(A)(3)).

EXHIBIT 5 (Continued)
Plan Provisions

EARNABLE COMPENSATION:

Full salary earned by an employee in qualified service.

AVERAGE FINAL COMPENSATION:

1. For members employed prior to September 8, 1978

Average annual earned compensation for the highest 12 successive or joined months prior to Retirement or Date of Death.

2. For members employed on or after September 8, 1978

Average annual earned compensation for the highest 36 successive or joined months prior to Retirement or Date of Death.

NORMAL RETIREMENT:

ELIGIBILITY:

1. Attained Age 50 with 10 years of creditable service
2. Employed prior to September 8, 1978, 20 years of service regardless of age
3. Employed after September 7, 1978, 25 years of service regardless of age.

Note: Compulsory retirement at age 65
(except for the Secretary and Deputy Secretary of the Department of Public Safety).

BENEFIT:

3 1/3% of average final compensation for each year of service.

Note: Maximum benefit accrual cannot exceed 100% of Average Final Compensation.

ANNUITY FORM:

An Annuity payable for the lifetime of the member.

An Initial Benefit Option is available to retirees who have not participated in DROP. Election pays up to 36 months of regular benefits in lump-sum, with monthly annuity actuarially reduced for life.

DISABILITY BENEFITS:

ELIGIBILITY:

1. Nonservice-related total disability - 5 years of service
2. Service-related total disability - condition of employment

BENEFIT:

Disabled members eligible will receive a benefit equal to fifty percent of average salary, plus one and one-half percent of average salary for each year of service in excess of ten years.

EXHIBIT 5 (Continued)
Plan Provisions

Greater of 100% of Average Final Compensation or 36,000 for loss of sight or hearing, permanent damage to brain or spinal cord, paralysis, loss of organ, or loses the use of a limb

DEATH BENEFITS:

ELIGIBILITY:

1. Death of an active member in the line of duty
2. Death of an active member not in the line of duty
3. Death of a retiree or terminated vested member

BENEFIT:

1. Surviving Spouse receives 75% of the Average Monthly Salary
 - A. If no surviving spouse, eligible children under the age of 18 receive the following benefit to be shared equally:

<u>Number of Children</u>	<u>Percentage Average Monthly Salary</u>
1	30%
2	40%
3	50%
4	60%

Benefit ceases at age 18 unless child is handicapped or mentally handicapped. Students may have benefits extended to age 23.

- B. If no surviving spouse and no eligible children, dependent parent(s) will receive 25% of the Average Monthly Salary.

2. Surviving Spouse receives benefits according to the following schedule:

<u>Years of Service at Death</u>	<u>Percentage Average Monthly Salary</u>
5 or less	25%
5 - 10	30%
10 - 15	40%
15 - 20	50%
20 or more	Member's Accrued Benefit

- A. If no surviving spouse, eligible children receive benefits in accordance with section 1(A) above.
 - B. If no surviving spouse and no surviving eligible children, dependent parent(s) Receive benefits in accordance with section 1(B) above.

3. Surviving spouse, who was married and living with the member at least two years prior to the date of death, eligible surviving children or the dependent parent(s) shall receive the same monthly pension which was paid to the retired member in the following order of priority: Surviving Spouse, Eligible Children, Dependent Parent(s)

EXHIBIT 5 (Continued)
Plan Provisions

Note: Under all survivor benefits, the spouse forfeits benefits upon remarriage if remarriage occurs prior to age 55. Subsequent monthly benefit payments will be made to eligible surviving children or dependent parent(s).

VESTING:

All members are entitled to a refund of employee contributions in excess of benefits received upon termination or death of the member or survivor(s).

Any member employed on or after September 8, 1978 who is vested for retirement benefits by virtue of 20 years of service but less than attained age 50, who terminates employment will be vested for disability benefits during the deferred period. This provision was deleted in accordance with Act 679 of the 1991 Legislative Session.

COST OF LIVING INCREASES:

HB 658 of 2007 establishes an Experience Account, which is credited with 50% of the excess investment experience gain and debited with 50% of the net investment experience loss. Balances in the experience account accrue interest at the average actuarial yield for the System portfolio. If the balance of the Experience Account is sufficient to grant retirees a COLA, the Board may (with concurrence from the Legislature) grant such COLA not to exceed the lesser of the CPI-U or 3%. Benefits are restricted to those retirees who have attained the age of 60 and have been retired for at least one year.

DEFERRED RETIREMENT OPTION PLAN:

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

ELIGIBILITY:

Any Active member who is eligible to receive a service retirement allowance may begin participation on the eligibility date for a period not to exceed the 3rd anniversary of retirement eligibility.

BENEFIT:

Upon termination of employment at the end of or prior to the end of the specified period of participation, 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) any other method of payment if approved by the board of trustees. Monthly benefits being paid into the fund during participation will begin being paid to the retiree.

EXHIBIT 5 (Continued)
Plan Provisions

If a participant dies during the period of participation, a lump sum payment equal to his account balance shall be paid to the beneficiary, or if none, to the estate; in addition, normal survivor benefits payable to survivors of retirees shall be payable.

If employment is not terminated at the end of the specified period of 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.

Then, 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) Members employed prior to September 8, 1978
 - (a) If additional service was less than 12 months, average compensation figure used to calculate original benefit.
 - (b) If additional service was 12 or more months, the average compensation figure used to calculate the additional benefit shall be based on compensation during the period of additional service.
- (2) Members employed on or after September 8, 1978
 - (a) If additional service was less than 36 months, average compensation figure used to calculate additional benefit shall be that used to calculate original benefit.
 - (b) 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.

NOTE: DROP Accounts shall earn interest following termination of DROP at a rate .5% below the actuarial rate of the System's investment portfolio.

Effective 7/1/2003 new DROP accounts are credited with Money Market rates or self directed accounts approved by the Board of Trustees.

EXHIBIT 6

ACTUARIAL COST METHODS AND ASSUMPTIONS

COST METHOD:

The individual "Entry Age Normal" 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 allocated on a level basis as percentage of payroll for each participant between entry age and assumed retirement age(s). That portion of the actuarial present value attributable to current year benefit accruals is called the Normal Cost. The actuarial present value of future benefits in excess of the actuarial present value of future normal costs is called the actuarial accrued liability.

ASSET VALUATION:

For the Plan Year ending prior to June 30, 1999 equities are valued at a four year weighted average. The computation of the actuarial value of assets is the sum of the bonds at amortized cost, less a weighted average of unrealized losses or (gains) in the market value of equities, plus the market value of Equities

Effective June 30, 1999 the Board of Trustees approved a change in the Asset Valuation Method. The Actuarial Value of Assets is the market value of assets adjusted for a four year weighted average in the unrealized gain or loss in the value of all assets. This value is determined in accordance with Regs. 1.412(c)(2)(b)(6) of the Internal Revenue Service Code and is subject to the Corridor Limits defined therein.

ACCOUNTING DISCLOSURE:

The Governmental Accounting Standards Board Statement No. 25 requires disclosure of certain actuarial liabilities for Public Employee Retirement Systems. The disclosures illustrated in Exhibit 3 were developed using the Entry Age Normal cost method. The statement of assets provided by the independent auditors was a copy of 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 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:

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 current five year observation period (2003-2007) was chosen to coincide with the most recent period of data reporting following the restructuring of the Deferred Retirement Option Program.

MORTALITY ASSUMPTIONS:

Pre-retirement deaths and post-retirement life expectancies were projected in accordance with the experience of the RP-2000 Sex Distinct Mortality Table.

EXHIBIT 6 (Continued)
Cost Methods & Assumptions

DISABILITY ASSUMPTION:

Rates of total and permanent disability were projected in accordance in accordance with the experience of the RP-2000 Sex Distinct Disability Mortality 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 terminate is not required following participation. Therefore, at eligibility, the probability of DROP accrual is determine in conjunction with regular benefit accrual. Retirement rates and DROP probabilities are based on the most recent Experience Study.

TERMINATION ASSUMPTIONS:

Voluntary termination or withdrawal rates are based upon 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:

1st year	1.00x
2nd year	1.50x
3rd year	1.15x
4th year	1.00x
5th year	1.00x

Furthermore, for members terminating with twenty (20) 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 members years of service and are illustrated in the rate tables at the end of this exhibit.

EXHIBIT 6 (Continued)
Cost Methods & Assumptions

FAMILY STATISTICS:

The composition of the Family was based on Age-Specific Fertility Rates from the 1983 Vital Statistics of the United States. 80% of the membership was assumed to be married with the wife assumed to be three (3) years younger than the husband. Sample rates are as follows:

<u>Age at Death</u>	<u>Number of Minor Chn.</u>	<u>Years for Youngest Child to Attain Majority</u>
25	1.2	17
30	1.4	15
35	1.7	13
40	1.7	10
45	1.4	8
50	1.1	4

REMARRIAGE:

Annuities payable to a spouse, which cease upon death or remarriage, were taken from A Technical Note for the Construction of Widow's Annuities." The Remarriage and Mortality rates used to develop these annuities were based on the graduated rates from Mortality and Remarriage Experience for Widow's Beneficiaries under OASDI."

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 7 1/2%, net expenses.

ADMINISTRATIVE EXPENSES:

Expenses are included in Aggregate Normal Cost and are assumed to be \$575,000 per year. Investment Manager fees are not included in Normal Cost but are treated as a direct offset to investment income. The Employer portion of the Normal Cost excludes an allocation for administrative expenses.

COST OF LIVING:

The liability for cost-of-living raises already granted is included in the retiree reserve.

ACTUARIAL TABLES AND RATES
NEW RATES 6/30/2008

<u>Age</u>	<u>- Death Rates -</u>		<u>Disability</u>	<u>Termination</u>	<u>Retirement</u>	<u>DROP</u>	<u>Dur</u>	<u>Salary</u>
	<u>Male</u>	<u>Female</u>	<u>Rates</u>	<u>Rates</u>	<u>Rates</u>	<u>Rates</u>		<u>Scale</u>
18	.00033	.00019	.0020	.0300	.0000	.000	1	1.1550
19	.00034	.00019	.0020	.0300	.0000	.000	2	1.0600
20	.00036	.00019	.0020	.0300	.0000	.000	3	1.0400
21	.00037	.00019	.0020	.0300	.0000	.000	4	1.0400
22	.00037	.00020	.0020	.0300	.0000	.000	5	1.0500
23	.00038	.00020	.0020	.0300	.0000	.000	6	1.0500
24	.00038	.00021	.0020	.0300	.0000	.000	7	1.0500
25	.00038	.00021	.0020	.0300	.0000	.000	8	1.0500
26	.00038	.00022	.0020	.0300	.0000	.000	9	1.0550
27	.00039	.00024	.0020	.0300	.0000	.000	10	1.0600
28	.00041	.00025	.0020	.0300	.0000	.000	11	1.0500
29	.00044	.00026	.0020	.0300	.0000	.000	12	1.0500
30	.00050	.00031	.0020	.0300	.0000	.000	13	1.0500
31	.00056	.00035	.0020	.0250	.0000	.000	14	1.0500
32	.00063	.00039	.0020	.0250	.0000	.000	15	1.0500
33	.00070	.00043	.0020	.0250	.0000	.000	16	1.0500
34	.00077	.00047	.0020	.0250	.0000	.000	17	1.0500
35	.00084	.00051	.0020	.0250	.0000	.000	18	1.0500
36	.00090	.00055	.0020	.0250	.0000	.000	19	1.0600
37	.00096	.00060	.0020	.0200	.0000	.000	20	1.0600
38	.00102	.00065	.0020	.0200	.0000	.000	21	1.0700
39	.00108	.00071	.0020	.0200	.0000	.000	22	1.0600
40	.00114	.00077	.0020	.0200	.0000	.000	23	1.0600
41	.00121	.00085	.0020	.0200	.0000	.000	24	1.0650
42	.00130	.00094	.0020	.0200	.0000	.000	25	1.0650
43	.00140	.00103	.0020	.0100	.0000	.000	26	1.0650
44	.00151	.00112	.0020	.0100	.0000	.000	27	1.0700
45	.00162	.00122	.0020	.0100	.0000	.000	28	1.0700
46	.00173	.00133	.0020	.0100	.0000	.000	29	1.0700
47	.00186	.00143	.0020	.0100	.1000	.000	30	1.0700
48	.00200	.00155	.0020	.0100	.1000	.400	31	1.0450
49	.00214	.00168	.0020	.0100	.1000	.400	32	1.0450
50	.00245	.00185	.0020	.0100	.2500	.400	33	1.0450
51	.00267	.00202	.0020	.0100	.2500	.050	34	1.0450
52	.00292	.00221	.0020	.0100	.2700	.050	35	1.0450
53	.00320	.00242	.0020	.0100	.2700	.050	36	1.0450
54	.00362	.00272	.0020	.0100	.2700	.050	37	1.0450
55	.00420	.00309	.0020	.0100	.2700	.050	38	1.0450
56	.00469	.00348	.0020	.0100	.4200	.050	39	1.0450
57	.00527	.00392	.0020	.0100	.5000	.050	40	1.0450
58	.00594	.00444	.0020	.0100	.5000	.050	41	1.0450
59	.00675	.00505	.0020	.0100	.5000	.000	42	1.0450
60	.00768	.00581	.0020	.0100	.5000	.000	43	1.0450
61	.00876	.00666	.0020	.0000	.5000	.000	44	1.0450
62	.01001	.00765	.0020	.0000	.5000	.000	45	1.0450
63	.01128	.00862	.0020	.0000	.9900	.000	46	1.0450
64	.01274	.00971	.0020	.0000	.9900	.000	47	1.0450
65	.01441	.01095	.0000	.0000	.9900	.000	48	1.0450
66	.01607	.01216	.0000	.0000	.9900	.000	49	1.0450
67	.01787	.01345	.0000	.0000	.9900	.000	50	1.0450
68	.01980	.01486	.0000	.0000	.9900	.000	51	1.0450
69	.02221	.01674	.0000	.0000	.9900	.000	52	1.0450
70	.02457	.01858	.0000	.0000	.9900	.000	53	1.0450
71	.02728	.02067	.0000	.0000	.9900	.000	54	1.0450
72	.03039	.02297	.0000	.0000	.9900	.000	55	1.0450
73	.03390	.02546	.0000	.0000	.9900	.000	56	1.0450
74	.03783	.02811	.0000	.0000	.9900	.000	57	1.0450

EXHIBIT A

**AMORTIZATION of UNFUNDED
ACTUARIAL ACCRUED LIABILITY
JUNE 30, 2008**

<u>DATE</u> <u>6/30</u>	<u>DESCRIPTION</u>	<u>AMTZ.</u> <u>METHOD</u>	<u>AMTZ.</u> <u>PERIOD</u>	<u>INITIAL</u> <u>LIABILITY</u>	<u>YEARS</u> <u>REMAING</u>	<u>REMAINING</u> <u>BALANCE</u>	<u>MID-YEAR</u> <u>PAYMENT</u>
1993	Initial Liability	L	16	171,274,213	1	0	0 ¹
1993	Change in Liability	I	36	15,691,553	22	21,294,386	1,375,030
1994	Change in Liability	I	35	-1,038,330	22	-1,370,626	-88,505
1995	Change in Liability	I	34	15,539,310	22	19,967,642	1,289,359
1996	Change in Liability	I	33	-7,736,364	22	-9,684,820	-625,372
1997	Change in Liability	I	32	3,583,701	22	4,374,388	282,465
1998	Change in Liability	I	31	-2,035,369	22	-2,424,689	-156,568
1999	Change in Liability	I	30	10,585,477	22	12,318,981	795,466
2000	Change in Liability	I	29	-18,534,058	22	-21,093,141	-1,362,035
2001	Change in Liability	I	28	12,659,226	22	14,104,996	910,793
2002	Change in Liability	I	27	33,500,498	22	36,587,971	2,362,573
2003	Change in Assumptions	I	30	13,051,664	26	14,416,173	822,455
2003	Change in Liability	I	26	55,628,632	22	59,631,355	3,850,540
2004	Change in Liability	I	25	15,610,591	22	16,447,488	1,062,054
2005	Change in Liability	I	24	13,473,112	22	13,973,952	902,332
2006	Change in Liability	I	23	-11,366,533	22	-11,624,565	-750,626
2007	Change in Liability	I	22	13,539,553	22	13,678,667	883,264
2008	Change in Assumptions	I	30	9,278,004	30	9,278,004	469,158
2008	Change in Liability	I	21	29,705,188	21	<u>29,705,188</u>	<u>1,918,135</u>
TOTAL OUTSTANDING BALANCE						219,581,350	13,940,518
EMPLOYER'S CREDIT BALANCE							
2004	Contribution Variance	L	5	3,940,465	1	905,994	939,355
2005	Contribution Variance	L	5	4,226,271	2	1,875,621	1,007,487
2006	Contribution Variance	L	5	-784,919	3	-504,513	-187,114
2007	Contribution Variance	L	5	-23,436,489	4	-19,401,552	-5,586,950
2008	Contribution Variance	L	5	-2,699,680	5	<u>-2,699,680</u>	<u>-643,568</u>
TOTAL EMPLOYER CREDIT						-19,824,130	-4,470,790
TOTAL UNFUNDED ACTUARIAL ACCRUED LIABILITY						199,757,220	

¹ Effective 6/30/2006, the accumulated balance of \$50,084,124 in the Texaco Settlement Fund exceeds the outstanding balance of the Initial Unfunded Actuarial Liability. Therefore, the IUAL is liquidated and the corresponding amortization payment eliminated.