CLERKS' OF COURT
RETIREMENT & RELIEF FUND

ACTUARIAL VALUATION AS OF
JUNE 30, 2011

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// G. S. CURRAN & COMPANY, LTD.
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October 5, 2011

Board of Trustees
Clerks' of Court Retirement and Relief Fund
11745 Bricksome Avenue, Suite B-1
Baton Rouge, Louisiana 70816

Ladies and Gentlemen:

We are pleased to present our report on the actuarial valuation of the Clerks' of Court Retirement and Relief Fund for the fiscal year ending June 30, 2011. Our report is based on the actuarial assumptions specified and relies on the data supplied by the system's administrators and accountants. This report was prepared at the request of the Board of Trustees of the Clerks' of Court Retirement and Relief Fund of the State of Louisiana. The primary purposes of the report are to determine the actuarially required contribution for the retirement system for the fiscal year ending June 30, 2012, to recommend the net direct employer contribution rate for fiscal 2013, and to provide information for the system's financial statements. This report was prepared exclusively for the Clerks of Court Retirement and Relief Fund for a specific limited purpose. It is not for the use or benefit of any third party for any purpose.

This report has been prepared in accordance with generally accepted actuarial principles and practices, and to the best of our knowledge and belief, fairly reflects the actuarial present values and costs stated herein. The undersigned actuaries are members of the American Academy of Actuaries and have met the qualification standards for the American Academy of Actuaries to render the actuarial opinions incorporated in this report, and are available to provide further information or answer any questions with respect to this valuation.

Sincerely,

G. S. CURRAN & COMPANY, LTD.

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

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

SUMMARY OF VALUATION RESULTS
CLERKS' OF COURT RETIREMENT AND RELIEF FUND

Valuation Date:		June 30, 2011	June 30, 2010
Census Summary:	Active Members (including DROP)	2,326	2,330
	Retired Members and Survivors	975	929
	Terminated Due a Deferred Benefit	88	97
	Terminated Due a Refund	372	360
Payroll:		$ 87,403,148	$ 86,484,686
Benefits in Payment (excluding DROP accruals):		$ 19,981,483	$ 18,640,843
Funding Deposit Account Balance		$ 603,658	$ 558,943
Frozen Unfunded Actuarial Accrued Liability:		$ 87,493,460	$ 86,953,999
Market Value of Assets:		$ 378,083,955	$ 301,692,473
Actuarial Asset Value (AVA):		$ 388,757,787	$ 358,981,529
Actuarial Accrued Liability (as defined by GASB-25)		$ 476,251,247	$ 445,935,528
Ratio of Net AVA to GASB – 25 Accrued Liability:		81.63%	80.50%

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	FISCAL 2012	FISCAL 2011
Employer Normal Cost (July 1):	$ 15,312,105	$ 16,032,621
Amortization Cost (July 1):	$ 6,223,759	$ 5,941,536
Interest Adjusted Gross Employer Actuarially Required Contribution Including Estimated Administrative Costs:	$ 22,827,426	$ 23,278,214
Projected Ad Valorem Taxes and Revenue Sharing Funds	$ 8,327,179	$ 8,219,879
Net Direct Employer Actuarially Required Contributions	$ 14,500,247	$ 15,058,335
Actuarially Required Net Direct Employer Contribution Rate	16.21%	16.98%
Actual Net Direct Employer Contribution Rate:	17.25%	17.25%

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Minimum Recommended Net Direct Contribution Rate: For Fiscal 2013: 16.25% Fiscal 2012: 17.00%

Employee Contribution Rate: 8.25% of payroll

Dedicated Funding: 0.25% (0.5% for Orleans Parish) of ad valorem taxes plus revenue sharing funds

Actuarial Cost Method: Frozen Attained Age Normal Actuarial Cost Method

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

Exclusions from Census: None

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

Changes in Valuation Methods, Assumptions, and/or Amortization Periods: None

Method of Recognizing Gains and Losses: Under the Frozen Attained Age Normal Method, actuarial gains and losses are spread over future normal costs.

COMMENTS ON DATA

For the valuation, the administrative staff of the system furnished a census on magnetic diskette derived from the system's master data processing file indicating each active covered employee's sex, date of birth, service credit, annual salary, and accumulated contributions. Information on retirees detailing dates of birth of retirees and beneficiaries, as well as option categories and benefit amounts, was provided in like manner. In addition, data was supplied on former employees who are vested or who have contributions remaining on deposit. As illustrated in Exhibit X, there are 2,326 active members in the system of whom 1,033 have vested retirement benefits including 132 participants in the Deferred Retirement Option Plan (DROP); 975 former system members or their beneficiaries are receiving retirement benefits. An additional 460 terminated members have contributions remaining on deposit with the system; of this number, 88 have vested rights for future retirement benefits. All individuals submitted were included in the valuation.

Census data submitted to our office is tested for errors. Several types of census data errors are possible; to ensure that the valuation results are as accurate as possible, a significant effort is made to identify and correct these errors. In order to minimize coverage errors (i.e., missing or duplicated individual records) the records are checked for duplicates, and a comparison of the current year's records to those submitted in prior years is made. Changes in status, new records, and previous records, which have no corresponding current record are identified. This portion of the review indicates the annual flow of members from one status to another and is used to check some of the actuarial assumptions, such as retirement rates, rates of withdrawal, and mortality. In addition, the census is checked for reasonableness in several areas, such as age, service, salary, and current benefits. The records identified by this review as questionable are checked against data from prior valuations; those not recently verified are included in a detailed list of items sent to the system's administrator for verification and/or correction. Once the identified data has been researched and verified or corrected, it is returned to us for use in the valuation. Occasionally some requested information is either unavailable or impractical to obtain. In such cases, values may be assigned to missing data. The assigned values are based on information from similar records or based on information implied from other data in the record.

In addition to the statistical information provided on the system's participants, the system's administrator furnished general information related to other aspects of the system's expenses, benefits, and funding. Valuation asset values as well as income and expenses for the fiscal year were based on information furnished by the system's auditor, the firm of Duplantier, Hrapmann, Hogan & Maher, Certified Public Accountants. As indicated in the system's audit report, the net market value of the system's assets was $378,083,955 as of June 30, 2011. Net investment income for fiscal 2011 measured on a market value basis amounted to $67,735,517. Contributions to the fund for the fiscal year totaled $30,787,956 benefits and expenses amounted to $22,131,991.

Notwithstanding our efforts to review both census and financial data for apparent errors, we must rely upon the system's administrative staff and accountants to provide accurate information. Our review of submitted information is limited to validation of reasonableness and consistency. Verification of submitted data to source information is beyond the scope of our efforts.

COMMENTS ON ACTUARIAL METHODS AND ASSUMPTIONS

This valuation is based on the Frozen Attained Age Normal actuarial cost method with the unfunded accrued liability frozen as of June 30, 1989. Under the provisions of Louisiana R.S. 11:103 the unfunded accrued liability which was determined to be $58,719,822 as of June 30, 1989, was frozen and amortized over forty years with payments increasing at 4.75% per year. In any year in which the net direct employer contribution is scheduled to decrease, the board of trustees may freeze the net direct employer contribution rate and deposit the excess funds, if any, into the Funding Deposit Account. For fiscal years 1999 through 2002, the board did freeze the employer contribution rates. The additional payments of $6,660,791 and the accrued interest thereon reduced the outstanding Unfunded Accrued Liability by $9,536,353 as of June 30, 2005, and shortened the remaining amortization period to June 30, 2026. However, in 2006 a statutory change was made to reamortize the then existing balance of the Frozen Unfunded Accrued Liability through June 30, 2029.

Since payments on the Fund's unfunded actuarial accrued liability increase by 4.75% each year, payroll growth in excess of 4.75% per year will reduce future amortization payments as a percent of payroll; payroll growth less than 4.75% will increase future payments as a percent of payroll. Under the Frozen Attained Age Normal Cost Method, actuarial gains and losses are spread over future normal costs. Thus, favorable plan experience will lower future normal costs; unfavorable experience will cause future normal costs to increase. In addition, changes in benefits and assumptions are also spread over future normal costs.

All calculations, recommendations, and conclusions are based on the assumptions specified. To the extent that prospective experience differs from that assumed, adjustments will be required to contribution levels. Such differences will be revealed in future actuarial valuations.

The current year actuarial assumptions utilized for the report are outlined on pages thirty-seven through forty-two. In the aggregate the assumptions represent our "best estimate" of future long-term experience for the fund. No changes were made to assumptions used in the prior year report. However, an additional set of assumptions related to retirement and DROP entrant rates was used for persons first employed on or after January 1, 2011.

CHANGES IN PLAN PROVISIONS

No material changes to the plan provisions were made during the fiscal year.

ASSET EXPERIENCE

The actuarial and market rates of return for the past ten years are given below. These investment rates of return were determined by assuming a uniform distribution of income and expense throughout the fiscal year.

	Market Value	Actuarial Value
2002	-3.0%	-0.3%
2003	2.9%	-0.9%
2004	12.3%	2.9%

2005	8.7%	7.2%
2006	11.5%	* 16.7%
2007	14.3%	10.2%
2008	-6.3%	7.9%
2009	-19.3%	** -6.1%
2010	8.7%	4.1%
2011	22.1%	5.8%

* Includes effect of change in asset valuation method. Effective with the 2006 valuation the method was changed from smoothing capital gains and losses over 3 years to smoothing investment earnings above or below the assumed rate of return over a five year period, subject to a limit of 90% to 110% of the market value of assets.

** Includes effect of change in asset valuation method. Effective with 2009 fiscal year, the corridor limits were increased to 85% to 115% of the market value of assets and the final asset value was determined by averaging the smoothed value with the corridor limit if the smoothed value extends beyond the corridor.

The market rate of return gives a measure of investment return on a total return basis and includes realized and unrealized capital gains and losses as well as interest income. This rate of return gives an indication of performance for an actively managed portfolio where securities are bought and sold with the objective of producing the highest total rate of return. During 2011, the fund earned $4,849,572 of dividends, interest and other recurring income. During the same period, the Fund had net realized and unrealized capital gains on investments of $64,403,968. In addition, the Fund had $1,518,023 of investment expense. The geometric mean of the market value rates of return measured over the last ten years was 4.5%. For the last 20 years the geometric mean of the market value rates of return was 7.0%

The actuarial rate of return is presented for comparison to the assumed long-term rate of return of 8.0% used for the valuation. This rate is calculated based on the actuarial value of assets and the market value income adjusted for actuarial smoothing as given in Exhibit VI. Investment income used to calculate this yield is based upon a smoothing of investment income above or below the valuation interest rate over a five year period subject to limits as described in the section detailing actuarial assumptions. The difference between rates of return on an actuarial and market value basis results from the smoothing utilized. Yields in excess of the 8.0% assumption will reduce future costs; yields below 8.0% will increase future costs. For fiscal 2011 the system experienced net actuarial investment earnings of $7,937,807 less than the actuarial assumed earnings rate of 8.0%. This loss in earnings produced an actuarial loss, which increased the normal cost accrual rate by 1.1361%.

DEMOGRAPHICS AND LIABILITY EXPERIENCE

A reconciliation of the census for the system is given in Exhibit X. The average active member is 47 years old with 12.86 years of service and an annual salary of $37,577. The system's active membership decreased during the fiscal year by 4 members. The plan has experienced an increase in the active plan population of 99 members over the last five years. A review of the active census by age indicates that over the last ten years the population in the under-fifty age group has decreased significantly while the proportion of active members over-fifty increased. Over the same ten-year period, the percentage of members with service in the fifteen to twenty-four year range has decreased. The percentage of members with service of at least twenty-five years has increased significantly.

The average regular retiree is 71 years old with a monthly benefit of $1,761. The number of retirees and beneficiaries receiving benefits from the system increased by 46 during the fiscal year. Over the last five years, the number of retirees has increased by 158; during this same period, annual benefits in payment increased by $5,847,563.

Plan liability experience for fiscal 2011 was favorable. Retirements, DROP entries, and disabilities were below projected levels. In addition, salaries increased significantly less than expected. These factors tend to reduce costs. However, deaths and withdrawals were below expected levels. These factors would tend to offset cost reductions. In aggregate, liability experience reduced the normal cost accrual rate by 1.3897%.

FUNDING ANALYSIS AND RECOMMENDATIONS

Actuarial funding of a retirement system is a process whereby funds are accumulated over the working lifetimes of employees in such a manner as to have sufficient assets available at retirement to pay for the lifetime benefits accrued by each member of the system. The required contributions are determined by an actuarial valuation based on rates of mortality, termination, disability, and retirement, as well as investment return and other statistical measures specific to the particular group. Each year a determination is made of two cost components, and the actuarially required contributions are based on the sum of these two components plus administrative expenses. These two components are the normal cost and the amortization payment on the unfunded actuarial accrued liability. The normal cost refers to the portion of annual cost based on the salary of active participants. The term unfunded accrued liability (UAL) refers to the excess of the present value of plan benefits over the sum of current assets and future normal costs. Each year the UAL grows with interest and is reduced by payments. Under the funding method used for the plan, changes in plan experience, benefits, or assumptions do not affect the frozen unfunded actuarial accrued liability. These items increase or decrease future normal costs.

In order to establish the actuarially required contribution in any given year, it is necessary to define the assumptions, funding method, and method of amortizing the UAL. Thus, the determination of what contribution is actuarially required depends upon the funding method and amortization schedules employed. Regardless of the method selected, the ultimate cost of providing benefits is dependent upon the benefits, expenses, and investment earnings. Only to the extent that some methods accumulate assets more rapidly and thus produce greater investment earnings does the funding method affect the ultimate cost.

The derivation of the actuarially required contribution for the current fiscal year is given in Exhibit I. The normal cost for fiscal 2012 as of July 1, 2011, is $15,312,105. The amortization payment on the fund's frozen unfunded actuarial accrued liability as of July 1, 2011, is $6,223,759. The total actuarially required contribution is determined by adjusting these two values for interest (since payments are made throughout the fiscal year) and adding estimated administrative expenses. As given on line 15 of Exhibit I the total actuarially required contribution for fiscal 2012 is $22,827,426. When this amount is reduced by projected tax contributions and revenue sharing funds, the resulting employers' net direct actuarially required contribution for fiscal 2012 is $14,500,247. This is 16.21% of the projected payroll for fiscal 2012.

Liability and asset experience as well as changes in assumptions and benefits can increase or lower plan costs. In addition to these factors, any COLA granted in the prior fiscal year will increase required contributions. New entrants to the system can also increase or lower costs as a percent of payroll depending upon their demographic distribution and other factors related to prior plan experience. Finally, contributions above or below requirements may reduce or increase future costs.

The effects of various factors on the fund’s cost structure are outlined below:

Normal Cost Accrual Rate – Fiscal 2011	19.1958%
Factors Increasing the Normal Cost Accrual Rate:	
Asset Experience	1.1361%
Factors Decreasing the Normal Cost Accrual Rate:	
New Members	0.5919%
Liability Experience	1.3898%
Contribution Gain	0.0465%
Normal Cost Accrual Rate – Fiscal 2012	18.3037%

In addition to the above factors, payroll growth affects plan costs to the extent that payments on the system’s unfunded liability are on a schedule that varies from actual trends in payroll growth or decline. If payroll changes at rates not consistent with the amortization schedule the result will be costs that change as a percentage of payroll. For fiscal 2012, the net effect of the change in payroll on amortization costs was to increase such costs by 0.27% of payroll. Required net direct employer contributions are also affected by the available ad valorem taxes and revenue sharing funds which the system receives each year. When these funds change as a percentage of payroll, net direct employer contributions are adjusted accordingly. We estimate that these funds collected in fiscal 2012 will increase by 0.04% of payroll.

Although the actuarially required net direct employer contribution rate for fiscal 2012 is 16.21%, the actual employer contribution rate for fiscal 2012 is 17.25% of payroll. Any surplus in employer contributions collected in the fiscal year will be credited to the Funding Deposit Account. R.S. 11:103 requires that the net direct employer contributions be rounded to the nearest 0.25%, hence we are recommending a minimum net direct employer contribution rate of 16.25% for fiscal 2013. Notwithstanding the recommendation to set the minimum rate at 16.25%, under the provisions of R.S. 11:105 and 11:107, the Board may freeze the contribution rate at the prior year’s level in any year in which the minimum recommended rate decreases. Alternately, under these provisions, the Board may set the rate at any amount between the minimum recommended contribution rate for the current and prior year if the rate would otherwise decrease. R.S. 11:106 allows the board to set the employer contribution rate at a level not to exceed 3% above the minimum net direct employer contribution rate. In any case where the contribution rate is set above the minimum recommended rate, the surplus contributions collected, if any, are credited to the Funding Deposit Account.

Although the actual direct employer contribution rate for fiscal 2011 was more than the actuarially required employer contribution for fiscal 2011 of 16.98%, the excess funds collected reduced normal costs and did not increase the Funding Deposit Account since the additional funds collected were pursuant to the minimum recommended employer contribution rate. The balance credited to the Funding Deposit Account as of June 30, 2011 amounts to $603,658, which is the prior balance with the addition of accrued interest. The funds in this account can be used to reduce the unfunded liability of the fund, reduce future normal costs, or offset direct employer contribution increases. In formulating policy to disburse funds from the account, the Board should consider that notwithstanding recent contribution increases, a significant portion of investment losses incurred in fiscal 2009 have not yet been released into the actuarial value of assets due to the current asset smoothing methodology. These losses will be released over the next two years and, even when the market investment gains for the fiscal 2011 are factored in, this will put upward pressure on costs as they are released into income unless they are offset by substantial future asset or liability gains.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, completion of amortization payments or credit schedules, and changes in plan provisions or applicable law. Analysis of the effect of all these factors is beyond the scope of this report. We have, however, calculated the sensitivity of the plan's costs to two factors. First, we have determined that based on current assets and demographics, for each percentage under (or over) the assumed rate of return on the actuarial value of assets, there will be a corresponding increase (or reduction) in the normal cost accrual rate of 0.56% for the Fund. We have also determined that a 1% reduction in the valuation interest rate for the Fund would increase the actuarially required contribution rate for fiscal 2011 by 10.06%.

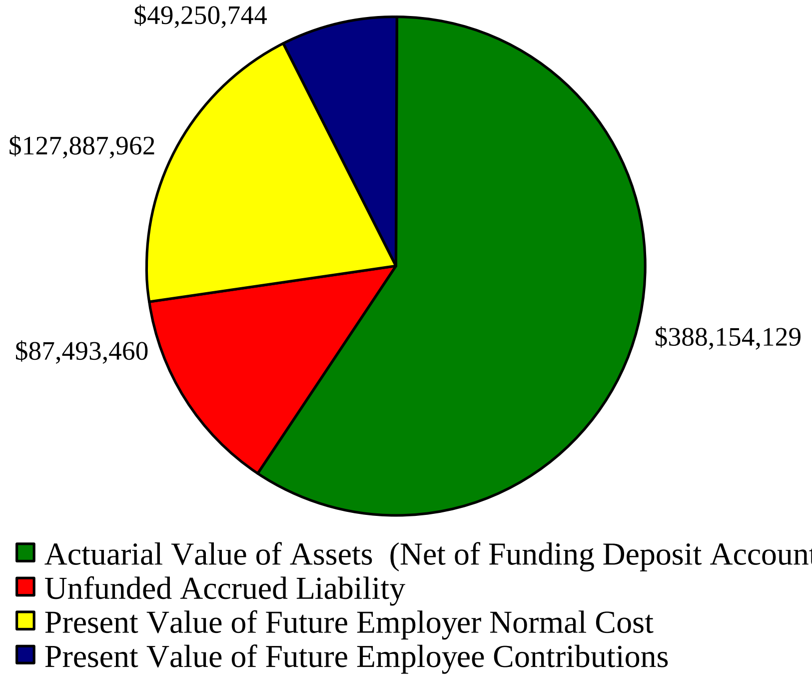
COST OF LIVING INCREASES

During fiscal 2011, the actual cost of living (as measured by the US Department of Labor CPI-U) increased by 3.56%. Cost of living provisions for the system are detailed in R.S. 11:1549 and R.S. 11:246. The former statute allows the board to grant annual cost of living increases of 2.5% of each retiree's current benefit subject to a limit of $40 per month. In order to grant such an increase there must have been an increase in the CPI-U of 3% since the last such increase. R.S. 11:246 provides cost of living increases to retirees and beneficiaries over the age of 65 equal to 2% of the benefit in payment on October 1, 1977, or the date the benefit was originally received if retirement commenced after that date (R.S. 11:246 only permits payment of such an increase if earnings exceed the system's valuation rate). R.S. 11:241 provides that cost of living benefits shall be in the form (unless the board otherwise specifies) of $X×(A+B) where X is at most $1 and "A" represents the number of years of credited service accrued at retirement or at death of the member or retiree and "B" is equal to the number of years since retirement or since death of the member or retiree to June 30th of the initial year of such increase. The provisions of this subpart do not repeal provisions relative to cost of living adjustments contained within the individual laws governing systems; however, they are to be controlling in cases of conflict. We have determined there has been more than a 3% increase in the CPI-U since the last COLA granted; therefore, the requirements of R.S.

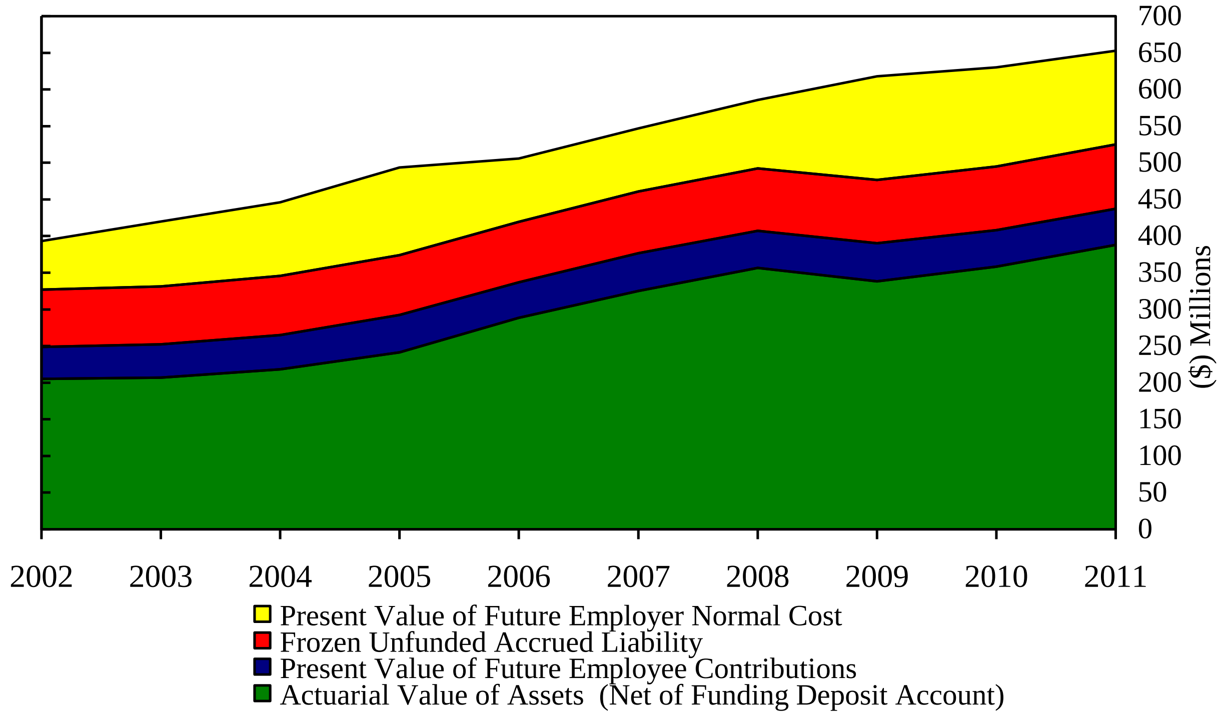
11:1549 for the granting of a 2.5% COLA (limited to a maximum of $40 per month) have been met. However, in order to grant any cost of living increase to regular retirees, the ratio of the plan's assets to benefit obligations must also meet the criteria established in R.S. 11:242. This section sets forth a minimum "target ratio" of the actuarial value of assets to the Pension Benefit Obligation. For fiscal 2011 the fund has not met the necessary target ratio. Therefore, the Fund is unable to grant COLAs to retirees at this time.

Components of Present Value of Future Benefits

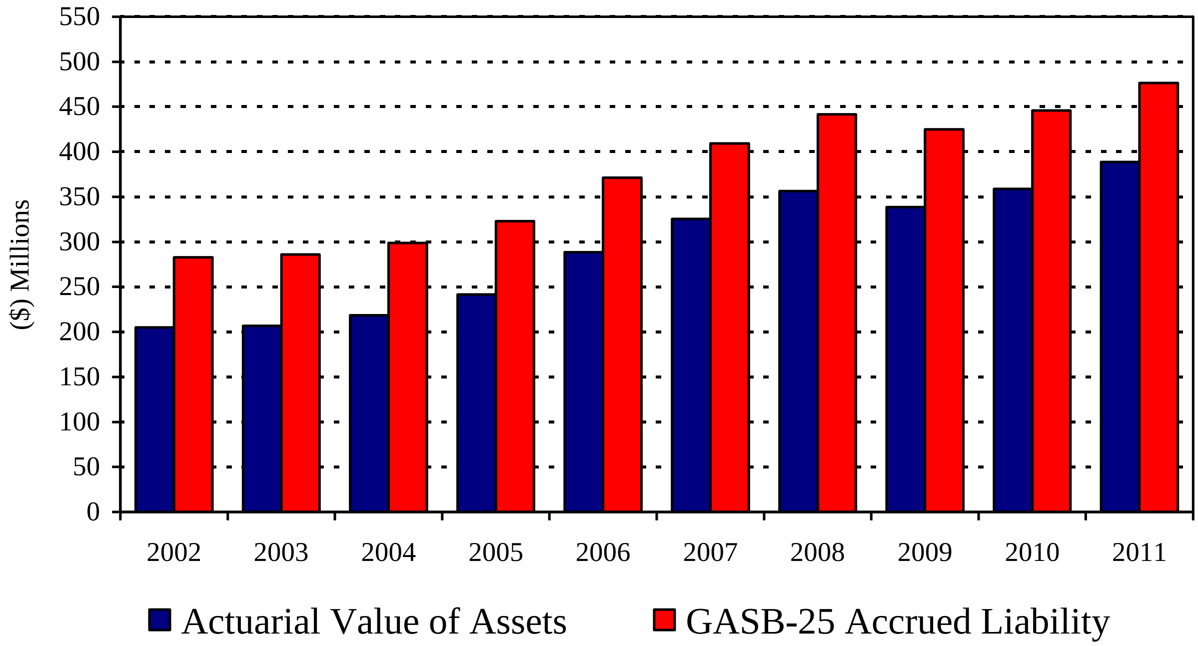
June 30, 2011



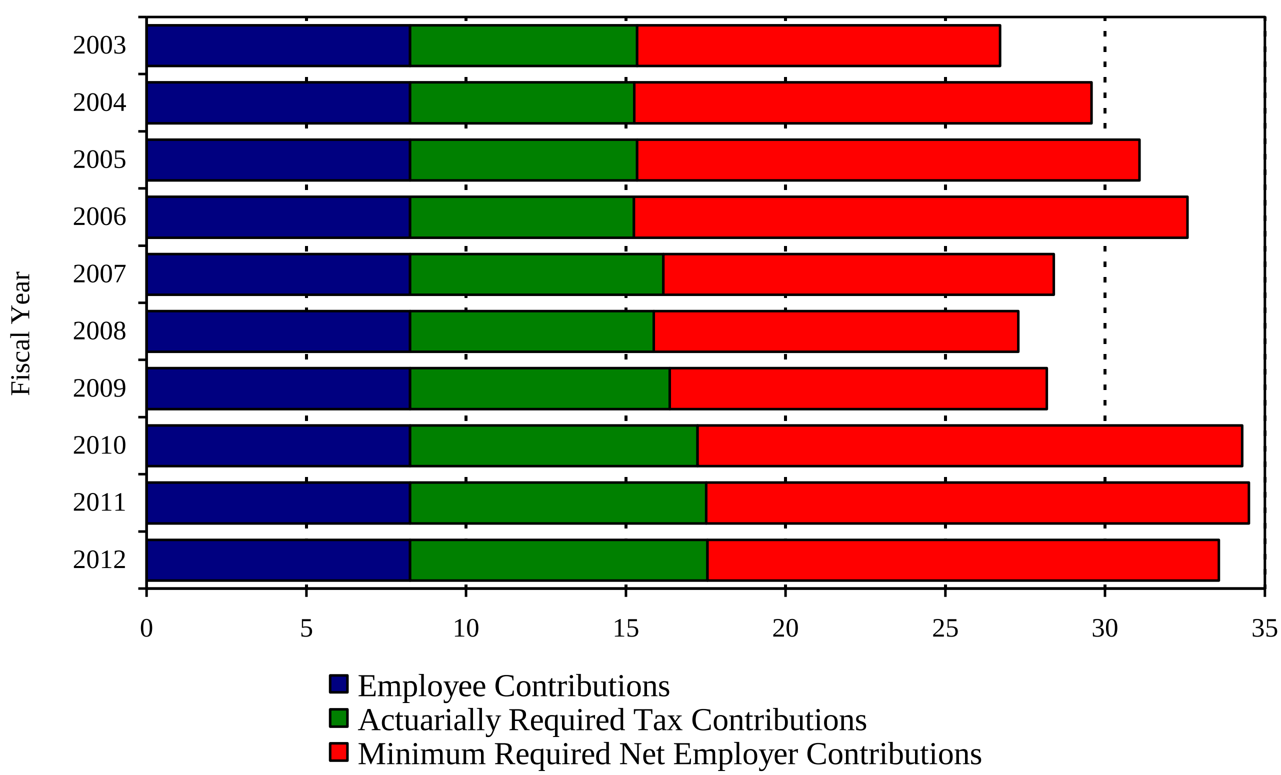
Components of Present Value of Future Benefits



Actuarial Value of Assets vs. GASB-25 Accrued Liability

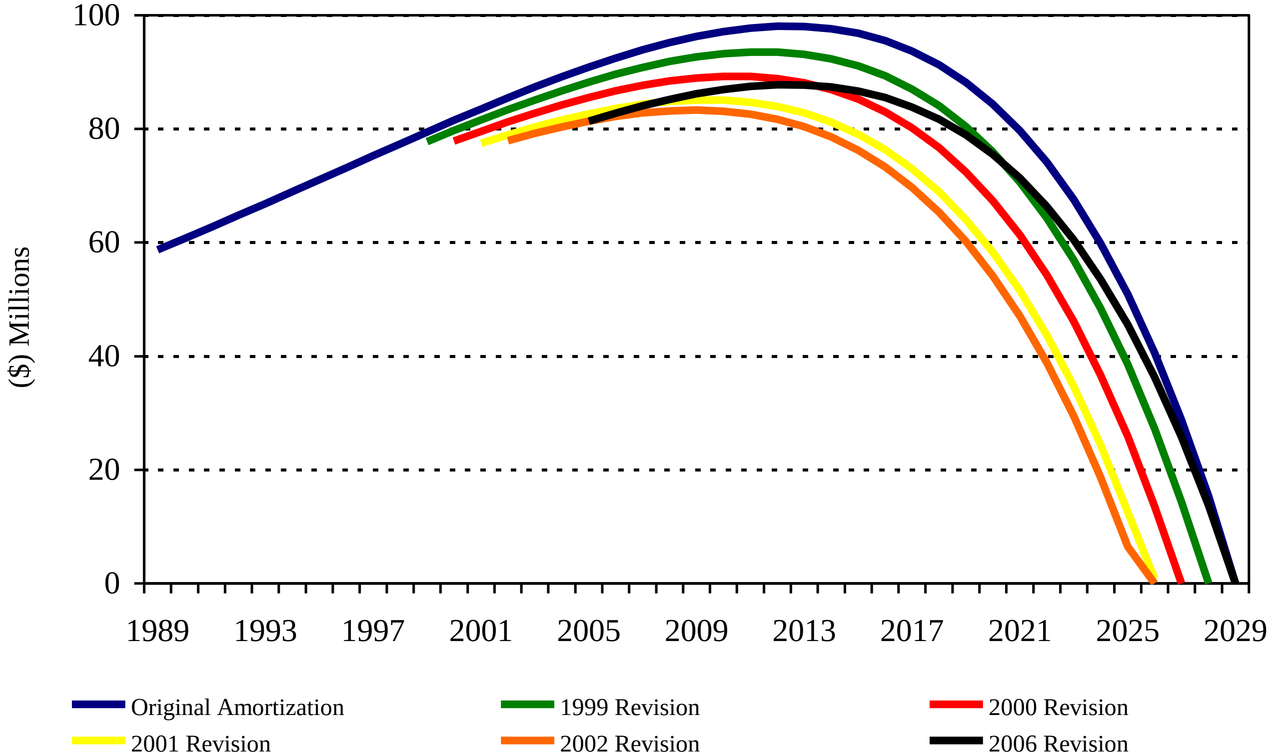


Components of Actuarial Funding

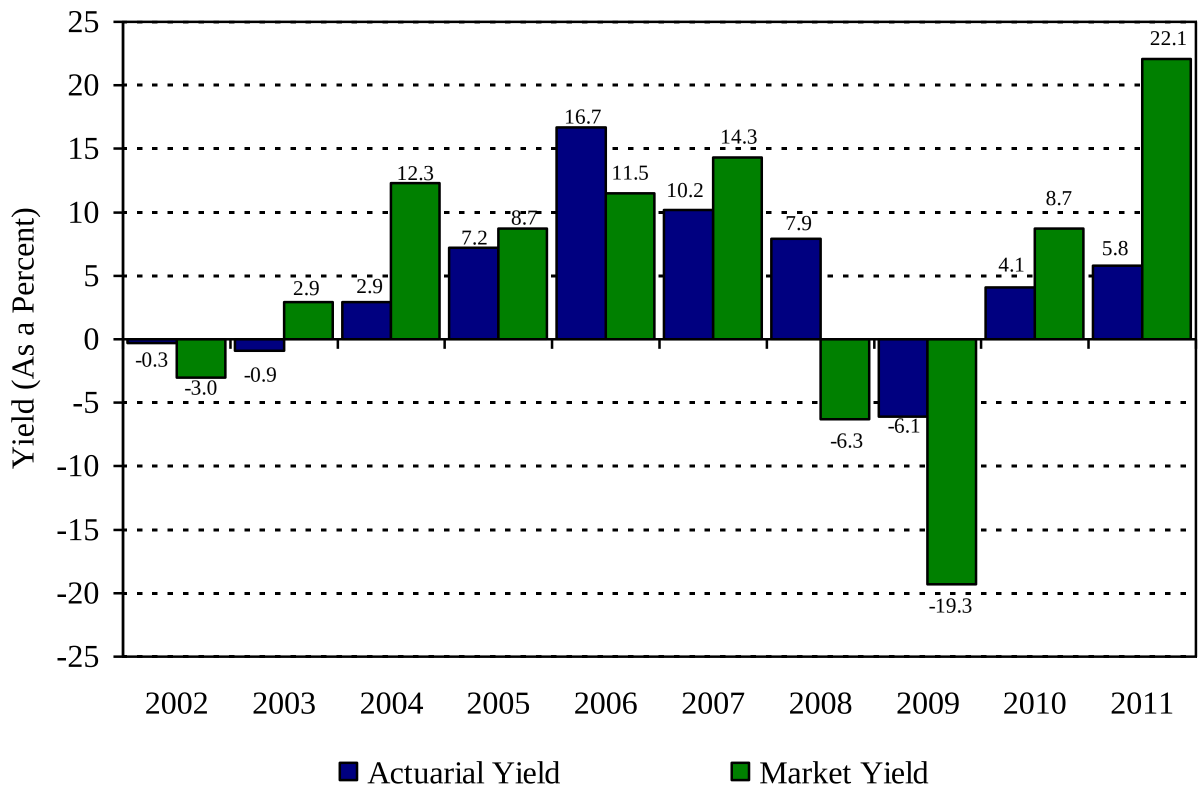


Actuarially Required Tax Contributions consist of the lesser of Actuarially Required Contributions and the amount of taxes available divided by the projected payroll.

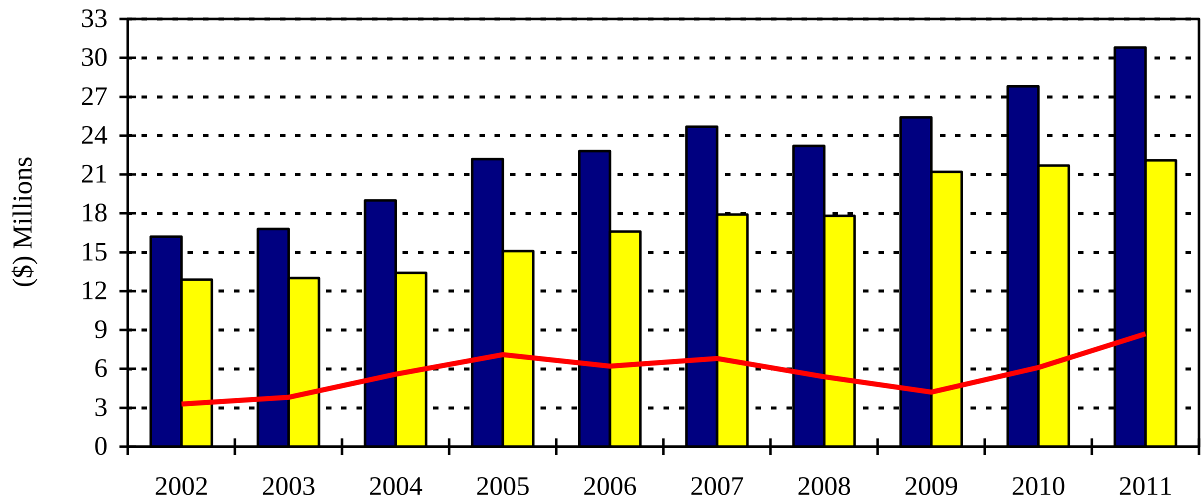
Frozen Unfunded Actuarial Accrued Liability



Historical Asset Yields

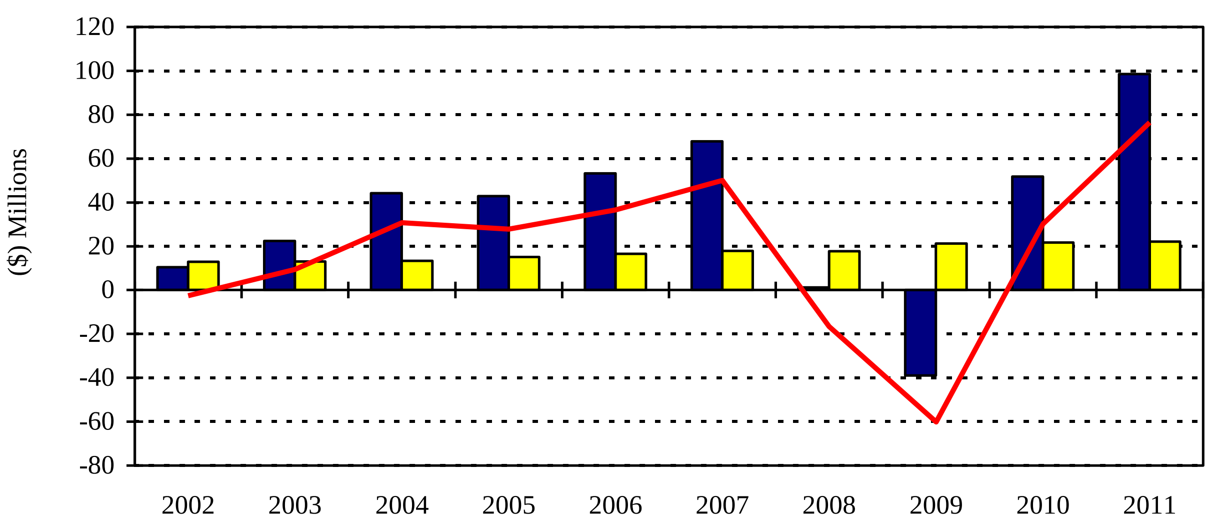


Net Non-Investment Income



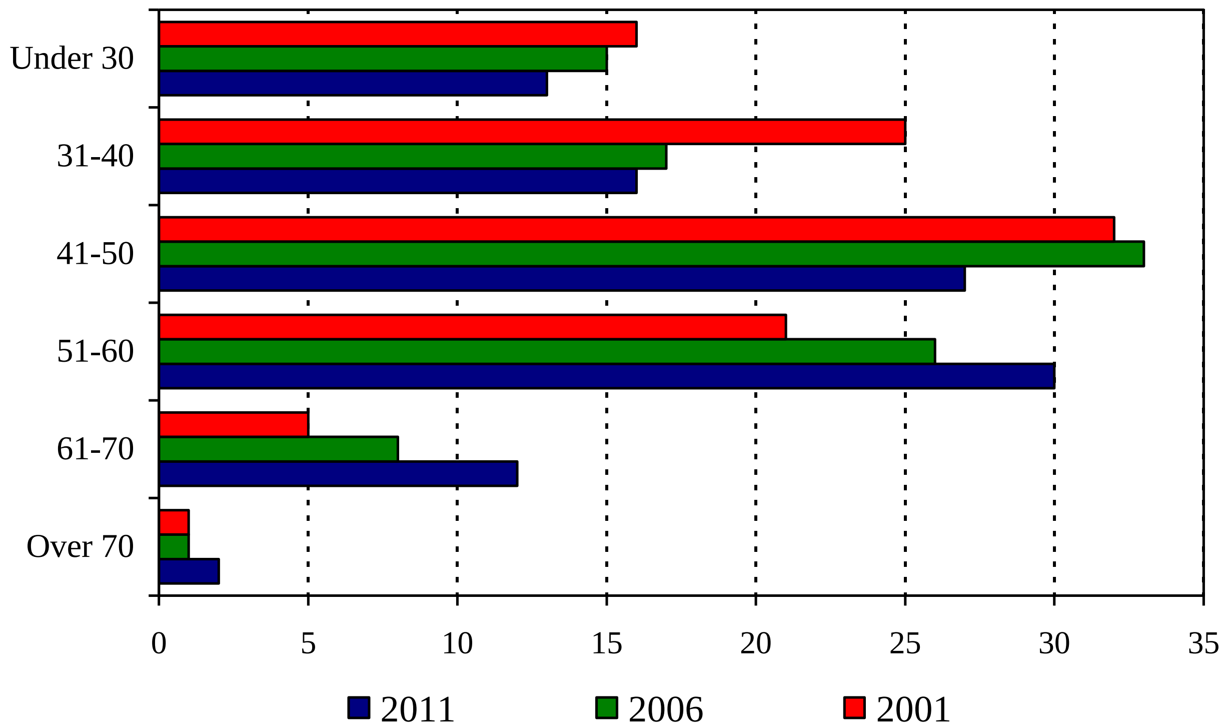
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Non-Investment Income ($Mil)	16.2	16.8	19.0	22.2	22.8	24.7	23.2	25.4	27.8	30.8
Benefits and Expenses ($Mil)	12.9	13.0	13.4	15.1	16.6	17.9	17.8	21.2	21.7	22.1
Net Non-Investment Income ($Mil)	3.3	3.8	5.6	7.1	6.2	6.8	5.4	4.2	6.1	8.7

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

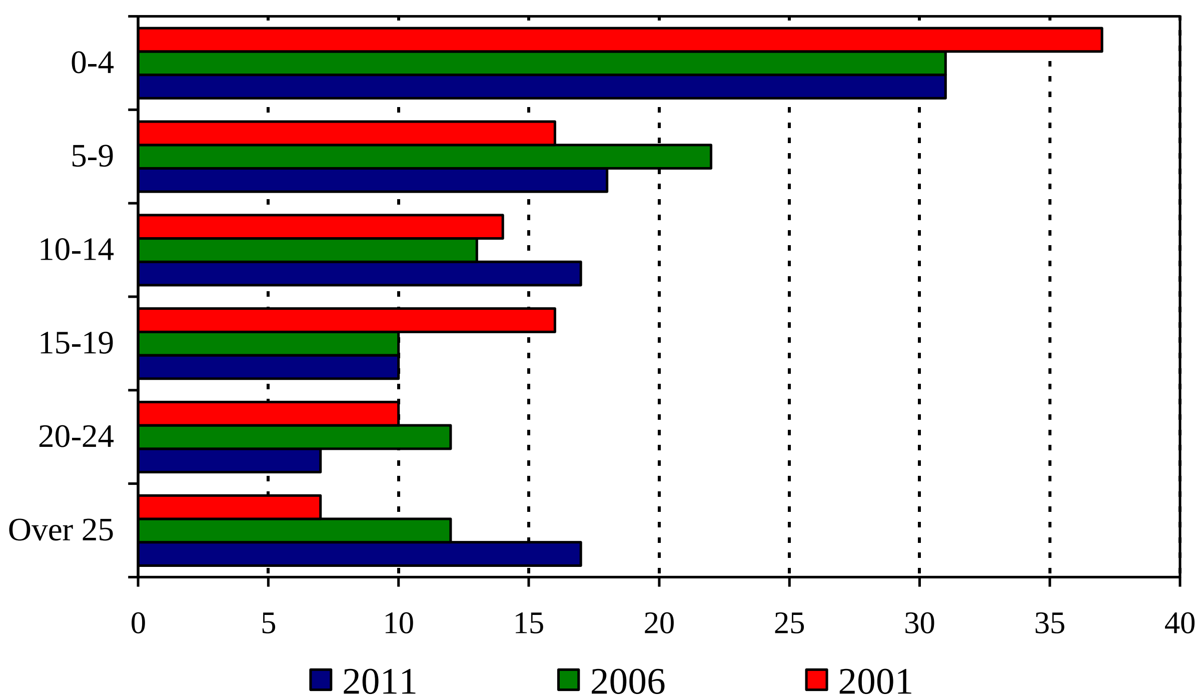


	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Income ($Mil)	10.4	22.4	44.2	42.9	53.2	67.9	1.2	-39.0	51.8	98.5
Benefits and Expenses ($Mil)	12.9	13.0	13.4	15.1	16.6	17.9	17.8	21.2	21.7	22.1
Net Change in MVA ($Mil)	-2.5	9.4	30.8	27.8	36.6	50.0	-16.6	-60.2	30.1	76.4

Active – Census By Age
(as a percent)



Active – Census By Service
(as a percent)



EXHIBITS

EXHIBIT I
ANALYSIS OF ACTUARIALLY REQUIRED CONTRIBUTIONS

1.	Present Value of Future Benefits	$	652,786,295
2.	Present Value of Future Employee Contributions	$	49,250,744
3.	Frozen Unfunded Actuarial Accrued Liability	$	87,493,460
4.	Actuarial Value of Assets	$	388,757,787
5.	Funding Deposit Account Credit Balance	$	603,658
6.	Present Value of Future Employer Normal Costs (1-2-3-4+5)	$	127,887,962
7.	Present Value of Future Salaries	$	698,699,201
8.	Employer Normal Cost Accrual Rate (6÷7)		18.303722%
9.	Projected Fiscal 2012 Salary for Current Membership	$	83,655,690
10.	Employer Normal Cost as of July 1, 2011 (8 x 9)	$	15,312,105
11.	Amortization Payment on remaining frozen Unfunded Accrued Liability of $87,493,460 with Payments increasing at 4.75% per year	$	6,223,759
12.	TOTAL Employer Normal Cost and Amortization Payment (10 + 11)	$	21,535,864
13.	Employer Normal Cost and Amortization Payment Interest Adjusted for Midyear Payment	$	22,380,726
14.	Estimated Administrative Cost for Fiscal 2012	$	446,700
15.	TOTAL Employer Actuarially Required Contribution for Fiscal 2012 (13 + 14)	$	22,827,426
16.	Projected Ad Valorem Tax Contributions for Fiscal 2012	$	8,006,018
17.	Projected Revenue Sharing Funds for Fiscal 2012	$	321,161
18.	Net Direct Employer Actuarially Required Contribution for Fiscal 2012 (15 - 16 - 17)	$	14,500,247
19.	Projected Payroll (July 1, 2011 to June 30, 2012)	$	89,467,570
20.	Employer's Minimum Net Direct Actuarially Required Contribution as a % of Projected Payroll for Fiscal 2012 (18÷19)		16.21%
21.	Minimum Recommended Net Direct Employer Contribution Rate for Fiscal 2013 (20, Rounded to nearest 0.25%)		16.25%

EXHIBIT II
PRESENT VALUE OF FUTURE BENEFITS

Present Value of Future Benefits for Active Members:

Retirement Benefits	$ 422,309,672	
Survivor Benefits	5,776,570	
Disability Benefits	4,573,396	
Vested Deferred Termination Benefits	18,795,922	
Contribution Refunds	5,503,825	
TOTAL Present Value of Future Benefits for Active Members		$ 456,959,385

Present Value of Future Benefits for Terminated Members:

Terminated Vested Members Due Benefits at Retirement	$ 12,086,323	
Terminated Members with Reciprocals Due Benefits at Retirement	69,480	
Terminated Members Due a Refund	1,473,504	
TOTAL Present Value of Future Benefits for Terminated Members		$ 13,629,307

Present Value of Future Benefits for Retirees:

Maximum	92,680,095		
Option 1	0		
Option 2	45,347,635		
Option 3	21,233,168		
Option 4	1,569,905		
Option 5	1,694,813		
TOTAL Regular Retirees		$ 162,525,616	
Disability Retirees		3,377,917	
Survivors & Widows		13,229,712	
Drop Account Balances Payable to Retirees		3,064,358	
TOTAL Present Value of Future Benefits for Retirees & Survivors			$ 182,197,603

TOTAL Present Value of Future Benefits	$ 652,786,295

EXHIBIT III – SCHEDULE A
MARKET VALUE OF ASSETS

Current Assets:				
Cash	$	5,590,572		
Contributions Receivable from Members		523,453		
Contributions Receivable from Employers		1,180,850		
Accrued Interest and Dividends		361,538		
Miscellaneous		338		
Investments Receivable		843,009		
Ad Valorem & Revenue Sharing		500,000		
TOTAL CURRENT ASSETS			$	8,999,760
Equipment and Fixtures			$	6,676
Investments at Market Value:				
Commingled Funds		98,497,966		
Marketable Securities		82,448,670		
Equity Fund - International		76,692,305		
Hedge Funds		27,747,102		
Cash Equivalents		23,748,972		
Real Estate Funds		23,627,252		
Master Limited Partnerships		14,754,915		
Index Bond Funds		11,481,014		
Mutual Funds		199,658		
TOTAL INVESTMENTS AT MARKET VALUE			$	359,197,854
Investments at Cost:				
Mutual Funds		11,646,291		
TOTAL INVESTMENTS AT COST			$	11,646,291
TOTAL ASSETS			$	379,850,581
Current Liabilities:				
Accounts Payable		366,059		
Investments Payable		1,400,567		
TOTAL CURRENT LIABILITIES			$	1,766,626
NET MARKET VALUE OF ASSETS			$	378,083,955

EXHIBIT III – SCHEDULE B
ACTUARIAL VALUE OF ASSETS

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

Fiscal year 2011	$	43,260,541
Fiscal year 2010	$	1,998,685
Fiscal year 2009		(91,155,162)
Fiscal year 2008		(50,097,059)
Fiscal year 2007		19,043,663
Total for five years	$	(76,949,332)

Deferral of excess (shortfall) of invested income:

Fiscal year 2011 (80%)	$	34,608,433
Fiscal year 2010 (60%)		1,199,211
Fiscal year 2009 (40%)		(36,462,064)
Fiscal year 2008 (20%)		(10,019,412)
Fiscal year 2007 (0%)		0
Total deferred for year	$	(10,673,832)

Market value of plan net assets, end of year	$	378,083,955
Preliminary actuarial value of plan assets, end of year	$	388,757,787

Actuarial value of assets corridor

85% of market value, end of year	$	321,371,362
115% of market value, end of year	$	434,796,548

Final actuarial value of plan net assets, end of year	$	388,757,787

EXHIBIT IV
PRESENT VALUE OF FUTURE CONTRIBUTIONS

Employee Contributions to the Annuity Savings Fund	$	49,250,744
Employer Normal Contributions to the Pension Accumulation Fund		127,887,962
Employer Amortization Payments to the Pension Accumulation Fund		87,493,460
Funding Deposit Account Credit Balance		(603,658)
TOTAL PRESENT VALUE OF FUTURE CONTRIBUTIONS	$	264,028,508

EXHIBIT V
CHANGE IN FROZEN UNFUNDED ACTUARIAL ACCRUED LIABILITY

Prior Year Frozen Unfunded Accrued Liability			$	86,953,999
Interest on Frozen Unfunded Accrued Liability	$	6,956,320		
Employer Normal Cost for Prior Year		16,032,621		
Interest on the Normal Cost		1,282,610		
Administrative Expenses		462,181		
Interest on Expenses		18,132		
Credit to the Funding Deposit Account		44,715		
Contribution Gain		312,472		
Interest on Contribution Gain		12,257		
TOTAL Increases to Frozen Unfunded Accrued Liability			$	25,121,308
Direct Employer Contributions	$	15,229,073		
Interest on Employer Contributions		597,444		
Ad Valorem Taxes and Revenue Sharing Funds		8,381,793		
Interest on Ad Valorem Taxes and Revenue Sharing Funds		328,822		
Interest on Funding Deposit Account		44,715		
TOTAL Decreases to Frozen Unfunded Accrued Liability			$	24,581,847
NET Change in Frozen Unfunded Accrued Liability			$	539,461
CURRENT YEAR FROZEN UNFUNDED ACCRUED LIABILITY			$	87,493,460

EXHIBIT VI
ANALYSIS OF INCREASE IN ASSETS

Actuarial Value of Assets: (June 30, 2010)		$ 358,981,529
Income:		
Member Contributions	$ 6,720,514	
Employer Contributions	15,229,073	
Ad Valorem Tax Funds	8,059,602	
Revenue Sharing Tax Funds	322,191	
Contributions for Purchased or Transferred Service	456,576	
SUBTOTAL of all contributions		$ 30,787,956
Net Appreciation in Fair Value of Investments	$ 64,403,968	
Dividends on Stock	4,432,181	
Interest Income	417,391	
Investment Expense	(1,518,023)	
SUBTOTAL of all market investment income		$ 67,735,517
TOTAL Income		$ 98,523,473
Expenses:		
Retirement and Survivor Benefits	$ 18,983,957	
Disability Benefits	243,680	
Refunds of Contributions	918,722	
DROP Disbursements	1,523,341	
Administrative Expenses	462,181	
Miscellaneous	110	
TOTAL Expenses		$ 22,131,991
Net Market Income for Fiscal 2011 (Income - Expenses)		$ 76,391,482
Adjustment for Actuarial Smoothing		$ (46,615,224)
Actuarial Value of Assets: (June 30, 2011)		$ 388,757,787

EXHIBIT VII
FUND BALANCE AND ASSET RECONCILIATION

Present Assets of the System Creditable to:

Annuity Savings Fund	$	61,364,499
Annuity Reserve Fund		179,133,245
Pension Accumulation Fund		117,045,800
DROP Account		19,936,753
Funding Deposit Account		603,658
NET MARKET VALUE OF ASSETS	$	378,083,955
ADJUSTMENT FOR ACTUARIAL SMOOTHING		10,673,832
NET ACTUARIAL VALUE OF ASSETS	$	388,757,787

EXHIBIT VIII
PENSION BENEFIT OBLIGATION

Present Value of Credited Projected Benefits Payable to Current Employees	$	328,061,862
Present Value of Benefits Payable to Terminated Employees		13,629,307
Present Value of Benefits Payable to Current Retirees and Beneficiaries		182,197,603
TOTAL PENSION BENEFIT OBLIGATION	$	523,888,772
NET ACTUARIAL VALUE OF ASSETS	$	388,757,787
Ratio of Net Actuarial Value of Assets to Pension Benefit Obligation		74.21%

EXHIBIT IX
COST OF LIVING ADJUSTMENTS - TARGET RATIO

Actuarial Value of Assets Divided by PBO as of Fiscal 1986		31.83%
Amortization of Unfunded Balance over 30 years:		56.81%
Adjustments in Funded Ratio Due To Mergers or Changes in Assumption(s):		
Changes for Fiscal 1988	5.90%	
Changes for Fiscal 1993	(1.42%)	
Changes for Fiscal 1995	(2.51%)	
Changes for Fiscal 1998	(3.99%)	
Changes for Fiscal 2001	(1.15%)	
Changes for Fiscal 2005	(2.02%)	
Changes for Fiscal 2006	3.66%	
Changes for Fiscal 2009	8.36%	
Changes for Fiscal 2010	(0.68%)	
TOTAL Adjustments		6.15%
Amortization of Adjustments in Funded Ratio over 30 years:		
Changes for Fiscal 1988	(4.52%)	
Changes for Fiscal 1993	0.85%	
Changes for Fiscal 1995	1.34%	
Changes for Fiscal 1998	1.73%	
Changes for Fiscal 2001	0.38%	
Changes for Fiscal 2005	0.40%	
Changes for Fiscal 2006	(0.61%)	
Changes for Fiscal 2009	(0.56%)	
Changes for Fiscal 2010	0.02%	
TOTAL Amortization of Adjustments		(0.97%)
Target Ratio for Current Fiscal Year		93.82%
Actuarial Value of Assets Divided by PBO as of Fiscal 2011		74.21%

EXHIBIT X
CENSUS DATA

	Active	Terminated with Funds on Deposit	DROP	Retired	Total
Number of members as of June 30, 2010	2,195	457	135	929	3,716
Additions to Census					
Initial membership	157	10			167
Death of another member				6	6
Omitted in error last year				(2)	(2)
Change in Status during Year					
Actives terminating service	(55)	55			
Actives who retired	(25)			25	
Actives entering DROP	(41)		41		
Term. members rehired	10	(10)			
Term. members who retire		(11)		11	
Retirees who are rehired					
Refunded who are rehired	3				3
DROP participants retiring			(29)	29	
DROP returned to work	15		(15)		
Omitted in error last year					
Eliminated from Census					
Refund of contributions	(64)	(41)			(105)
Deaths	(1)			(23)	(24)
Included in error last year					
Adjustment for multiple records					
Number of members as of June 30, 2011	2,194	460	132	975	3,761

ACTIVES CENSUS BY AGE:

Age	Number Male	Number Female	Total Number	Average Salary	Total Salary
16 - 20	3	5	8	18,764	150,114
21 - 25	18	93	111	22,313	2,476,719
26 - 30	38	152	190	26,037	4,947,122
31 - 35	35	166	201	30,753	6,181,317
36 - 40	24	158	182	34,461	6,271,825
41 - 45	34	219	253	34,257	8,667,111
46 - 50	46	331	377	38,445	14,493,901
51 - 55	46	361	407	42,417	17,263,804
56 - 60	49	239	288	43,402	12,499,827
61 - 65	37	148	185	42,115	7,791,344
66 - 70	26	62	88	51,364	4,520,044
71 - 75	7	15	22	54,029	1,188,645
76 - 80	4	4	8	51,862	414,893
81 - 85	1	3	4	67,840	271,360
86 - 90	1	1	2	132,561	265,122
TOTAL	369	1,957	2,326	37,577	87,403,148

THE ACTIVE CENSUS INCLUDES 1,033 ACTIVES WITH VESTED BENEFITS, INCLUDING 132 DROP PARTICIPANTS AND 87 ACTIVE FORMER DROP PARTICIPANTS.

TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
36 - 40	0	5	5	14,859	74,295
41 - 45	4	12	16	16,990	271,842
46 - 50	5	26	31	19,320	598,932
51 - 55	8	25	33	20,892	689,431
56 - 60	0	1	1	4,350	4,350
66 - 70	0	2	2	18,000	35,999
TOTAL	17	71	88	19,032	1,674,849

TERMINATED MEMBERS DUE A REFUND OF CONTRIBUTIONS:

Contributions Ranging From		To	Number	Total Contributions
0	-	99	57	2,100
100	-	499	73	19,953
500	-	999	46	35,195
1000	-	1999	38	53,537
2000	-	4999	61	202,112
5000	-	9999	56	398,538
10000	-	19999	31	441,055
20000	-	99999	10	321,014
		TOTAL	372	1,473,504

REGULAR RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
51 - 55	1	7	8	21,934	175,473
56 - 60	15	107	122	27,302	3,330,853
61 - 65	18	139	157	24,822	3,897,130
66 - 70	35	124	159	21,567	3,429,104
71 - 75	21	114	135	18,600	2,511,036
76 - 80	32	88	120	16,829	2,019,463
81 - 85	23	64	87	18,015	1,567,336
86 - 90	8	35	43	16,413	705,773
91 - 99	1	14	15	15,890	238,352
TOTAL	154	692	846	21,128	17,874,520

DISABILITY RETIREES:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
41 - 45	0	1	1	12,725	12,725
46 - 50	0	7	7	12,996	90,975
51 - 55	0	6	6	18,276	109,655
56 - 60	1	3	4	11,995	47,979
61 - 65	2	1	3	16,371	49,112
66 - 70	1	1	2	10,112	20,224
TOTAL	4	19	23	14,377	330,670

SURVIVORS:

Age	Number Male	Number Female	Total Number	Average Benefit	Total Benefit
0 - 25	2	0	2	3,768	7,535
26 - 30	0	1	1	17,950	17,950
31 - 35	0	1	1	9,834	9,834
41 - 45	0	1	1	2,781	2,781
46 - 50	1	2	3	10,982	32,945
51 - 55	0	1	1	3,971	3,971
56 - 60	3	4	7	18,252	127,766
61 - 65	3	2	5	26,678	133,392
66 - 70	4	11	15	20,656	309,843
71 - 75	5	7	12	15,382	184,586
76 - 80	3	9	12	18,474	221,685
81 - 85	5	21	26	15,445	401,571
86 - 90	2	13	15	18,460	276,894
91 - 99	1	4	5	9,108	45,540
TOTAL	29	77	106	16,757	1,776,293

ACTIVE MEMBERS:

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
						Completed Years of Service						
0 - 20	8											8
21 - 25	34	18	17	19	16	7						111
26 - 30	30	16	21	34	38	48	3					190
31 - 35	14	13	12	16	20	65	57	4				201
36 - 40	10	8	10	18	19	38	48	28	3			182
41 - 45	17	8	12	23	21	56	51	40	23	2		253
46 - 50	19	12	14	16	19	50	61	39	43	82	22	377
51 - 55	11	12	14	18	16	52	68	37	52	65	62	407
56 - 60	8	10	9	16	11	44	46	40	24	33	47	288
61 - 65	6	4	8	5	12	36	38	29	12	17	18	185
66 - 70	2		2	6	3	12	14	11	12	9	17	88
71 & Over				2		6	7	3	3	2	13	36
Totals	159	101	119	173	175	414	393	231	172	210	179	2326

AVERAGE ANNUAL SALARY OF ACTIVE MEMBERS:

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Salary
						Completed Years of Service						
0 - 20	18,764											18,764
21 - 25	21,558	20,989	20,928	21,883	25,835	25,861						22,313
26 - 30	25,005	22,781	26,082	24,450	26,713	28,363	25,638					26,037
31 - 35	29,308	29,556	27,762	25,619	30,448	30,711	33,224	36,212				30,753
36 - 40	30,977	19,439	24,395	29,587	28,509	34,615	39,162	38,324	73,381			34,461
41 - 45	29,101	27,359	24,314	24,847	28,702	36,003	36,398	37,813	43,615	49,712		34,257
46 - 50	29,304	21,369	30,850	34,239	30,491	34,877	36,790	38,230	46,915	44,739	43,486	38,445
51 - 55	28,586	21,160	42,246	26,875	33,906	35,384	38,716	43,125	48,144	51,531	50,911	42,417
56 - 60	26,274	28,942	35,577	33,534	27,581	40,224	39,625	43,993	49,252	55,245	52,821	43,402
61 - 65	26,342	27,433	26,672	35,962	29,339	33,805	36,256	49,263	49,967	49,084	73,385	42,115
66 - 70	37,644		50,940	25,145	27,989	42,177	34,329	54,112	49,969	39,676	92,316	51,364
71 & Over				28,969		30,356	38,144	37,185	33,769	45,540	102,231	59,445
Average	26,181	23,866	28,833	27,270	28,817	34,128	36,976	42,044	47,830	48,682	60,419	37,577

TERMINATED MEMBERS DUE A DEFERRED RETIREMENT BENEFIT:

Years Until Retirement Eligibility

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 35												0
36 - 40								5				5
41 - 45							16					16
46 - 50						31						31
51 - 55	5	8	6	7	7							33
56 - 60		1										1
61 - 65												0
66 - 70	2											2
71 & Over												0
Totals	7	9	6	7	7	31	16	5	0	0	0	88

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

Years Until Retirement Eligibility

Attained Ages	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 35												0
36 - 40								14,859				14,859
41 - 45							16,990					16,990
46 - 50						19,320						19,320
51 - 55	17,731	22,747	20,261	21,001	21,462							20,892
56 - 60		4,350										4,350
61 - 65												0
66 - 70	17,999											17,999
71 & Over												0
Average	17,808	20,703	20,261	21,001	21,462	19,320	16,990	14,859	0	0	0	19,032

SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 50												0
51 - 55	8											8
56 - 60	31	27	18	20	14	12						122
61 - 65	7	18	18	7	13	89	5					157
66 - 70	8	5	14	12	8	44	61	4	2	1		159
71 - 75	3	3	6	1	3	31	46	34	7	1		135
76 - 80	2		2	3	1	19	28	16	44	5		120
81 - 85	1		2			2	21	12	13	33	3	87
86 - 90						1	3	1	11	13	14	43
91 & Over							1		3	1	10	15
Totals	60	53	60	43	39	198	165	67	80	54	27	846

AVERAGE ANNUAL BENEFITS PAYABLE TO SERVICE RETIREES:

Attained Ages	Completed Years Since Retirement											Average Benefit
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	
0 - 50												0
51 - 55	21,934											21,934
56 - 60	34,365	26,816	23,797	24,233	27,689	20,071						27,302
61 - 65	21,291	23,419	30,596	16,625	23,279	25,012	26,147					24,822
66 - 70	24,928	14,854	30,637	22,355	22,171	22,336	19,732	17,171	8,124	9,479		21,567
71 - 75	18,324	19,201	37,250	23,817	19,596	20,976	16,053	16,344	20,370	5,377		18,600
76 - 80	11,189		22,795	8,974	29,005	16,197	18,278	17,802	16,200	15,689		16,829
81 - 85	18,185		49,514			15,750	22,710	13,742	18,103	15,573	9,188	18,015
86 - 90						7,847	53,599	21,707	16,741	14,950	9,780	16,413
91 & Over							20,794		18,520	23,791	13,821	15,890
Average	28,080	24,103	29,602	21,396	24,498	22,460	19,655	16,355	16,833	15,284	11,211	21,128

DISABILITY RETIREES:

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

AVERAGE ANNUAL BENEFITS PAYABLE TO DISABILITY RETIREES:

Attained Ages	Completed Years Since Retirement: 0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 40												0
41 - 45					12,725							12,725
46 - 50	11,280	21,144	13,518			7,963						12,996
51 - 55	10,646		13,293	46,813		12,968						18,276
56 - 60			15,904			12,317		7,440				11,995
61 - 65	27,805					14,088		7,219				16,370
66 - 70				11,317		8,907						10,112
71 & Over												0
Average	16,577	21,144	14,239	29,065	12,725	11,042	0	7,329	0	0	0	14,377

SURVIVING BENEFICIARIES OF FORMER MEMBERS:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Total
0 - 20						1						1
21 - 25						1						1
26 - 30						1						1
31 - 35				1								1
36 - 40												0
41 - 45							1					1
46 - 50			1			1	1					3
51 - 55								1				1
56 - 60			1			3	2	1				7
61 - 65			1		1	2	1					5
66 - 70		1				5	3	4		1	1	15
71 - 75			1		1	2	3	1	2	2		12
76 - 80			1			1	2	4	2		2	12
81 - 85						1	5	4	4	10	2	26
86 - 90									4	6	5	15
91 & Over								1	1		3	5
Totals	0	1	5	1	2	18	18	16	13	19	13	106

AVERAGE ANNUAL BENEFITS PAYABLE TO SURVIVORS OF FORMER MEMBERS:

Attained Ages	Completed Years Since Retirement											
	0	1	2	3	4	5- 9	10-14	15-19	20-24	25-29	30&Over	Average Benefit
0 - 20						3,767						3,767
21 - 25						3,767						3,767
26 - 30						17,950						17,950
31 - 35				9,834								9,834
36 - 40												0
41 - 45							2,781					2,781
46 - 50			23,860			6,305	2,781					10,982
51 - 55								3,971				3,971
56 - 60			16,622			23,597	18,598	3,156				18,252
61 - 65			46,211		42,454	8,603	27,522					26,678
66 - 70		48,759				16,780	22,996	19,464		28,365	1,975	20,656
71 - 75			13,259		37,182	14,225	18,273	8,304	8,314	12,972		15,382
76 - 80			76,605			4,934	7,117	20,973	11,653		9,355	18,474
81 - 85						2,589	29,729	12,580	13,943	12,703	8,606	15,445
86 - 90									19,430	22,690	12,607	18,460
91 & Over								19,673	8,009		5,953	9,108
Average	0	48,759	35,311	9,834	39,818	13,314	19,832	15,449	13,956	16,710	9,138	16,757

EXHIBIT XI
YEAR-TO-YEAR COMPARISON

	Fiscal 2011	Fiscal 2010	Fiscal 2009	Fiscal 2008
Number of Active Members	2,326	2,330	2,371	2,408
Number of Retirees & Survivors	975	929	894	849
Number of Terminated Due Deferred Benefits	88	97	101	101
Number Terminated Due Refund	372	360	338	303
Active Lives Payroll	$ 87,403,148	$ 86,484,686	$ 85,840,893	$ 83,637,009
Retiree Benefits in Payment	$ 19,981,483	$ 18,640,843	$ 17,431,083	$ 15,861,293
Market Value of Assets	$ 378,083,955	$ 301,692,473	$ 271,624,094	$ 331,865,504
Ratio of Actuarial Value of Assets to GASB-25 Accrual Liability	81.63%	80.50%	79.72%	80.71%
Actuarial Value of Assets	$ 388,757,787	$ 358,981,529	$ 338,755,452	$ 356,502,864
Frozen Unfunded Actuarial Accrued Liability	$ 87,493,460	$ 86,953,999	$ 86,185,073	$ 85,215,896
Present Value of Future Employer Normal Cost	$ 127,887,962	$ 135,032,044	$ 141,512,187	$ 93,305,942
Present Value of Future Employee Contributions	$ 49,250,744	$ 49,677,464	$ 51,983,870	$ 50,730,673
Funding Deposit Account Balance	$ 603,658	$ 558,943	$ 517,540	$ 0
Present Value of Future Benefits	$ 652,786,295	$ 630,086,093	$ 617,919,042	$ 585,755,375

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	Fiscal 2012	Fiscal 2011	Fiscal 2010	Fiscal 2009
Employee Contribution Rate	8.25%	8.25%	8.25%	8.25%
Proj. Tax Contribution as % of Projected Payroll	9.31%	9.27%	8.99%	8.12%
Minimum Actuarially Req'd Net Direct Employer	16.21%	16.98%	17.05%	11.80%
Actual Net Direct Employer Contribution Rate	17.25%	17.25%	14.75%	11.75%

Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003	Fiscal 2002
2,364	2,227	2,386	2,356	2,333	2,272
825	817	776	743	716	694
102	100	92	83	74	75
266	274	204	221	181	172
$ 78,384,249	$ 70,935,731	$ 73,542,403	$ 70,699,191	$ 67,515,714	$ 64,135,719
$ 15,032,502	$ 14,133,920	$ 12,936,610	$ 11,863,330	$ 11,391,676	$ 10,694,711
$ 348,448,803	$ 298,451,085	$ 261,821,679	$ 234,052,785	$ 203,267,112	$ 193,897,318
79.46%	77.71%	74.80%	73.10%	72.30%	72.45%
$ 325,278,452	$ 288,606,478	$ 241,537,822	$ 218,345,837	$ 206,768,548	$ 204,897,570
$ 84,072,966	$ 82,780,287	$ 81,359,582	$ 80,357,648	$ 79,202,081	$ 77,914,593
$ 85,994,867	$ 86,249,033	$ 119,947,430	$ 100,729,458	$ 88,389,983	$ 66,233,967
$ 51,293,939	$ 48,105,080	$ 50,894,701	$ 46,759,949	$ 45,462,833	$ 43,996,636
$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
$ 546,640,224	$ 505,740,878	$ 493,739,535	$ 446,192,892	$ 419,823,445	$ 393,042,766

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Fiscal 2008	Fiscal 2007	Fiscal 2006	Fiscal 2005	Fiscal 2004	Fiscal 2003
8.25%	8.25%	8.25%	8.25%	8.25%	8.25%
7.62%	7.92%	7.00%	7.10%	7.01%	7.10%
11.41%	12.22%	16.57%	15.73%	14.32%	11.36%
11.75%	16.75%	15.75%	14.50%	11.50%	10.00%

SUMMARY OF PRINCIPAL PLAN PROVISIONS

The Clerks' of Court Retirement and Relief Fund is a defined benefit pension plan which provides retirement allowances and other benefits. The following summary of plan provisions is for general informational purposes only and does not constitute a guarantee of benefits.

MEMBERSHIP - Members include the clerk of the supreme court, each of the courts of appeal, each of the district courts, and each of the city and traffic courts in cities having a population in excess of four hundred thousand, and the employees of such clerks, who work an average of more than twenty hours per week, and the employees of the Louisiana Clerks of Court Association, the Louisiana Clerks' of Court Retirement and Relief Fund, and the Louisiana Clerks of Court Insurance Fund.

CONTRIBUTION RATES - The fund is financed by employee contributions of 8.25% of salary and employer contributions as determined annually by the Public Retirement System's Actuarial Committee. The board of trustees is authorized to require a net direct contribution rate of up to three percent more than the rate determined under R.S. 11:103. In any fiscal year during which the net direct employer contribution rates would otherwise be decreased, the board of trustees is authorized to set the employer contribution rate at any point between the previous year's employer contribution rate and the decreased rate that would otherwise occur. Any excess funds resulting from the additional contributions will credited to the Funding Deposit Account defined in R.S. 11:107.1. In addition, the fund is due 0.25% of ad valorem taxes shown to be collected by the tax rolls of each parish (0.50 % for Orleans Parish) and revenue sharing funds as appropriated each year by the legislature.

CONTRIBUTION REFUNDS - Upon withdrawal from service, members not entitled to a retirement allowance are paid a refund of accumulated contributions upon request. Receipt of such a refund cancels all accrued rights in the system.

RETIREMENT BENEFITS - Members with twelve or more years of creditable service may retire at age fifty-five (age sixty if they are hired on or after January 1, 2011). The retirement allowance is equal to three percent of the member's monthly average final compensation multiplied by the number of years of creditable service, not to exceed one hundred percent of monthly average final compensation. The retirement benefit accrual rate is increased to 3 1/3% for all service credit accrued after June 30, 1999 (for members hired prior to January 1, 2011). For members whose first employment making them eligible for system membership began before July 1, 2006 and who retire prior to January 1, 2011, monthly average final compensation is based on the highest thirty-six consecutive months, with a limit of increase of 10% in each of the last three years of measurement. For members whose first employment making them eligible for system membership began on or after July 1, 2006, monthly average final compensation is based on the highest compensated sixty consecutive months or successive joined months if service was interrupted, with a limit increase of 10% in each of the last five years of measurement. For members who were employed prior to July 1, 2006 and who retire after December 31, 2010, the period of final average compensation is thirty-six months plus the number of whole months elapsed since January 1, 2011, not to exceed sixty months.

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

> **Option 1** - If the member dies before he has received in annuity payments the present value of his member's annuity as it was at the time of retirement the balance is paid to his beneficiary.
>
> **Option 2** - Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will continue to receive the same reduced benefit.
>
> **Option 3** - Upon retirement, the member receives a reduced benefit. Upon the member's death, the designated beneficiary will receive one-half of the member's reduced benefit.
>
> **Option 4** - Upon retirement, the member elected to receive a board approved benefit which is actuarially equivalent to the maximum benefit.
>
> **Option 5** - Upon retirement, the member receives 90% of the maximum benefit. Upon the death of the member, the spouse receives one-half of the reduced benefit.
>
> A member may also elect to receive an actuarially reduced benefit which provides for an automatic 2 ½% annual compound increase in monthly retirement benefits based on the reduced benefit and commencing on the later of age fifty-five or retirement anniversary; this COLA is in addition to any ad hoc COLAs which are payable.

DISABILITY BENEFITS - Disability benefits are awarded to active members who are totally and permanently disabled as a result of injuries sustained in the line of duty or to active members with ten or more years of creditable service who are totally disabled due to any cause. A member who is officially certified as totally and permanently disabled by the State Medical Disability Board will be paid monthly disability retirement benefits equal to the greater of forty percent of their monthly average final compensation or seventy-five percent of their monthly regular retirement benefit computed as per R.S. 11:1521(C).

SURVIVOR BENEFITS - Upon the death of any active contributing member with less than five years of creditable service, his accumulated contributions are paid to his designated beneficiary. Upon the death of any active contributing member with five or more years of service, automatic option 2 benefits are payable to the surviving spouse. These benefits are based on the retirement benefits accrued at the member's date of death with option factors used as if the member had continued in service to earliest normal retirement age. Benefit payments commence on the date a member would have first become eligible for normal retirement assuming continued service until that time. In lieu of a deferred survivor benefit, the surviving spouse may elect benefits payable immediately with benefits reduced one-quarter of 1% for each month by which payments commence in advance of member's earliest normal retirement age. If a member has no surviving spouse, the surviving minor children under eighteen or disabled children are paid one-half of the member's accrued retirement benefit in equal shares. Upon the death of any former member with less than twelve years of service, the designated beneficiary may receive his accumulated contributions. Upon the death of any former member with twelve or more years of service, automatic option 2 benefits are payable to the surviving spouse with payments to commence on the member's retirement eligibility date. In lieu of periodic payments, the surviving spouse or children may receive a refund of the member's accumulated contributions.

DEFERRED RETIREMENT OPTION PLAN - In lieu of terminating employment and accepting a service retirement allowance, any member of the system who is eligible for a service retirement allowance may elect to participate in the Deferred Retirement Option Plan for up to thirty-six months and defer the receipt of benefits. Upon commencement of participation in the plan, active membership in the system terminates and the participant's contributions cease; however, employer contributions continue. Compensation and creditable service remain as they existed on the effective date of commencement of participation in the plan. The monthly retirement benefits that would have been payable, had the member elected to cease employment and receive a service retirement allowance, are paid into the Deferred Retirement Option Plan account. Upon termination of employment at the end of the specified period of participation, a participant in the program may receive, at his option, a lump sum payment from the account equal to the payments to the account, or a true annuity based upon his account (subject to approval by the Board of Trustees); in addition, the member receives the monthly benefits that were paid into the fund during the period of participation. If employment is not terminated at the end of the participation period, payments into the account cease and the member resumes active contributing membership in the system. Interest is paid on DROP account balances for members who complete their DROP participation but do not terminate employment. The interest earnings are based on the actual rate of return on funds in such accounts. These interest accruals cease upon termination of employment. Upon termination, the member receives a lump sum payment from the DROP fund equal to the payments made to that fund on his behalf, or a true annuity based on his account (subject to approval by the Board of Trustees). The monthly benefit payments that were being paid into the DROP fund are paid to the retiree and an additional benefit based on his additional service rendered since termination of DROP participation is calculated using the normal method of benefit computation. Prior to January 1, 2011, the average compensation used to calculate the additional benefit is that used to calculate the original benefit unless his period of additional service is at least thirty-six months; effective January 1, 2011 the average compensation for members whose additional service is less than thirty-six months is equal to the lesser of the amount used to calculate his original benefit or the compensation earned in the period of additional service divided by the number of months of additional service. For former DROP participants who retire after December 31, 2010, the period used to determine final average compensation for post-DROP service is thirty-six months plus the number of whole months elapsed from January 1, 2011 to the date of DROP entry. In no event can the entire monthly benefit amount paid to the retiree exceed 100% of the average compensation used to compute the additional benefit. If a participant dies during the period of participation in the program, a lump sum payment equal to his account balance is paid to his named beneficiary or, if none, to his estate.

COST OF LIVING INCREASES - The board of trustees is authorized to grant retired members and widows of members who have been retired for at least one full calendar year an annual cost of living increase of 2.50% of their benefit (not to exceed forty dollars per month), and all retired members and widows who are sixty-five years of age and older a 2% increase in their original benefit (or their benefit as of October 1, 1977, if they retired prior to that time). In order to grant the 2.50% COLA the increase in the Consumer Price Index must have exceeded 3% since the last COLA granted. In order for the board to grant either of these increases, the system must meet certain other criteria detailed in the statute related to funding status. In lieu of granting the above cost of living increases, the board of trustees may grant a cost of living increase in the form of $\$X \times (A+B)$. In this formula, X is any amount up to one dollar per month. “A” represents the number of years of credited service at retirement or death, and “B” is equal to the number of years since retirement or since death of the member or retiree through June 30th of the initial year of such increase.

ACTUARIAL ASSUMPTIONS

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

Factor	Increase in Factor Results in
Investment Earnings Rate	Decrease in Cost
Annual Rate of Salary Increase	Increase in Cost
Rates of Retirement	Increase in Cost
Rates of Termination	Decrease in Cost
Rates of Disability	Increase in Cost
Rates of Mortality	Decrease in Cost

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

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

ACTUARIAL ASSET VALUES: Assets are valued at market value adjusted to defer four-fifths of all earnings above or below the valuation interest rate in the valuation year, three-fifths of all earnings above or below the valuation interest rate in the prior year, two-fifths of all earnings above or below the valuation interest rate from two years prior, and one-fifth of all earnings above or below the valuation interest rate from three years prior. The resulting smoothed values are subject to a corridor of 85% to 115% of the market value of assets. If the smoothed value falls outside the corridor, the actuarial value is set equal to the average of the corridor limit and the smoothed value.

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

ACTIVE MEMBER, ANNUITANT, AND BENEFICIARY MORTALITY: RP 2000 Combined Healthy Table set back 3 years for males and 1 years for females

RETIREE COST OF LIVING INCREASE: The present value of future retirement benefits is based on benefits currently being paid by the system and includes previously granted cost of living increases. The present values do not include provisions for potential future increases not yet authorized by the Board of Trustees.

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

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

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

Service	Factor	Service	Factor
<1	0.180	10	0.030
1	0.140	11	0.030
2	0.110	12	0.030
3	0.090	13	0.030
4	0.080	14	0.030
5	0.060	15	0.030
6	0.060	16	0.030
7	0.050	17	0.030
8	0.030	18	0.015
9	0.030	>18	0.015

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

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

DROP PARTICIPATION: All persons who enter the DROP are assumed to participate for the full 3 year period.

RETIREMENT RATES FOR ACTIVE FORMER DROP PARTICIPANTS: The rate for all ages is assumed to be 17%.

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

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

Member's Age	% With Children	Number of Children	Average Age
25	62%	1.7	6
35	82%	2.1	10
45	66%	1.8	13
55	19%	1.4	15
65	2%	1.4	15

DISABLED LIVES MORTALITY: RP-2000 Disabled Lives Mortality Tables for Males and Females

DISABILITY RATES: 20% of the disability rates used for the 21st valuation of the Railroad Retirement System for individuals with 10-19 years of service. The table of these rates is included later in the report.

SERVICE RELATED DISABILITIES: 10% of total disabilities

VESTING ELECTING PERCENTAGE: 80% of those vested elect deferred benefits in lieu of contribution refunds.

ACTUARIAL TABLES AND RATES

Age	Male Mortality Rates	Female Mortality Rates	Retirement Rates	DROP Entry Rates	Disability Rates	Post 1/1/2011 Hires Retirement Rates	Post 1/1/2011 Hires DROP Entry Rates
18	0.00027	0.00018	0.00000	0.00000	0.00030	0.00000	0.00000
19	0.00028	0.00019	0.00000	0.00000	0.00030	0.00000	0.00000
20	0.00030	0.00019	0.00000	0.00000	0.00030	0.00000	0.00000
21	0.00032	0.00019	0.00000	0.00000	0.00030	0.00000	0.00000
22	0.00033	0.00019	0.00000	0.00000	0.00030	0.00000	0.00000
23	0.00035	0.00019	0.00000	0.00000	0.00030	0.00000	0.00000
24	0.00036	0.00020	0.00000	0.00000	0.00030	0.00000	0.00000
25	0.00037	0.00020	0.00000	0.00000	0.00030	0.00000	0.00000
26	0.00037	0.00021	0.00000	0.00000	0.00030	0.00000	0.00000
27	0.00038	0.00021	0.00000	0.00000	0.00030	0.00000	0.00000
28	0.00038	0.00022	0.00000	0.00000	0.00030	0.00000	0.00000
29	0.00038	0.00024	0.00000	0.00000	0.00030	0.00000	0.00000
30	0.00038	0.00025	0.00000	0.00000	0.00030	0.00000	0.00000
31	0.00039	0.00026	0.00000	0.00000	0.00030	0.00000	0.00000
32	0.00041	0.00031	0.00000	0.00000	0.00030	0.00000	0.00000
33	0.00044	0.00035	0.00000	0.00000	0.00030	0.00000	0.00000
34	0.00050	0.00039	0.00000	0.00000	0.00034	0.00000	0.00000
35	0.00056	0.00044	0.00000	0.00000	0.00038	0.00000	0.00000
36	0.00063	0.00047	0.00000	0.00000	0.00042	0.00000	0.00000
37	0.00070	0.00051	0.00000	0.00000	0.00048	0.00000	0.00000
38	0.00077	0.00055	0.00000	0.00000	0.00054	0.00000	0.00000
39	0.00084	0.00060	0.00000	0.00000	0.00062	0.00000	0.00000
40	0.00090	0.00065	0.00000	0.00000	0.00070	0.00000	0.00000
41	0.00096	0.00071	0.00000	0.00000	0.00078	0.00000	0.00000
42	0.00102	0.00077	0.00000	0.00000	0.00088	0.00000	0.00000
43	0.00108	0.00085	0.00000	0.00000	0.00100	0.00000	0.00000
44	0.00114	0.00094	0.00000	0.00000	0.00114	0.00000	0.00000
45	0.00122	0.00103	0.00000	0.00000	0.00130	0.00000	0.00000
46	0.00130	0.00112	0.00000	0.00000	0.00146	0.00000	0.00000
47	0.00140	0.00122	0.00000	0.00000	0.00166	0.00000	0.00000
48	0.00151	0.00133	0.00000	0.00000	0.00188	0.00000	0.00000
49	0.00162	0.00143	0.00000	0.00000	0.00214	0.00000	0.00000
50	0.00173	0.00155	0.00000	0.00000	0.00244	0.00000	0.00000
51	0.00186	0.00168	0.00000	0.00000	0.00276	0.00000	0.00000
52	0.00200	0.00185	0.00000	0.00000	0.00314	0.00000	0.00000
53	0.00214	0.00202	0.00000	0.00000	0.00356	0.00000	0.00000
54	0.00245	0.00221	0.00000	0.00000	0.00404	0.00000	0.00000
55	0.00267	0.00242	0.20000	0.40000	0.00460	0.00000	0.00000
56	0.00292	0.00272	0.06500	0.20000	0.00522	0.00000	0.00000
57	0.00320	0.00309	0.06500	0.20000	0.00592	0.00000	0.00000
58	0.00362	0.00348	0.06500	0.20000	0.00674	0.00000	0.00000
59	0.00420	0.00392	0.06500	0.20000	0.00976	0.00000	0.00000
60	0.00469	0.00444	0.06500	0.20000	0.00976	0.20000	0.40000
61	0.00527	0.00506	0.06500	0.28000	0.00976	0.06500	0.28000
62	0.00595	0.00581	0.06500	0.28000	0.00976	0.06500	0.28000
63	0.00675	0.00666	0.06500	0.28000	0.00976	0.06500	0.28000
64	0.00768	0.00765	0.15000	0.40000	0.00976	0.15000	0.40000
65	0.00876	0.00862	0.15000	0.40000	0.00976	0.15000	0.40000
66	0.01001	0.00971	0.15000	0.40000	0.00976	0.15000	0.24000
67	0.01128	0.01095	0.15000	0.40000	0.00976	0.15000	0.24000
68	0.01274	0.01216	0.15000	0.40000	0.00976	0.15000	0.24000
69	0.01441	0.01344	0.15000	0.40000	0.00976	0.15000	0.24000
70	0.01607	0.01486	0.15000	0.40000	0.00976	0.15000	0.40000
71	0.01787	0.01674	0.15000	0.40000	0.00976	0.15000	0.40000
72	0.01980	0.01858	0.15000	0.40000	0.00976	0.15000	0.40000
73	0.02221	0.02067	0.15000	0.40000	0.00976	0.15000	0.40000
74	0.02457	0.02297	0.15000	0.40000	0.00976	0.15000	0.40000
75	0.02728	0.02546	0.15000	0.40000	0.00976	0.15000	0.40000

GLOSSARY

Accrued Benefit – The pension benefit that an individual has earned as of a specific dated based on the provisions of the plan and the individual's age, service, and salary as of that date.

Actuarial Accrued Liability – The actuarial present value of benefits payable to members of the fund less the present value of future normal costs attributable to the members.

Actuarial Assumptions - Assumptions as to the occurrence of future events affecting pension costs. These assumptions include rates of mortality, withdrawal, disablement, and retirement. Also included are rates of investment earnings, changes in compensation, as well as statistics related to marriage and family composition.

Actuarial Cost Method – A procedure for determining the portion of the cost of a pension plan to be allocated to each year. Each cost method allocates a certain portion of the actuarial present value of benefits between the actuarial accrued liability and future normal costs. Once this allocation is made, a determination of the normal cost attributable to a specific year can be made along with the payment to amortize any unfunded actuarial accrued liability. To the extent that a particular funding method allocates a greater (lesser) portion of the actual present value of benefits to the actuarial accrued liability it will allocate less (more) to future normal costs.

Actuarial Equivalence – Payments or receipts with equal actuarial value on a given date when valued using the same set of actuarial assumptions.

Actuarial Gain (Loss) – The financial effect on the fund of the difference between the expected and actual experience of the fund. The experience may be related to investment earnings above (or below) those expected or changes in the liability structure due to fewer (or greater) than the expected numbers of retirements, deaths, disabilities, or withdrawals. In addition, other factors such as pay increases above (or below) those forecast can result in actuarial gains or losses. The effect of such gains (or losses) is to decrease (or increase) future costs.

Actuarial Present Value - The value, as of a specified date, of an amount or series of amounts payable or receivable thereafter, with each amount adjusted to reflect the time value of money (through accrual of interest) and the probability of payments. For example: if $600 invested today will be worth $1,000 in 10 years and there is a 50% probability that a person will live 10 years, then the actuarial present value of $1,000 payable to that person if he should survive 10 years is $300.

Actuarial Value of Assets - The value of cash, investments, and other property belonging to the pension plan as used by the actuary for the purpose of the actuarial valuation. This may correspond to the book value, market value, or some modification involving either or both book and market value. Adjustments to market values are often made to reduce the volatility of asset values.

Asset Gain (Loss) - That portion of the actuarial gain attributable to investment performance above (below) the expected rate of return in the actuarial assumptions.

Amortization Payment - That portion of the pension plan contribution designated to pay interest and reduce the outstanding principal balance of unfunded actuarial accrued liability. If the amortization payment is less than the accrued interest on the unfunded actuarial accrued liability the outstanding principal balance will increase.

Contribution Shortfall (Excess) - The difference between contributions recommended in the prior valuation and the actual amount received.

Decrements – Events which result in the termination of membership in the system such as retirement, disability, withdrawal, or death.

Employer Normal Cost - That portion of the normal cost not attributable to employee contributions. It includes both direct contributions made by the employer and contributions from other non-employee sources such as revenue sharing and revenues related to taxes.

Funded Ratio – A measure of the ratio of assets to liabilities of the system according to a specific definition of those two values. Typically the assets used in the measure are the actuarial value of assets; the liabilities are defined by reference to some recognized actuarial funding method. Thus the funded ratio of a plan depends not only on the financial strength of the plan but also on the funding method used to determine the liabilities and the asset valuation method used to determine the assets in the ratio.

Normal Cost - That portion of the actuarial present value of pension plan benefits and expenses allocated to a valuation year by the actuarial cost method. This is analogous to one year's insurance premium.

Pension Benefit Obligation - The actuarial present value of benefits earned or credited to date based on the members expected final average compensation at retirement. For current retirees or terminated members this is equivalent to the actuarial present value of their accrued benefit.

Projected Benefits – The benefits expected to be paid in the future based on the provisions of the plan and the actuarial assumptions. The projected values are based on anticipated future advancement in age and accrual of service as well as increases in salary paid to the participant.

Unfunded Actuarial Accrued Liability - The excess of the actuarial accrued liability over the actuarial value of assets.

Vested Benefits - Benefits that the members are entitled to even if they withdraw from service.